DRAFT RED HERRING PROSPECTUS
Dated August 7, 2017
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 32 of the Companies Act, 2013
Book Built Offer

आपत्काले रक्षिष्यामि
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GENERAL INSURANCE CORPORATION OF INDIA

Our Corporation was incorporated at Mumbai on November 22, 1972 as General Insurance Corporation of India, a private limited company under the Companies Act, 1956. Our orporation was converted into a public limited company with effect from March 7, 2016. For details relating to change in the registered office of our Corporation, see "History and Certain Corporate Matters" beginning on page 162.

Registered Office and Corporate Office: 'Suraksha' 170, J Tata Road, Churchgate, Mumbai 400 020; **Tel**: (91 22) 2286 7000; **Fax**: (91 22) 2288 4010
Contact Person: Suchita Gupta, Company Secretary and Compliance Officer; **E-mail**: investors.gic@gicofindia.com; **Website**: www.gicofindia.com
Corporate Identity Number: U67200MH1972GOI016133; **IRDAI Registration Number** 112, dated April 2, 2001

OUR PROMOTER: THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF FINANCE

INITIAL PUBLIC OFFER OF 124,700,000 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF GENERAL INSURANCE CORPORATION OF INDIA ("CORPORATION") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] MILLION ("OFFER") COMPRISING A FRESH ISSUE OF 17,200,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY THE CORPORATION ("FRESH ISSUE") AND AN OFFER FOR SALE OF 107,500,000 EQUITY SHARES BY OUR PROMOTER (THE "SELLING SHAREHOLDER") AGGREGATING TO ₹ [●] MILLION ("OFFER FOR SALE"). THE OFFER WOULD CONSTITUTE 14.22 % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 5 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR CORPORATION AND THE SELLING SHAREHOLDER IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMs") AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], ALL EDITIONS OF [●] AND [●] EDITION OF [●] (WHICH ARE ENGLISH, HINDI AND MARATHI NEWSPAPERS, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE THE REGISTERED OFFICE OF OUR CORPORATION IS LOCATED), EACH WITH WIDE CIRCULATION AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to BSE and NSE, by issuing a press release, and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Members.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") wherein at least 10% of the post Offer paid up equity share capital of our Corporation shall be offered to the public. The Offer is being made in accordance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI ICDR Regulations**"). The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"). 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank account which will be blocked by the SCSBs, to participate in this Offer. For details, see "*Offer Procedure*" beginning on page 474.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Corporation, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 5 each and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value.The Offer Price (determined and justified by our Corporation and the Selling Shareholder, in consultation with the BRLMs, as stated under "Basis for Offer Price" beginning on page 90) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Corporation and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 19.

DISCLAIMER CLAUSE OF THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (THE "IRDAI")

The IRDAI does not undertake any responsibility for the financial soundness of our Corporation or for the correctness of any of the statements made or opinions expressed in this connection. Any approval by the IRDAI under the IRDAI Issuance of Capital Regulations (as defined in "Definitions and Abbreviations") shall not in any manner be deemed to be or serve as a validation of the representations by our Corporation in the offer Draft Red Herring Prospectus.

CORPORATION'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Corporation and the Selling Shareholder, having made all reasonable inquiries, accept responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Corporation and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Corporation has received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to letter bearing number [●] dated [●] and letter bearing number [●] dated [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be the [●].

BOOK RUNNING LEAD MANAGERS					REGISTRAR TO THE OFFER
citi	AXIS CAPITAL	Deutsche Bank	HSBC	kotak® Investment Banking	[●]
Citigroup Global Markets India Private Limited 1202, First International Financial Centre, G-Block Bandra Kurla Complex Mumbai 400 098 Tel: (91 22) 6175 9999 Fax: (91 22) 6175 9961 E-mail: gic.ipo@citi.com Investor grievance e-mail: investors.cgmib@citi.com Contact person: Ashish Guneta Website: www.online.citibank.co.in SEBI registration number: INM000010718	**Axis Capital Limited#** 1st Floor Axis House C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli Mumbai 400 025 Tel: (91 22) 4325 2183 Fax: (91 22) 4325 3000 E-mail:gic.ipo@axiscap.in Investor grievance e-mail: complaints@axiscap.in Contact person: Lohit Sharma Website: www.axiscapital.co.in SEBI registration number: INM000012029	**Deutsche Equities India Private Limited** The Capital, 14th floor, C -70, G Block, Bandra Kurla Complex Mumbai 400 051 Tel: (91 22) 7180 4444 Fax: (91 22) 7180 4199 E-mail: gicofindia.ipo@db.com Investor grievance e-mail: db.redressal@db.com Contact person: Viren Jairath Website: www.db.com/India SEBI registration number: INM000010833	**HSBC Securities and Capital Markets (India) Private Limited** 52/60, Mahatma Gandhi Road Fort, Mumbai 400 001 Tel: (91 22) 2268 5555 Fax: (91 22) 2263 1284 E-mail: gicreipo@hsbc.co.in Investor grievance e-mail: investorgrievance@hsbc.co.in Contact person: Rishabh Rajesh Garg Website: www.hsbc.co.in/1/2/corporate/equitiesgloablinvestmentbanking SEBI registration number: INM000010353	**Kotak Mahindra Capital Company Limited** 1st Floor, 27 BKC, Plot No. 27 G Block Bandra Kurla Complex, Bandra (East) Mumbai 400 051 Tel: (91 22) 4336 0000 Fax: (91 22) 6713 2447 E-mail: gicre.ipo@kotak.com Investor grievance e-mail: kmccredressal@kotak.com Contact person: Ganesh Rane Website: www.investmentbank.kotak.com SEBI registration number: INM000008704	**[●]** Address: [●] Tel: [●] Fax: [●] Email: [●] Investor grievance e-mail: [●] Contact person: [●] Website: [●] SEBI registration number: [●]

BID/OFFER PROGRAMME	
BID/OFFER OPENS ON	[●]
BID/OFFER CLOSES ON*	[●]

\# *In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, Axis Capital Limited will be involved only in marketing of the Offer.*

* *The Selling Shareholder and our Corporation may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings provided below. References to any legislation, act, regulation, rules, guidelines, policies, circulars, notifications or clarifications shall be to such legislation, act, regulation, rules, guidelines, policies, circulars, notifications or clarifications as amended.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, the Insurance Act and the rules and regulations made thereunder, unless the context otherwise indicates or implies.

General Terms

Term	Description
our Corporation / the Corporation	The General Insurance Corporation of India, a company incorporated under the Companies Act, 1956 and having its registered office at 'Suraksha' 170. J Tata Road, Churchgate, Mumbai 400 020
we / us / our	Unless the context otherwise indicates or implies, refers to our Corporation together with its Subsidiaries

Corporation Related Terms

Term	Description
AICIL	Agriculture Insurance Company of India Limited
AoA / Articles of Association	The Articles of Association of our Corporation, as amended
Appointed Actuary	The Appointed Actuary of our Corporation
Associate(s)	The associates of our Corporation, namely, GIC Bhutan Re Limited, Agriculture Insurance Company Limited and India International Insurance Pte Limited
Board / Board of Directors	The Board of Directors of our Corporation or a duly constituted committee thereof
Director(s)	The Director(s) of our Corporation
Equity Shares	The equity shares of our Corporation of face value of ₹ 5 each
Group Companies	The companies which are covered under the applicable accounting standards and also other companies as considered material by our Board, as identified in the section "*Our Group Companies*" beginning on page 183
Joint Auditors / Joint Statutory Auditors	M/s. Samria & Co., and M/s G B C A & Associates
Key Management Personnel / KMP	The key management personnel of our Corporation in terms of the SEBI ICDR Regulations, the Companies Act, 2013 and the Corporate Governance Guidelines and as identified in the section "*Our Management*" beginning on page 166
MoA / Memorandum of Association	The Memorandum of Association of our Corporation, as amended
Promoter	The promoter of our Corporation is the President of India
Registered Office and Corporate Office	The registered office and the corporate office of our Corporation located at 'Suraksha' 170, J Tata Road, Churchgate, Mumbai 400 020
Restated Consolidated Financial Information	The consolidated financial information of our Corporation prepared from its audited consolidated financial statements for the Fiscal Years 2014, 2015, 2016 and 2017 (prepared in accordance with Indian GAAP and the IRDAI Preparation of Financial Statements Regulations) and as restated by the Joint Auditors in accordance with the requirements of (a) Section 26(1)(b)(i), (ii) and (iii) of Chapter III of the Companies Act, 2013 read with Rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014; (b) relevant provisions of the SEBI ICDR Regulations; and (c) relevant provisions of the IRDAI Issuance of Capital Regulations
Restated Financial Information	Collectively, the Restated Consolidated Financial Information and the Restated Standalone Financial Information
Restated Standalone Financial Information	The standalone financial information of our Corporation prepared from its audited standalone financial statements for the Fiscal Years 2013, 2014, 2015, 2016 and 2017 (prepared in accordance with Indian GAAP and the IRDAI Preparation of Financial

Term	Description
	Statements Regulations) and as restated by the Joint Auditors in accordance with the requirements of (a) Section 26(1)(b)(i), (ii) and (iii) of Chapter III of the Companies Act, 2013 read with Rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014; (b) relevant provisions of the SEBI ICDR Regulations; and (c) relevant provisions of the IRDAI Issuance of Capital Regulations
RoC / Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
Shareholders	The shareholders of our Corporation
Subsidiaries	GIC Re South Africa Limited and GIC Re, India, Corporate Member Limited, UK

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot/Allotment/Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholder pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Axis Capital	Axis Capital Limited
Banker(s) to the Offer / Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account will be opened, in this case being [●]
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "*Offer Procedure*" beginning on page 474
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, to subscribe to or purchase the Equity Shares of our Corporation at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations The term "Bidding" shall be construed accordingly
Bid / Offer Closing Date	The date after which the Designated Intermediaries will not accept any Bids, being [●] Our Corporation and the Selling Shareholder may, in consultation with the BRLMs, consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations
Bid / Offer Opening Date	The date on which the Designated Intermediaries shall start accepting Bids, being [●]
Bid / Offer Period	The period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid
Bid cum Application Form	The ASBA Form
Bid Lot	[●]

Term	Description
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied
Bidding Centres	Centers at which at the Designated Intermediaries shall accept the ASBA Forms, i.e. Designated Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
BRLMs / Book Running Lead Managers / Lead Managers	The book running lead managers to the Offer, namely Citi, Axis Capital, Deutsche, HSBC and Kotak
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Cap Price	The higher end of the Price Band, above which the Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow Agreement	Agreement dated [•] entered into by the Selling Shareholder, our Corporation, the Registrar, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s) and the Refund Bank(s) for transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
CDP / Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Citi	Citigroup Global Markets India Private Limited
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
CRISIL	CRISIL Limited
CRISIL Report	CRISIL Research - Report titled "Analysis of the Indian Re-insurance Industry" dated July 2017 issued by CRISIL Research, a division of CRISIL Limited
Cut-off Price	Offer Price, finalised by our Corporation and the Selling Shareholder in consultation with the BRLMs Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as appropriate, after filing of the Prospectus with the RoC
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)

Term	Description
Designated Stock Exchange	[•]
Deutsche	Deutsche Equities India Private Limited
DRHP / Draft Red Herring Prospectus	This Draft Red Herring Prospectus dated August 7, 2017, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
First Bidder/ Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue of 17,200,000 Equity Shares aggregating to ₹ [●] million by our Corporation
General Insurance Nationalisation Act/GIBNA	General Insurance Business (Nationalisation) Act, 1972
GID / General Information Document	The General Information Document prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, suitably modified and included in "*Offer Procedure*" beginning on page 474
HSBC	HSBC Securities and Capital Markets (India) Private Limited
Kotak	Kotak Mahindra Capital Company Limited
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot
Mutual Fund Portion	5% of the QIB Portion, or 3,117,500 Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis subject to valid bids being received at or above the Offer Price
NIIs / Non-Institutional Investors	All Bidders that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of 18,705,000 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FPIs and FVCIs
Non-Resident Indians	A non-resident Indian as defined under the FEMA Regulations
Offer	The public issue of 124,700,000 Equity Shares of face value of ₹5 each for cash at a price of ₹[●] each, aggregating to ₹[●] million comprising the Fresh Issue and the Offer for Sale
Offer Agreement	The agreement dated August 7, 2017 between the Selling Shareholder, our Corporation, and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of 107,500,000 Equity Shares by the Selling Shareholder at the Offer Price aggregating to ₹[●] million in terms of the Red Herring Prospectus
Offer Price	The final price at which Equity Shares will be Allotted to Bidders. The Offer Price will be decided by our Corporation in consultation with the Selling Shareholder and the BRLMs on the Pricing Date
Offer Proceeds	The proceeds of the Offer that are available to our Corporation and the Selling Shareholder
Price Band	Price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof The Price Band and the minimum Bid Lot size for the Offer will be decided by our Corporation and the Selling Shareholder in consultation with the BRLMs, and will be advertised, at least five Working Days prior to the Bid/Offer Opening Date, in all

Term	Description
	editions of the English national newspaper [●], all editions of the Hindi national daily newspaper [●], and [●] edition of a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our registered office is located
Pricing Date	The date on which our Corporation and the Selling Shareholder in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The account opened, in accordance with Section 40 of the Companies Act, 2013, with the Public Offer Bank(s) to receive monies the ASBA Accounts on the Designated Date
Public Offer Bank	The bank(s) with whom the Public Offer Account for collection of Bid Amounts from ASBA Accounts will be opened, in this case being [●]
QIB Category/QIB Portion	The portion of the Offer being not more than 50% of the Offer consisting of 62,350,000 Equity Shares which shall be Allotted to QIBs
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount shall be transferred from the Public Offer Account and will be credited to the ASBA Accounts of the Bidders
Refund Bank(s)	[●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Offer or Registrar	[●]
Retail Individual Bidder(s)/ /RIB(s)	Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail portion	The portion of the Offer being not less than 35% of the Offer or 43,645,000 Equity Shares which shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
RHP / Red Herring Prospectus	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
SCSB(s) / Self Certified Syndicate Bank(s)	The Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at www.sebi.gov.in and updated from time to time
Selling Shareholder	The President of India, acting through the Ministry of Finance
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	Agreement dated [●] entered into by the Selling Shareholder, our Corporation and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer

Term	Description
	for Sale by such Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders
Syndicate / Members of the Syndicate	The BRLMs and the Syndicate Members
Syndicate Agreement	Agreement to be entered into among the BRLMs, the Syndicate Members, our Corporation and the Selling Shareholder in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, our Corporation and the Selling Shareholder to be entered into on or after the Pricing Date
Wilful Defaulter	Company or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such
Working Day	All days, other than second and fourth Saturday of a month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical / Insurance industry related terms / abbreviations

Term	Description
Acquisition Costs	All expenses directly related to acquiring insurance or reinsurance accounts; i.e., commissions paid to agents, brokerage fees paid to brokers, premium taxes and expenses associated with marketing, underwriting, contract issuance and premium collection
Admitted (Authorized) Reinsurance / Authorized Reinsurance	Reinsurance for which credit is given in the ceding company's Annual Statement because the reinsurer is licensed or otherwise authorized to transact business in the jurisdiction of domicile of the ceding company
Assume	To accept an obligation to indemnify all or part of a ceding company's insurance or reinsurance on a risk or exposure subject to the contract terms and conditions
Bordereaux	A report provided periodically by the ceding company detailing the reinsurance premiums and/or reinsurance losses and other pertinent information with respect to specific risks ceded under the reinsurance agreement. This report typically includes the insured's name, premium basis, policy term, type of coverage, premium and the policy limit. Alternatively, a bordereau could also be the mechanism by which the ceding company details losses or claims, include insured, claimant, date of loss, description of loss, and financials
Broker	An intermediary who negotiates reinsurance contracts between the ceding company and the reinsurer(s). The broker generally represents the ceding company and receives compensation in the form of commission, and/or other fees, for placing the business and performing other necessary services
Broker Market	The collective reference to those reinsurance companies that accept business mainly from reinsurance intermediaries or brokers
Burning Cost (also known as Pure Loss Cost)	The ratio of the reinsurance losses incurred to the ceding company's subject premium based upon historical experience for a proposed reinsurance agreement
Capacity	The largest amount of insurance or reinsurance available from a company or the market in general. Also refers to the maximum amount of business (premium volume) that a

Term	Description
	company or the total market could write based on financial strength or regulatory limitations
Catastrophe Reinsurance	A form of excess of loss reinsurance which, subject to a specific limit, indemnifies the ceding company in excess of a specified retention with respect to an accumulation of losses to multiple insureds and/or policies resulting from an occurrence or series of occurrences arising from one or more disasters
Cede	The action of an insurer of reinsuring with another insurer or reinsurer the liability assumed through the issuance of one or more insurance policies by purchasing a contract that indemnifies the insurer within certain parameters for certain described losses under that policy or policies. This action is described as transferring the risk or a part of the risk from the insurer to the reinsurer. The insurer (the buyer) is called the cedent and the assuming company (the seller) is called the reinsurer
Cedent (also known as Ceding Company, Reassured, Reinsured)	The issuer of an insurance contract that contractually obtains an indemnification for all or a designated portion of the risk from one or more reinsurers
Ceding Commission	An amount deducted from the reinsurance premium to compensate a ceding company for its acquisition and other overhead costs, including premium taxes. It may also include a profit factor and is called a ceding allowance
Common Account Reinsurance	Reinsurance which is purchased by the ceding insurer to protect both itself and its reinsurer (usually quota share reinsurer) and which applies to net and treaty losses combined. This may also be referred to as Joint Account Excess of Loss Reinsurance
Commutation Agreement	An agreement between the ceding insurer and the reinsurer that provides for the valuation, payment and complete discharge of some or all current and future obligations between the parties under particular reinsurance contract(s). Commutation may be required by the reinsurance agreement or may be effected by mutual agreement
Cover Note	A written statement issued by an intermediary, broker or direct writer indicating that the coverage has been effected and summarizing the terms
Cut-Through Endorsement	An endorsement to an insurance policy or reinsurance contract which provides that, in the event of the insolvency of the insurance company, the amount of any loss which would have been recovered from the reinsurer by the insurance company (or its statutory receiver) will be paid instead directly to the policyholder, claimant, or other payee, as specified in the endorsement, by the reinsurer. The term is distinguished from an assumption
Deposit Premium	The amount of premium (usually for an excess of loss reinsurance contract), that the ceding company pays to the reinsurer on a periodic basis (usually quarterly) during the term of the contract. This amount is generally determined as a percentage of the estimated amount of premium that the contract will produce based on the rate and estimated subject premium. It is often the same as the minimum premium but may be higher or lower. The deposit premium will be adjusted to the higher of the actual developed premium or the minimum premium after the actual subject premium has been determined
Earned Reinsurance Premium	A reinsurance term that refers to either 1) that part of the reinsurance premium applicable to the expired portion of the policies reinsured, or 2) that portion of the reinsurance premium which is deemed earned under the reinsurance contract
Excess of Loss Reinsurance (also known as Non-Proportional Reinsurance)	A form of reinsurance, which, subject to a specified limit, indemnifies the ceding company for the amount of loss in excess of a specified retention. It includes various types of reinsurance, such as catastrophe reinsurance, per risk reinsurance, per occurrence reinsurance and aggregate excess of loss reinsurance
Ex Gratia Payment	Latin: “by favor”. A voluntary payment made by an insurer or reinsurer in response to a loss for which it is not technically obligated under the terms of its contract
Facultative Reinsurance	Reinsurance of individual risks by offer and acceptance wherein the reinsurer retains the ability to accept or reject and individually price each risk offered by the ceding company
Financial Reinsurance	A form of reinsurance that considers the time value of money and has loss containment provisions transacted primarily to achieve financial goals, such as capital management, tax planning, or the financing of acquisitions
Follow the Fortunes	Follow the fortunes generally provides that a reinsurer must follow the underwriting fortunes of its reinsured and, therefore, is bound by the decisions of its reinsured in the

Term	Description
	absence of fraud, collusion or bad faith. It requires a reinsurer to accept a reinsured's good faith, business-like reasonable decision that a particular risk is covered by the terms of the underlying policy. The term is often used interchangeably with follow the settlements, and there may be overlap between the affect of follow the fortunes and follow the settlements when the "risk" is what generated the loss. Follow the fortunes is focused on "risk" determination, not necessarily tied to a loss settlement
Gross Line	The total limit of liability accepted by an insurer on an individual risk (net line plus all reinsurance ceded)
Gross Net Earned Premium Income (GNEPI)	GNEPI represents the earned premiums of the primary company for the lines of business covered net, meaning after cancellation, refunds and premiums paid for any reinsurance protecting the cover being rated, but gross, meaning before deducting the premium for the cover being rated
Gross Net Written Premium Income (GNWPI)	Generally, gross written premium less only returned premiums and less premiums paid for reinsurance that inure to the benefit of the cover in question. Its purpose is to create a base to which the reinsurance rate is applied
Ground Up Loss	The total amount of loss sustained by the ceding company before taking into account the credit(s) due from reinsurance recoverable(s)
Incurred But Not Reported (IBNR)	An actuarial estimate of amounts required to pay ultimate net losses that refers to losses that have occurred but have not yet been fully and finally settled/paid. IBNR has two components: (1) a provision for loss and loss adjustment expense ("**LAE**") reserves in excess of the current reserves on individual claims that have been reported during the accounting period but which have not yet been paid in full, reflecting the potential increase in the value of these claim values when they are ultimately paid (IBNER - see below); and (2) a provision for loss and LAE reserves on claims that have occurred but have not yet been reported during the accounting period (IBNYR - see below)
Incurred But Not Enough Reported (IBNER)	is a provision in claims and losses already reported but which have not yet been paid in full for potential increases in the value of these claims when they are ultimately paid; decreases can occur, although infrequently. It is created because reported claims reserves tend to increase from the time a claim occurs until the claim is settled. Changes in insurance company case reserves, during the accounting period and established by judgment and/or formula, often result from a lag in information on liability and damages
Incurred Loss (also known as Loss Incurred)	For a specific reinsurance period (typically annual) incurred loss is calculated as paid losses during the period, plus outstanding loss at the end of the period, minus outstanding losses at the beginning of the period irrespective of when the loss actually occurred or when the original policy attached. Example: For the period 1/1/XX - 12/31XX, if outstanding losses at 1/1 are 15, paid losses during the year are 20, and outstanding losses at 12/31 are 12, then Incurred loss for the period 1/1/XX - 12/31/XX = 17 (32-15)
Intermediary Clause	A contractual provision in U.S. reinsurance agreements in which the parties agree to effect all transactions through an intermediary and the credit risk of the intermediary, as distinct from other risks, is imposed on the reinsurer. Most intermediary clauses shift all credit risk to reinsurers by providing that (1) the ceding company's payments to the intermediary are deemed payments to the reinsurer, (2) the reinsurer's payments to the intermediary are not payments to the ceding company until actually received by the ceding company. This clause is mandatory in some states
Line of Business	The general classification of business designated by the National Association of Insurance Commissioners (NAIC) utilized in the insurance industry to identify the major segments of policies that are sold to the general public, i.e., fire, allied lines, homeowners, other liability, products liability, auto liability, etc. These are often referenced in the "Business Covered" article of reinsurance treaty contracts to designate the classes of business covered by the treaty. Many of these general classifications have one or more sub-classifications
Loss Development	The process of change in the value of claims over time until the claims are fully settled and paid. It is measured by the difference between paid losses and estimated outstanding losses at some subsequent point in time (usually 12 month periods), and paid losses and estimated outstanding losses at some previous point in time. In common usage it might refer to development on reported cases only, whereas a broader definition also would take into account the IBNR claims

Term	Description
Losses Occurring During	The provision in a reinsurance contract that designates that the losses to which the reinsurance applies are those losses that actually happen during the term of the reinsurance even if the original policies that cover the losses are issued (as new or renewal policies) prior to the inception of the reinsurance contract
Maximum Foreseeable Loss / Probable Maximum Loss (PML)	The worst loss that is foreseeable or probable to occur because of a single event. This term is typically used in property reinsurance
Minimum Premium	An amount of premium which will be charged (usually for an excess of loss reinsurance contract), notwithstanding that the actual premium developed by applying the rate to the subject premium could produce a lower figure
Net Retained Liability	The amount of insurance that a ceding company keeps for its own account and does not reinsure in any way. It is the amount of loss that a cedent retains after all available reinsurance recoveries (except in some instances for catastrophe reinsurance)
Net Loss	The amount of loss sustained by an insurer after making deductions for all recoveries, salvage and all claims upon reinsurers, with specifics of the definition derived from the reinsurance agreement
Obligatory Treaty	A reinsurance contract under which the subject business must be ceded by the insurer in accordance with contract terms and must be accepted by the reinsurer
Occurrence	A frequently used term in reinsurance referring to an incident, happening or event which triggers coverage under an occurrence-based reinsurance agreement. The definition of an occurrence will vary, depending upon the intent and interests of the parties and may not necessarily match the definition of occurrence in the original policy
Occurrence Limit	A provision in most property per risk reinsurance contracts that limits the reinsurer's liability for all risks involved in one occurrence
Outstanding Loss Reserve (OLR, O/S)	For an individual claim, an estimate of the amount the insurer expects to pay for the reported claim, prior to the final settlement of the claim. For total claims, estimates of expected payments for all reported and unreported claims. May include amounts for loss adjustment expenses
Overriding Commission	In reinsurance or retrocession business (typically proportional treaties) an allowance paid to the ceding company over and above the actual acquisition and related cost to produce and underwrite the original business
Participating Reinsurance (also known as Proportional, Pro Rata Reinsurance, Quota Share)	A generic term describing all forms of quota share and surplus reinsurance in which the reinsurer shares a pro rata portion of the losses and premiums of the ceding company
Placement Slip	A temporary agreement outlining reinsurance terms and conditions for which coverage has been effected, pending replacement by a formal reinsurance contract. Also known as a binder, confirmation, slip and in some circumstances, cover note. The use of placement slips has been reduced as a result of "contract certainty" and other "full contract at inception" initiatives
Portfolio	A reinsurance term that defines a body of: (1) insurance (policies) in force (premium portfolio), (2) outstanding losses (loss portfolio), or (3) company investments (investment portfolio). The reinsurance of all existing insurance, as well as new and renewal business, is therefore described as a running account reinsurance with portfolio transfer or assumption
Portfolio Return	If the reinsurer is relieved of liability (under a pro rata reinsurance) for losses happening after termination of the treaty or at a later date, the total unearned premium reserve on business left unreinsured (less ceding commissions thereon) is normally returned to the cedent. Also known as a return portfolio or return of unearned premium
Primary	In reinsurance, this term is applied to the nouns: insurer, insured, policy and insurance and means respectively: (1) the insurance company that initially originates the business, i.e., the ceding company; (2) the policyholder insured by the primary insurer; 3) the initial policy issued by the primary insurer to the primary insured; 4) the insurance covered under the primary policy issued by the primary insurer to the primary insured (sometimes called "underlying insurance")
Priority	The term used in some reinsurance markets outside the U.S. to mean the retention of the primary company in a reinsurance agreement

Term	Description
Profit Commission	A commission feature whereby the cedent is allowed a commission based on the profitability of the reinsurance contract after an allowance for the reinsurer's expense and profit margin
Pro Rata Reinsurance (also known as Quota Share, Proportional, or Surplus Reinsurance)	A generic term describing all forms of quota share and surplus reinsurance in which the reinsurer shares a pro rata portion of the losses and premiums of the ceding company
Quota Share Reinsurance	A form of pro rata reinsurance (or proportional reinsurance) indemnifying the ceding company for an established percentage of loss on each risk covered in the contract in consideration of the same percentage of the premium paid to the ceding company. This may also be known as "first dollar ground up" reinsurance although it can be used for "Excess" original business such as original Umbrella or Excess policies
Rate	The percent or factor applied to the ceding company's subject premium that results in the reinsurance premium for excess of loss reinsurance
Rate On Line	A percentage derived by dividing reinsurance premium by reinsurance limit; the inverse is known as the payback or amortization period. For example, a $10 million catastrophe cover with a premium of $2 million would have a rate on line of 20 percent and a payback period of 5 years
Rating/Pricing	There are two basic approaches for pricing of reinsurance contracts: exposure rating and experience rating. Both methods can be used as separate rating approaches or may be weighted together to calculate the expected loss for a contract that is then used as the basis for pricing the reinsurance
Reinstatement Clause	A provision in a reinsurance contract stating that, when the amount of reinsurance coverage provided under a contract is reduced by the payment of loss as the result of one occurrence, the reinsurance coverage amount is automatically reinstated for the next occurrence, sometimes subject to the payment of a specified reinstatement premium. Reinsurance contracts may provide for an unlimited number of reinstatements or for a specific number of reinstatements
Reinstatement Premium	An additional reinsurance premium that may be charged for reinstating the amount of reinsurance coverage reduced as the result of a reinsurance loss payment under a reinsurance contract, typically a "Cat" or "Clash" cover/program
Reinsurance	The transaction whereby the assuming insurer ("reinsurer"), in consideration of premium paid, agrees to indemnify another insurer ("ceding company) against all or part of the loss which the latter may sustain under a specific policy or group of policies which it has issued
Reinsured	See Cedent, Ceding Company, Reassured
Reinsurer	The insurer that assumes all or a part of the insurance or reinsurance risk written by another insurer
Retention	The amount of risk the ceding company keeps for its own account or the account of others
Retrocede	The action of a reinsurer of reinsuring another reinsurer for its liability assumed under one or more reinsurance contracts with primary insurance companies or with other reinsurers. The reinsurer seeking protection may purchase a reinsurance contract or contracts that will indemnify it within certain parameters for certain described losses it may incur under that reinsurance contract or contracts. This action is described as transferring the risk or a part of the risk. The reinsurer seeking protection (the buyer) is called the retrocedent and the reinsurer providing the protection (the seller) is called the retrocessionaire
Retrocedent	A reinsurer who reinsures all or part of its assumed reinsurance with another reinsurer
Retrocession	The reinsuring of reinsurance. A reinsurance transaction whereby a reinsurer, known as a retrocedent, cedes all or part of the reinsurance risk it has assumed to another reinsurer, known as a retrocessionaire
Retrocessionaire	A reinsurer who assumes reinsurance from another reinsurer
Run-Off	A termination provision of a reinsurance contract that stipulates that the reinsurer remains liable for loss as a result of occurrences taking place after the date of termination for reinsured policies in force at the date of termination until their expiration or for a specified time period.

Term	Description
Sliding Scale Commission	A commission adjustment on earned premiums whereby the actual commission varies inversely with the loss ratio, subject to a maximum and minimum
Special Acceptance	The specific agreement by the reinsurer, upon the request of the cedent, to include under a reinsurance contract a risk not normally included within the terms of the contract. Special acceptance is generally covered in a special acceptance provision
Subrogation	The assignment of a contractual right of an insured or reinsured by terms of the policy or a contract or by law, after payment of a loss, of the rights of the insured to recover the amount of the loss from one legally liable for it. The ceding insurer and reinsurer can agree how subrogation rights and recoveries will be addressed and handled under the reinsurance agreement
Surplus Reinsurance (also known as Surplus Share Reinsurance or Variable Quota Share Reinsurance)	A form of pro rata reinsurance under which the ceding company cedes that portion of its liability on a given risk which is greater than the portion of risk the cedent retains (i.e., net line), and the premiums and losses are shared in the same proportion as the ceded amount bears to the total limit insured on each risk
Syndicate	Lloyd’s Syndicate refers to an entity composed of corporate and/or individual members formed for the purpose of underwriting insurance and/or reinsurance at Lloyd’s, London
Treaty	A reinsurance contract under which the reinsured company agrees to cede and the reinsurer agrees to assume a portfolio of risks of a particular class or classes of business
Ultimate Net Loss	(1) In reinsurance, the measure of loss to which the reinsurance applies, as determined by the reinsurance agreement; and (2) In liability insurance, the amount actually paid or payable for the settlement of claims for which the reinsured is liable (including or excluding defense costs) after deductions are made for recoveries and certain specified reinsurance
Unearned Premium Reserve	The reserve amount included in the company’s financial statements for unearned premiums with respect to the insurance policies or reinsurance agreements as of a particular point in time. Unearned premiums are the sum of all the premiums representing the unexpired portions of the policies or reinsurance agreements which the insurer or reinsurer has on its books as of a certain date
Underwriting Capacity	The maximum amount of money an insurer or reinsurer is willing to risk in a single loss event on a single risk or in the aggregate on all risks in a given period. This is the limit of capacity for an insurer or reinsurer that may also be imposed by law or regulatory authority. Common NAIC aggregate underwriting capacity is 3:1 (i.e., three dollars of premium for each dollar of surplus) depending on line of business. Many states also impose a per risk limit of 10% of surplus
Working Cover	A contract covering an amount of excess reinsurance in which frequency of loss is anticipated, usually attaching over a relatively low retention and usually providing a relative low limit of reinsurance coverage per loss or risk

Conventional and General Terms / Abbreviations

Term	Description
₹ / Rs./ Rupees/ INR	Indian Rupees
AGM	Annual general meeting
AIF	An alternative investment funds as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS / Accounting Standards	The Accounting Standards issued by the Institute of Chartered Accountants of India
Bn / bn	Billion
BFSI	Banking, Financial Services and Insurance
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I Foreign Portfolio Investors	The FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations

Term	Description
Category II Foreign Portfolio Investors	The FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	The FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	The Companies Act, 2013 and Companies Act, 1956, as applicable
Companies Act, 1956	The Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
Competition Act	The Competition Act, 2002
Corporate Governance Guidelines	The Corporate Governance Guidelines for Insurers in India, 2016
CrPC	The Code of Criminal Procedure, 1973
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director identification number
DIPAM	Department of Investment and Public Asset Management
DIPP	The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP / Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository participant identification
EGM	Extraordinary general meeting
EPS	Earnings per share
FDI	Foreign direct investment
FDI Policy	The Consolidated Foreign Direct Investment Policy notified by the DIPP under D/o IPP F. No. 5(1)/2016-FC-1 dated June 7, 2016
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
Fiscal Year / FY / Financial Year	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIR	First information report
Foreign Investment Rules	The Indian Insurance Companies (Foreign Investment) Rules, 2015
FPI(s)	The foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules
GDP	Gross domestic product
GIPSA	General Insurance Public Sector Association
GoI or Government	Government of India
GST	Goods and services tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards

Term	Description
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Income Tax Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards
India	Republic of India
Indian GAAP	Generally accepted accounting principles in India
Insurance Act	The Insurance Act, 1938
IPC	The Indian Penal Code, 1860
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDA Act	The Insurance Regulatory and Development Authority of India Act, 1999
IRDAI Investment Regulations	The Insurance Regulatory and Development Authority (Investment) Regulations, 2016
IRDAI Issuance of Capital Regulations	The Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance business) Regulations, 2015
IRDAI Preparation of Financial Statements Regulations	The Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002
IRDAI Transfer of Equity Shares Regulations	The Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulations, 2015
IST	Indian Standard Time
IT	Information technology
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Listed Indian Insurance Company Guidelines	Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016
Mn	Million
Mutual Fund(s)	The mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. / NA	Not applicable
NAV	Net asset value
NEFT	National Electronic Fund Transfer
Negotiable Instruments Act	The Negotiable Instruments Act, 1881
NR	Non-resident
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price / earnings ratio
PAN	Permanent account number
PAT	Profit after tax
RBI	Reserve Bank of India
RoNW	Profit after tax for the period divided by the net worth as at the period end

Term	Description
RTGS	Real time gross settlement
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI VCF Regulations	Erstwhile the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. / US / USA / United States	United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
UK	United Kingdom
US GAAP	Generally accepted accounting principles in the United States of America
USD / US$	United States Dollars
VCFs	The venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to "India" in this Draft Red Herring Prospectus are to the Republic of India and all references to the "U.S.", "US", "USA" or "United States" are to the United States of America and all references to the "U.K.", "UK" are to the United Kingdom.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Standalone Financial Statements and Restated Consolidated Financial Statements. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act, the Insurance Act, the IRDA Act, regulations framed and circulars issued thereunder and restated under the SEBI ICDR Regulations.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal for all amounts in ₹ million and all percentage figures and accordingly there may be consequential changes in this Draft Red Herring Prospectus.

Our Corporation's fiscal year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular fiscal year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Reference in this Draft Red Herring Prospectus to Fiscal Year is to the 12 months ended on March 31 of such year, unless otherwise specified. Our Subsidiaries' fiscal year commences on January 1 and ends on December 31. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles and auditing standards has not been provided. Our Corporation has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and investors should consult their own advisors regarding such differences and their impact on our Corporation's financial data. See "*Risk Factors – Significant differences exist between Indian GAAP and other reporting standards, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition*" on page 42 and for risks involving differences between Indian GAAP and other accounting principles and auditing standards and risks in relation to Ind AS See "*Risk Factor - Changes in the accounting standards used in the reporting of our financial statements due to new pronouncements, interpretations, migration to new standards or even due to our own decision to change accounting policies may significantly affect our financial statements for the future years, and may materially and adversely affect our financial results, financial condition or Shareholders' equity"* on page 37. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Indian GAAP, the Insurance Act, the IRDA Act, regulations framed and circulars issued thereunder, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies, Indian GAAP, the Companies Act, the Insurance Act, the IRDA Act, regulations framed and circulars issued thereunder, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. See "*Risk Factors – Our financial statements and the presentation of our performance metrics differ significantly from those of non-insurance companies and may be difficult to understand or interpret"* on page 37. Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 19, 120 and 408, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Consolidated Financial Statements of our Corporation unless otherwise stated.

Currency and Units of Presentation

All references to:

1. "Rupees" or "₹" or "INR" or "Rs." or "Re" are to Indian Rupee, the official currency of the Republic of India; and

2. "USD" or "US$" are to United States Dollar, the official currency of the United States;

Except otherwise specified, our Corporation has presented certain numerical information in this Draft Red Herring Prospectus in "million" and "billion" units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000.

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, details with respect to the exchange rate between the Rupee and other currencies:

(in ₹)

Currency	As on March 31, 2013	As on March 31, 2014	As on March 31, 2015	As on March 31, 2016	As on March 31, 2017
1 US$*	54.39(1)	60.10(2)	62.59	66.33	64.84
1 EUR*	69.54(1)	82.58(2)	67.51	75.10	69.25

* *Source: RBI reference rate*

(1) *Exchange rate as on March 28, 2013, as RBI reference rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, a Saturday and a public holiday, respectively.*

(2) *Exchange rate as on March 28, 2014, as RBI reference rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.*

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as various industry publications and sources and from the CRISIL Report.

CRISIL Research, a division of CRISIL Limited ("**CRISIL**") has confirmed that it has obtained requisite consent from A.M. Best and SWISS Re over e-mail in relation to their information used by it in the CRISIL Report, and that no further permissions are required from them for quoting their data from the CRISIL Report as long as due credit is attributed to them.

The CRISIL Report includes the following disclaimer:

"*CRISIL Research, a division of CRISIL Limited ("**CRISIL**") has taken due care and caution in preparing this report (the "**Report**") based on the Information obtained by CRISIL from sources which it considers reliable (the "**Data**"). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data or the Report and is not responsible for any errors or omissions or for the results obtained from the use of the Data or the Report. The Report is not a recommendation to invest or disinvest in any entity covered in the Report and no part of the Report should be construed as expert advice or investment advice or any form of investment banking activity (within the meaning of any law or regulation). CRISIL especially states that it has no liability whatsoever to the subscribers, users, transmitters or distributors of the Report. Without limiting the generality of the foregoing, nothing in the Report will be construed as CRISIL providing, or intending to provide, any services in jurisdictions where CRISIL does not have the necessary permission or registration to carry out its business activities in this regard. General Insurance Corporation of India will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division or CRISIL Risk and Infrastructure Solutions Ltd ("**CRIS**"), which may, in their regular operations, obtain information of a confidential nature. The views expressed in the Report are that of CRISIL Research and not of CRISIL's Ratings Division or CRIS. No part of the Report may be published or reproduced in any form without CRISIL's prior written approval.*"

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, our Directors, our Promoter or the BRLMs or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors. Accordingly, investment decisions should not be based solely on such information. For details of risks in relation to the CRISIL Report, see "*Risk Factors - This Draft Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL Research*" on page 39.

Definitions

For definitions, see "*Definitions and Abbreviations*" beginning on page 1. In "*Main Provisions of Articles of Association*" beginning on page 513, defined terms have the meaning given to such terms in the Articles of Association. In "*Statement of Tax Benefits*" beginning on page 93, defined terms have the meaning given to such terms in the Statement of Tax Benefits. In "*Financial Statements*" beginning on page 187, defined terms have the meaning given to such terms in the Financial Statements.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue", "seek to" or other words or phrases of similar import. Similarly, statements that describe our Corporation's strategies, objectives, plans, prospects or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Corporation operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our Corporation's exposure to market risks, general economic and political conditions in India which have an impact on our Corporation's business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and other changes in our industry. Certain important factors that could cause actual results to differ materially from our Corporation's expectations include, but are not limited to, the following:

- Inaccuracy in assessment of risks associated with the reinsuring businesses, thereby leading to actual losses being more than the estimated loss reserves, affecting the Corporation's net income and capital position.
- Failure of the risk management system in identifying or mitigating the exposed risks.
- Volatility of Corporation's earnings due to the catastrophe business reinsurances.
- High degree of uncertainty in usefulness of analytic models as a tool to evaluate risk which could result in actual losses.
- Exposure to credit risk relating to Corporation's reinsurance brokers and cedents.

For further discussion on factors that could cause the actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 19, 120 and 408, respectively. By their nature, certain market risk related disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectation reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Corporation as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Corporation, our Directors, the Selling Shareholder, the BRLMs nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Corporation, the Selling Shareholder and the BRLMs will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us, the Equity Shares, the industry in which we operate or the regions in which we operate, particularly India. If any one or some combination of the following risks or other risks which are not currently known or are now deemed immaterial actually occurs or were to occur, our business, results of operations, cash flows, financial condition and prospects could suffer and the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below.

We have described the risks and uncertainties that our management believes are material but the risks set out in this Draft Red Herring Prospectus may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and the risks involved. Prospective investors should consult their own tax, financial and legal advisors about the particular consequences to such investors of an investment in this offer. To obtain a complete understanding of our business, you should read this section in conjunction with the sections entitled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operation", and our financial statements.

This Draft Red Herring Prospectus also contains forward-looking statements, which refer to future events that involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results to be materially different from those expressed or implied by the forward-looking statements. For further details, see "Forward-Looking Statements" on page 18.

INTERNAL RISK FACTORS

1. Our success depends upon our ability to accurately assess the risks associated with the businesses that we reinsure, and if actual losses exceed our estimated loss reserves, our net income and capital position will be reduced.

Our success depends upon our ability to accurately assess the risks associated with the businesses that we reinsure. We establish loss reserves to cover our estimated liability for the payment of all losses incurred with respect to the reinsurance contracts that we accept. Loss reserves are estimates involving technical, actuarial and statistical projections at a given time to reflect our expectation of the loss and the costs of the ultimate settlement and administration of claims. Our estimates rely on historical reinsurance and insurance industry loss statistics and also on management's experience and judgment to assist in the establishment of appropriate loss reserves. The reserving process is subject to assumptions, estimates and certain judgements. Our assumptions, estimates and judgments are based on numerous factors, and may be revised on the basis of additional experience or as other data become available and are reviewed, as new or improved methodologies are developed, as loss trends and claims inflation impact future payments, or as current laws or interpretations thereof change.

Estimates of losses are based on, among other things, a review of potentially exposed contracts, and information reported by and discussions with counterparties. Losses for casualty and liability lines often take a long time to be reported, and frequently can be impacted by lengthy, unpredictable litigation and by the inflation of loss costs over time. Changes in the level of inflation may also result in an increased level of uncertainty in our estimation of loss reserves. As a consequence, actual losses and loss expenses paid may deviate substantially from the reserve estimates reflected in our financial statements.

Moreover, the reserves that we have established may be inadequate. If ultimate losses and loss expenses exceed the reserves currently established, we will be required to increase loss reserves to cover any such claims in the period in which we identify the deficiency to cover any such claims. As a result, even when losses are identified and reserves are established for any line of business, ultimate losses and loss expenses may deviate, perhaps substantially, from estimates reflected in loss reserves in our financial statements. Variations between our loss reserve estimates and actual determination of losses could be material and could have a material adverse effect on our results of operations and financial condition.

2. Our risk management system, as well as the risk management tools available to us, may not be adequate or effective in identifying or mitigating risks to which we are exposed.

We have established a risk management system consisting of an organizational framework, policies, procedures that have been formulated in accordance with the requirements of the IRDAI and that we consider to be appropriate for our business operations. For more details, see "*Our Business—Risk Management*" on page 149. However, due to the inherent limitations in the design and implementation of such a risk management system, including internal control environment, risk identification and evaluation, effectiveness of risk control, and information communication, our systems may not be adequate or effective in identifying or mitigating our risk exposure in all market environments or against all types of risks.

Many of our methods for managing risk exposure are based upon observed historical market behavior or statistics. These methods may not accurately predict future risk exposure, which can be significantly greater than what our historical market behavior or statistics may indicate. Other risk management methods depend upon the evaluation of information regarding markets, clients or other matters that are publicly available or otherwise accessible to us. Such information may not be accurate, complete or properly evaluated. Moreover, the information and experience data that we rely on may quickly become obsolete as a result of market and regulatory developments, and our historical data may not be able to adequately estimate risks that may emerge from time to time in the future.

Management of our operational, legal and regulatory risks requires us, among other things, to develop and implement policies and procedures to record properly and verify a large number of transactions and events, and these policies and procedures may not be fully effective. Failure or the ineffectiveness of these systems could have a material and adverse effect on our business, financial condition and results of operations.

Our management, underwriters, actuaries and other employees make decisions that expose us to risks. These decisions include setting underwriting guidelines and standards, product design and pricing, investment decisions, and pursuit of business opportunities, among others. If our employees take excessive risks or make intentional or unintentional mistakes, the impact of those risks or mistakes could have a material adverse effect on our business, financial condition, results of operations and prospects.

As the Indian insurance and reinsurance market continues to evolve, we are likely to offer reinsurance for a broader and more diversified range of insurance products and invest in a wider range of assets in the future. Our failure to timely adapt our risk management policies and procedures to our developing business could have a material adverse effect on our business, financial condition, results of operations and prospects.

3. The catastrophe business that we reinsure may result in volatility of our earnings.

Catastrophic losses result from events such as windstorms, hurricanes, tsunamis, earthquakes, floods, hailstorms, tornadoes, severe winter weather, fires, drought, explosions and other natural and man-made disasters, the incidence and severity of which are inherently unpredictable. Because catastrophe reinsurance accumulates large aggregate exposures to man-made and natural disasters, our loss experience in catastrophe reinsurance can be characterized as low frequency and high severity. This may result in substantial volatility in our financial results for any fiscal quarter or fiscal year.

Notwithstanding our endeavors to manage our exposure to catastrophic and other large losses, the effect of a single catastrophic event or series of events affecting one or more geographic zones, or changes in the relative frequency or severity of catastrophic or other large loss events, could reduce our earnings and limit the funds available to make payments on future claims. The effect of an increase in frequency of mid-sized losses in any one reporting period affecting one or more geographic zones, such as an unusual level of hurricane or cyclone activity, could also reduce our earnings. Should we incur more than one very large catastrophic loss, our ability to write future business may be adversely impacted if we are unable to replenish our capital.

We believe, and recent scientific studies have indicated, that as a result of changing climate conditions, such as global warming, there may be increases in the frequency and severity of natural catastrophes and the losses that result from them. We monitor and adjust, as we believe appropriate, our risk management models to reflect our judgment of how to interpret current developments and information, such as these studies. We believe that factors including increases in the value and geographic concentration of insured property, particularly along coastal regions, the increasing risk of extreme weather events reflecting changes in climate and ocean temperatures, and the effects of inflation may continue to increase the severity of claims from catastrophic events in the future.

In addition, due to the substantial increase in our agriculture reinsurance business we may experience large losses in the event of a bad monsoon season or successive bad monsoon seasons, drought, flooding or other catastrophic events and risks facing India's agriculture industry and crops. See *"—Other Risks – A substantial increase in our agriculture reinsurance business exposes us to risks, losses, uncertainties and challenges which could have a material adverse effect on our business, financial condition and results of operations*" on page 24 below.

Moreover, depending on the nature of the loss, the speed with which claims are made and the terms of the contracts affected, we may be required to make large claims payments upon short notice. We may be forced to fund these obligations by liquidating investments unexpectedly and in unfavorable market conditions, or raising funds at unfavorable terms, both of which could adversely affect our results of operations. In addition, as a catastrophe is often followed by a shortage of supplies, costs of supplies will likely increase and our liabilities for claims payments may also increase, which, in turn, will have an adverse impact on our results of operations. Catastrophes may result in subsequent disasters, which may be events insured by us and may increase the uncertainty of our loss.

4. The usefulness of analytic models as a tool to evaluate risk is subject to a high degree of uncertainty that could result in actual losses that are materially different from our estimates, including probable maximum losses, and our financial results may be adversely impacted, perhaps significantly.

Our success is dependent upon our ability to assess accurately the risks associated with the businesses that we insure and reinsure. We use our own and third-party vendor analytic and modeling capabilities to provide us with objective risk assessment relating to risks in our reinsurance portfolio. We use these models to help us control risk accumulation, assess capital requirements and to improve the risk/return profile. However, given the inherent uncertainty of modeling techniques and the application of such techniques, these models and databases may not accurately address a variety of matters which might impact certain the reinsurance coverage that we write.

For example, catastrophe models that simulate loss estimates based on a set of assumptions are important tools used by us to estimate our probable maximum losses. These assumptions address a number of factors that impact loss potential including, but not limited to, the characteristics of the natural catastrophe event; demand surge resulting from an event; the types, function, location and characteristics of exposed risks; susceptibility of exposed risks to damage from an event with specific characteristics; and the financial and contractual provisions of the reinsurance contracts that cover losses arising from an event. Furthermore, there are risks associated with catastrophic events, which are either poorly represented or not represented at all by catastrophe models. Each modeling assumption or un-modeled risk introduces uncertainty into probable maximum losses estimates that management must consider. These uncertainties can include, but are not limited to, the following:

- The models do not address all the possible hazard characteristics of a catastrophe peril (for example the precise path and wind speed of a hurricane or cyclone);
- The models may not accurately reflect the true frequency of events;
- The models may not accurately represent loss potential to reinsurance contract coverage limits, terms and conditions; and
- The models may not accurately reflect the impact on the economy of the area affected or the financial, judicial, political, legislative or regulatory impact on insurance claim payments during or following a catastrophe event.

Our probable maximum losses are estimated after assessment of third party vendor model output, and other qualitative and quantitative assessments by management, including assessments of exposure not typically modeled in vendor or internal models. Our methodology for estimating probable maximum losses may differ from methods used by other reinsurance companies and external parties given the various assumptions and judgments required to estimate losses. As a result of these factors and contingencies, our reliance on assumptions and data used to evaluate our entire portfolio and specifically to estimate a probable maximum loss, is subject to a high degree of uncertainty that could result in actual losses that are materially different from our loss estimates and our financial results may be adversely impacted, perhaps significantly.

5. We are exposed to credit risk relating to our reinsurance brokers and cedants.

In accordance with industry practice, we may pay amounts owed under our reinsurance business to brokers, and they in turn pay these amounts to the ceding insurer. In some jurisdictions, if the broker fails to make such an onward payment, we might remain liable to the ceding insurer for the deficiency. Conversely, the ceding insurer may pay premiums to the broker, for onward payment to us in respect of reinsurance business issued by us. In certain jurisdictions, these premiums are considered to have been paid to us at the time that payment is made to the broker, and the ceding insurer will no longer be liable to us for those amounts, whether or not we have actually received the premiums. We may not be able to collect all premiums receivable due from any particular broker at any given time. We also assume credit risk by writing business on a funds-withheld basis. Under such arrangements, the cedent retains the premium they would otherwise pay to us to cover future loss payments.

6. We may decide not to purchase or be unable to purchase retrocessional coverage for the liabilities we reinsure, and if we successfully purchase such retrocessional coverage, we may be unable to collect from our retrocession partners, which could have a material adverse effect on our business, financial condition and results of operations.

We purchase retrocessional coverage to mitigate the effect of a potential concentration of losses in a particular business area. We may decide not to purchase retrocessional coverage when such coverage is not available on economically viable terms as is the case with third party motor reinsurance coverage. The insolvency or inability or refusal of our retrocessionaires to make payments under the terms of their agreement with us could have an adverse effect on us because we will remain liable to our client. From time to time, market conditions have limited, and in some cases, have prevented, reinsurers from obtaining the types and amounts of retrocession that they consider adequate for their business needs. Accordingly, we may not be able to obtain our desired amounts of retrocessional coverage or negotiate terms that we deem appropriate or acceptable or obtain retrocession from entities with satisfactory creditworthiness. Our failure to obtain adequate retrocessional arrangements or the failure of our retrocessional arrangements to protect us from overly concentrated risk exposure could have a material adverse effect on our business, financial condition and results of operations.

Further, we are subject to credit risk with respect to our reinsurance and retrocessions because the ceding of risk to reinsurers and retrocessionaires does not relieve us of our liability to the clients or companies we insure or reinsure.

7. ***We operate in a highly-regulated industry and any changes in the regulations or enforcement thereof may adversely affect the manner in which business is carried on and the price of the Equity Shares.***

We are subject to a number of insurance laws and regulations in India and internationally. The laws and regulations or the regulatory or enforcement environment may change at any time, which may have an adverse effect on the products or services we offer, the value of our assets or our business in general. Further, the laws and regulations governing the insurance industry have over a period become increasingly complex governing a wide variety of issues, including investment, solvency requirements, investments, money laundering, privacy, record keeping, marketing and selling practices. Any change in the policies by the IRDAI, including in relation to investment or provisioning, may result in our inability to meet such increased or changed requirements as well as require us to increase our reinsurance coverage to relatively riskier segments. Future changes in laws and regulations and failure to address any regulatory changes or enforcement initiatives could have an adverse impact on our business, our future financial performance and our shareholders' funds or policyholders' funds, harm our reputation, subject us to penalties, fines, disciplinary actions or suspensions of any kind or increase our litigation risks and could have a material adverse effect on our business, financial condition and results of operations.

Substantial regulatory changes have occurred in the recent years, including introduction of the Insurance Laws (Amendment) Act, 2015 and IRDAI (Appointed Actuary) Regulations, 2017. Various guidelines also have been introduced which affect us and the industry in which we operates such as the Guidelines for Listed Indian Insurance Companies, 2016 and the Corporate Governance Guidelines. Additionally, any further change in the future may require us to commit significant management resources and may require significant changes to our business practices and could have a material adverse effect on our business, financial condition, results of operations and prospects. For further details relating to the above-mentioned insurance regulations and guidelines, see "*Regulations and Policies*" beginning on page 155.

The Insurance Act and the regulations issued by the IRDAI provide for a number of restrictions which restrict our operating flexibility and may affect or restrict investors' shareholding or rights. The Insurance Act requires all insurance companies in India to be Indian owned and controlled. The Insurance Act also restricts the types of capital of an insurer in India to only consist of equity share capital, consisting of equity shares each having a single face value, and other forms of capital as specified under the Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015 such as preference share capital, subordinated debt instruments and any other instrument as may be permitted by the IRDAI. Accordingly, our ability to issue capital of varied nature is limited.

The Insurance Act provides that appointment, reappointment or termination of appointment, of a managing or whole time director, a manager or a chief executive officer, of an insurance company shall be made only with the prior approval of the IRDAI. Further, under the terms of the IRDAI Guidelines, the right to appoint (i) the majority of non-independent directors, (ii) any chairman who exercises a casting vote and (iii) any key management persons including the chief executive officer or managing director is necessarily required to be retained and exercised by the Indian promoters and/or investors for an insurance company to continue to stay Indian owned and controlled. This curtails the rights of any foreign investors that our Corporation may have, and thereby may affect our ability to attract foreign investment.

In addition, investors intending to acquire Equity Shares amounting to 1% or more of the paid up equity share capital of an insurance or reinsurance business in India are subject to certain transfer restrictions. See – "*Risk Factors - There are restrictions on transfers under the Insurance Act and the relevant IRDAI regulations*" on page 44 below.

Amalgamations and transfers of insurance business of an Indian insurer can be undertaken pursuant to a scheme of arrangement only with the prior approval of the IRDAI. Further, the IRDAI has the authority to prepare and submit a scheme of arrangement between insurers, if it is satisfied that it is (i) in the public interest, (ii) in the interests of the policyholders, (iii) in order to secure the proper management of an insurer; or (iv) in the interests of insurance business of the country as a whole, for amongst others, the transfer of the business, properties, assets and liabilities of one insurer on such terms and conditions as may be specified in the scheme.

The SEBI ICDR Regulations require us to disclose restated financial statements for the previous five fiscal years in this Draft Red Herring Prospectus. The form and format of the financial statements prescribed under the SEBI Listing Regulations are different from the form and format prescribed under the insurance laws and regulations and thus, we have complied with the said requirements of the SEBI ICDR Regulations to the extent applicable. Similarly, the SEBI Listing Regulations will be applicable to our Corporation immediately upon the listing of the Equity Shares with the Stock Exchanges. Upon listing, we will be required to comply with provisions pertaining to preparation of financial statements as provided therein. Additionally, compliance with Regulation 40 of the SEBI Listing Regulations with respect to effecting transfer of securities, shall be subject to the restrictions stipulated under insurance laws and regulations (including the Insurance Act and Listed Indian Insurance Companies Guidelines).

Ensuring compliance with these laws and regulations and the enforcement thereof could have a material adverse effect on the manner in which business is carried on thereby affecting our financial condition and results of operations. Additionally, government and regulatory bodies in India may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition and results of operations.

8. There are outstanding litigations against our Corporation, our Directors and our Group Companies and any adverse outcome in any of these litigations may have an adverse impact on our business, results of operations and financial condition.

Our Corporation, our Directors and our Group Companies are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters, actions by regulatory/ statutory authorities and matters above the materiality threshold against our Corporation, our Directors and our Group Companies have been set out below.

- *Litigation against our Corporation*

S. No.	Nature of Case	Number of outstanding cases	Amount involved (in ₹ million)
1.	Criminal	Nil	Nil
2.	Action by regulatory/ statutory authorities	1	Not quantifiable
3.	Other matters exceeding ₹ 300 million	2	5,186.35
4.	Direct tax	14	
5.	Indirect Tax	1	3,879.55
	Total	**18**	**23,146.55**

- *Litigation against our Group Companies*

S. No.	Nature of Case	Number of outstanding cases	Amount involved (in ₹ million)
1.	Criminal	Nil	Nil
2.	Action by regulatory/ statutory authorities	1	1
3.	Other matters exceeding materiality threshold of respective Group Companies	4	44.23
4.	Direct tax	8	131.36
5.	Indirect Tax		
	Total	**11**	**175.23**

- *Litigation against our Directors*

S. No.	Nature of Case	Number of outstanding cases	Amount involved (in ₹ million)
1.	Criminal	1	Not quantifiable
2.	Action by regulatory/ statutory authorities	Nil	Nil
3.	Other matters exceeding materiality threshold of respective Group Companies	Nil	Nil
4.	Direct tax	Nil	Nil
5.	Indirect Tax		
	Total	**1**	**Not quantifiable**

For further details, see "*Outstanding Litigation and Material Developments*" beginning on page 443. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. If the courts or tribunals rule against us or our Corporation, our Directors and our Group Companies, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

9. ***Regulatory and statutory actions against us could cause reputational harm and could materially adversely affect on our business, financial condition, results of operations and prospects.***

We are subject to extensive laws and regulations issued by the IRDAI and other regulatory and/or statutory authorities of India, and, from time to time, we may be subject to regulatory actions. Being a reinsurer, we are subject to periodic examinations by the IRDAI and other Indian governmental authorities. Our Corporation has in the past received, and has been receiving, various queries and clarifications from the IRDAI. For instance, in 2016, the IRDAI had issued an inspection order upon our Corporation pursuant to inspection for the period from October 3, 2011 to October 5, 2011 and October 10, 2011 to October 15, 2011. The IRDAI had passed *inter alia* the following directions: (i) warning for maintaining negative outstanding loss reserves and discontinuing direct aviation business which was not in compliance of the General Insurance Nationalisation Act; and (ii) advised to ensure strict compliance with IRDAI (Asset Liability Solvency Margin of Insurers) Regulations, 2000. Failure to satisfactorily address these queries and clarifications in a timely manner or at all may result in our Corporation being subject to regulatory actions by the IRDAI and penalties. Further, responding to these regulatory actions, regardless of their ultimate outcome, requires a significant investment of resources and management's time and effort. Given the uncertainties and complexity of many of these regulatory actions, their outcome generally cannot be predicted with any reasonable degree of certainty. Accordingly, our provisions for regulatory actions may be inadequate. These and future examinations or proceedings by regulatory authorities may result in the imposition of penalties and/or sanctions, or issuance of negative reports or opinions, that could materially adversely affect our business, financial condition and results of operations.

We are also exposed to risks, including regulatory actions, arising due to improper business practices such as inadequate due diligence, including client verification, non-adherence to anti-money laundering guidelines, and client's needs analysis, in the sales process. Any fraud, sales misrepresentation, money laundering and other misconduct committed by our employees, intermediaries and any other business partners could result in violations of laws and regulations by us and subject us to regulatory sanctions. Even if such instances of misconduct do not result in any legal liabilities on our part, they could cause serious reputational or financial harm to us.

10. ***If we are significantly downgraded by rating agencies, our standing with brokers and customers could be negatively impacted and may adversely impact our results of operations.***

Third-party rating agencies assess and rate the claims-paying ability and financial strength of insurers and reinsurers, such as us and our subsidiaries. We are rated "A-"Excellent with a stable outlook by A.M. Best for 10 consecutive years from 2007 to 2016. We are also rated by CARE "AAA" from 2004 to 2016 with a stable outlook. These ratings are based upon criteria established by the rating agencies and have become an important factor in establishing our competitive position in the market. Insurance customers, insurers, ceding insurers, reinsurers and intermediaries use these ratings as one of the measures to assess the financial strength and quality of the reinsurers. These ratings are not an evaluation directed to investors of our Equity Shares or other securities, and are not a recommendation to buy, sell or hold our Equity Shares or other securities.

Our ratings are subject to periodic review as rating agencies evaluate us to confirm that we continue to meet their criteria for ratings assigned to us by them. Such ratings may be revised downward or revoked at the sole discretion of such ratings agencies in response to a variety of factors, including capital adequacy, management strategy, operating earnings and risk profile. For example, in 2007 our A.M. Best was downgraded from "A" to "A-". In addition, from time to time, one or more rating agencies may effect changes in their capital models and rating methodologies that could have a material impact on our ratings. It is also possible that rating agencies may in the future heighten the level of scrutiny they apply when analyzing companies in our industry, may increase the frequency and scope of their reviews, may request additional information from the companies that they rate, and may adjust upward the capital and other requirements built into their models for maintenance of certain rating levels. We can offer no assurances that our ratings will remain at their current levels.

If our ratings were significantly downgraded, our competitive position in the reinsurance industry may suffer, and it could result in a reduction in demand for our products. In addition, certain business that we write contains terms that give the ceding company the right to terminate cover and/or require collateral if our ratings are downgraded significantly.

11. ***A substantial increase in our agriculture reinsurance business in recent years exposes us to risks, losses, uncertainties and challenges which could have a material adverse effect on our business, financial condition and results of operations.***

We have substantially increased our agriculture reinsurance business by reinsuring crop insurance under the GoI's Pradhan Mantri Fasal Bima Yojana insurance scheme ("**PMFBY**") which is under the GoI's stated policy to increase crop insurance protection to 50% of India's cropped area by Fiscal 2019. Our gross premiums in our agriculture reinsurance segment have increased from ₹6,442.37 million in Fiscal 2015 to ₹12,917.86 million in Fiscal 2016 and further to ₹97,523.27 million in Fiscal 2017. The GoI is looking for our Corporation to provide technical support for PMFBY.

We have not operated at this level of exposure in our agriculture segment before, and this substantial growth in our agriculture business exposes us to risks, losses, uncertainties and challenges peculiar to this segment. In particular, we may experience large losses in the event of a bad monsoon season or successive bad monsoon seasons, drought, flooding or other catastrophic events and risks facing India's agriculture industry and crops. We also may not be able to obtain sufficient retrocessional coverage for our reinsurance liabilities in Indian agriculture. At present, we estimate that our exposure to India agriculture sector is over 50% of the overall insured risk. Furthermore, we may face credit risks from cedents in agricultural insurance greater than those we have experienced before. In addition, our actuarial information and risk and loss management may not allow us to adequately predict and reserve for losses under the new PMFBY scheme or this level of reinsurance in one industry sector by our Corporation. We also cannot assure you that we will be able to manage our growth effectively as it relates to our substantial increase in the agriculture reinsurance business.

Any of these risks, losses, uncertainties and challenges associated with our agriculture reinsurance business could have a material adverse effect on our business, financial condition, and results of operations. Moreover, our agriculture segment may not be profitable which could impact our net profit overall and adversely affect our results of operation and financial condition.

12. ***The exposure of our investments to interest rate, credit, and equity risk may adversely affect our net income and the adequacy of our capital.***

We invest the net premiums we receive unless, or until such time as, we pay out claims and/or until they are made available for dividend to our shareholders or otherwise used for general corporate purposes. While we have implemented what we believe to be prudent risk management and investment asset allocation practices, we are exposed to significant financial risks, including changes in interest rates, credit spreads, equity prices, foreign exchange rates, market volatility, and other factors outside our control. Our investment income from our Indian investment assets on a restated standalone basis in Fiscal 2017, Fiscal 2016 and Fiscal 2015 was ₹45,156.11 million, ₹41,749.92 million and ₹41,760.64 million, respectively.

We are exposed to interest rate risks in relation to sizeable debt portfolio which formed 63.06% of our investment portfolio as of March 31, 2017. Interest rates are highly sensitive to many factors, including fiscal and monetary policies of major economies, inflation, economic and political conditions and other factors outside our control. Changes in interest rates can adversely affect us. In a declining interest rate environment, we will be required to invest our funds at lower rates, which would affect our investment income. We may be required to liquidate investments prior to maturity at a loss in order to cover liabilities. In a rising interest rate environment, the market value of our fixed income portfolio may decline.

Our fixed income portfolio is primarily invested in Indian government securities and investment grade securities. However, investments in rated debentures may be downgraded below investment grade. We also invest a portion of our portfolio in money market instruments and debt oriented mutual funds. Outside of India, our investments are kept in term deposits at overseas banks. These securities and investments may become less liquid in times of economic weakness or market disruptions.

The value of our debt portfolio also could be affected by changes in the credit rating of the issuer of the securities as well as by changes in credit spreads in the bond markets. In addition, issuers of the debt securities that we own may default on principal and interest payments. The majority of our corporate bonds portfolio, as of March 31, 2017, have a domestic credit rating of at least "AA". However, we may be subject to greater credit risks with respect to our investments in debt securities than we believe, which could result in impairment losses.

We also invest a portion of our portfolio in equity securities, equity-like securities and mutual funds. The value of these assets fluctuates with equity markets and with performance of particular industries and companies. In times of economic weakness, the market value and liquidity of these assets may decline, and may impact net income and reserves. We use the term equity-like investments to describe our investments that have market risk characteristics similar to equities and are not investment grade fixed maturity securities. This category includes private equity investments and private placement equity investments. Fluctuations in the fair value of our equity-like investments may reduce our income in any period or year. Our equity risk increased during Fiscal 2017 due to an increase in investments in equities from ₹78,246.64 million as of March 31, 2016 to ₹ 79,904.13 million as of March 31, 2017.

13. ***Indian and global economic downturns could harm the performance of our investment portfolio, our liquidity and financial condition and our share price.***

Volatility in the Indian and other securities markets may adversely affect our investment portfolio. Our ability to manage our investment portfolio profitably is dependent upon conditions in the global financial markets and economic and geopolitical conditions throughout the world that are outside of our control and difficult to predict. Factors such as equity prices, equity market volatility, asset or market correlations, interest rates, counterparty risks, availability of credit, inflation rates, economic uncertainty, changes in laws or regulation (including laws relating to the financial markets generally or the taxation or regulation of the hedge fund industry), trade barriers, commodity prices, interest rates, currency exchange rates and controls, and national and international political circumstances (including governmental instability, wars, terrorist acts or security operations) can have a material impact on the value of our investment portfolio.

14. If we do not meet solvency ratio requirements, our Corporation could be subject to regulatory actions and could be forced to stop transacting any new business or change its business strategy or slow down its growth.

Indian laws and regulations require us to maintain a control level of solvency. The solvency ratio is the ratio of the excess of assets over liabilities to the required capital. If we fail to meet the relevant control level of solvency requirements, the IRDAI, after extending an opportunity to submit a financial plan to rectify the deficiency, is authorized to issue directions to our Corporation as deemed necessary by it, including directions in regard to transacting any new business or appointment of an administrator or both. Currently as per Section 64VA of the Insurance Act read with Regulation 6 and Paragraph 3 of Schedule III to the IRDAI (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations 2016, we are required to maintain a minimum solvency ratio of 1.50. As of March 31, 2015, 2016 and 2017, our solvency ratio was 3.32, 3.80 and 2.41, respectively.

Our solvency ratio is affected by factors such as our amount of capital, product mix, business growth and profitability. If our share capital and profit cannot continue to support the growth of our business in the future, if the statutorily required solvency margin increases, if our financial condition or results of operations deteriorate, or for other reasons we cannot comply with the statutory solvency ratio requirements, we may need to raise additional capital to meet such requirements.

In addition, the IRDAI may raise the control level of solvency or change the solvency regime from the current regime. Any such change, including a change to a risk-based solvency regime, could subject us to significant compliance costs and we may need to raise additional capital in order to achieve compliance with the changed requirement.

We may not be able to obtain additional capital in a timely manner or on acceptable terms or at all. Failure by us to meet the solvency ratio requirements may have a material adverse effect on our business, financial condition, results of operations and prospects.

The solvency regime in India is different from those of other countries. Therefore, our solvency ratio might not be comparable to that of insurance companies in other countries with which an investor in the Equity Shares might be familiar.

15. Operational risks, including human or systems failures, are inherent in our business.

Operational risks and losses can result from many sources including fraud, errors by employees, failure to document transactions properly or to obtain proper internal authorization, failure to comply with regulatory requirements or information technology failures. For instance, the Dubai branch of our Corporation had faced a case of internet fraud which had resulted in improper transfer of US$1,427,040 from the bank account of our Dubai branch with the Bank of Baroda ("**Dubai Account**") to a bank account in Washington. The said amount has been recovered and remitted to the Dubai account on August 20, 2016. Criminal proceedings were initiated by the Central Bureau of Investigation in relation to the same, which have now been closed.

We believe our modeling, underwriting and information technology and application systems are critical to our business and reputation. Moreover, our technology and applications have been an important part of our underwriting process and our ability to compete successfully. Such technology is and will continue to be a very important part of our underwriting process. We have also licensed certain systems and data from third parties. We cannot be certain that we will have access to these, or comparable service providers, or that our technology or applications will continue to operate as intended. In addition, we cannot be certain that we would be able to replace these service providers or consultants without slowing our operational response time. A major defect or failure in our internal controls or information technology and application systems could result in management distraction, harm to our reputation, a loss or delay of revenues or increased expense.

16. Weaknesses, disruptions or failures in IT systems could adversely impact our business.

We rely on IT systems in connection with financial controls, risk management and transaction processing. The increasing size of our operations, which use IT systems for control and record keeping, exposes us to the risk of errors in control and record keeping. Given our volume of transactions, certain errors may be repeated or compounded before they are discovered and rectified. Our dependence upon IT systems to record and process transactions may further increase the risk that technical system flaws will result in losses that are difficult to detect. As a result, we face the risk that the design of our controls and procedures may prove to be inadequate thereby causing delays in detection or errors in information.

We may also be subject to disruptions of our IT systems, arising from events that are wholly or partially beyond our control (including, for example, damage or incapacitation by human error, natural disasters, electrical or telecommunication outages, sabotage, computer viruses, hacking, or loss of support services from third parties such as internet backbone providers). In the event, we experience systems interruptions, errors or downtime, this may give rise to deterioration in customer service and loss or liability to us and it may materially and adversely affect our business, financial condition and results of operations.

Further, we are dependent on various external vendors for certain elements of our operations and are exposed to the risk that external vendors or service providers may be unable to fulfil their contractual obligations to us (or will be subject to the same risk of operational errors by their respective employees) and the risk that their (or their vendors) business continuity and data security systems prove to be inadequate. If our external vendors or service providers fail to perform any of these functions, it could materially and adversely affect our business and results of operations.

17. We operate in a highly competitive environment.

The reinsurance industry is highly competitive and we compete with a number of worldwide reinsurance companies, many of which have greater financial resources and industry experience than we do.

Our Corporation has historically enjoyed first preference to participate in all facultative and treaty reinsurance business from Indian insurers before placement of cessions outside India. In 2015, the IRDAI issued the Insurance Regulatory and Development Authority of India (Registration and Operations of Branch Offices of Foreign Reinsurers other than Llyod's) Regulations, 2015 (the "**Regulations**") and redefined the order of preference in which Indian insurers are required to cede business to reinsurers. Under the redefined order, private Indian reinsurers and branch offices of a foreign reinsurers (which maintain a minimum retention of 50% of the Indian reinsurance business) are afforded the same preference as our Corporation. This may give our competitors an avenue to expand their businesses in India which could adversely affect our business, results of operations and financial condition.

In addition, foreign reinsurers may accept reinsurance from Indian insurance companies without a physical presence in India. In India, IRDAI regulations also now permit private Indian reinsurers to be licensed, foreign reinsurers to open branches and Lloyd's syndicates to operate in India. We anticipate that competition in India for reinsurance will become more pronounced as Indian insurance companies continue to look to our international competitors for reinsurance coverage.

The lack of strong barriers to entry into the reinsurance business means that new companies in India and internationally may be formed to enter the reinsurance markets and compete with us. In addition, we may experience increased competition as a result of the consolidation in the reinsurance industry. These consolidated entities may try to use their enhanced market power to negotiate price reductions for our products and services and/or obtain a larger market share through increased line sizes.

Competition in the types of reinsurance that we underwrite is based on many factors, including the perceived and relative financial strength, pricing and other terms and conditions, services provided, ratings assigned by independent rating agencies, speed of claims payment, geographic scope of business, client and broker relationships, reputation and experience in the lines of business to be written. If competitive pressures reduce our prices, our revenues may be adversely affected. In addition, competition for customers would become more intense and we could incur additional expenses relating to customer acquisition and retention, further reducing our operating margins.

Further, insurance-linked securities, derivatives and other non-traditional risk transfer mechanisms and alternative vehicles are being developed and offered by other parties, which could impact the demand for traditional insurance or reinsurance. A number of new, proposed or potential industry or legislative developments could further increase competition in our industry. New competition from these developments could cause the demand for reinsurance to fall or the expense of customer acquisition and retention to increase, either of which could have a material adverse effect on our growth and profitability. As a result of new and alternative capital inflows into the industry and cedents retaining more business, there is an excess supply of reinsurance capital which is also driving pricing lower and putting pressure on terms and conditions.

18. Our profitability is affected by the cyclical nature of the reinsurance industry, which is currently characterized excess underwriting capacity and unfavorable premium rates.

Historically, the reinsurance industry has been cyclical. Demand for reinsurance is influenced significantly by underwriting results of primary insurers, including catastrophe losses, and prevailing general economic conditions. The supply of reinsurance is related directly to prevailing prices and levels of capacity that, in turn, may fluctuate in response to changes in rates of return on investments being realized in the reinsurance industry. If any of these factors were to result in a decline in the demand for reinsurance or an overall increase in reinsurance capacity, our profitability could be impacted. In recent years, we have experienced a soft market cycle, with increased competition, surplus underwriting capacity, deteriorating rates and less favorable terms and conditions all having an impact on our ability to write business.

Currently, we are facing a challenging market in and outside of India, which is driven by price decreases in most markets and lines of business, reflecting increased competition and excess capacity in the international reinsurance industry, cedents choosing to utilize fewer reinsurers by consolidating their reinsurance panels, relatively low loss experience and a prolonged period of lower interest rates, which has impacted our investment portfolio.

We anticipate that competition and pricing pressure experienced in the current soft market cycle may adversely affect our profitability and results of operations in future periods, and the impact may be material.

Notwithstanding, in a hard market cycle, there likely would be reduction in reinsurance capacity with likely fewer players (including new players) to provide the required capacity to cedents. In such a scenario, it could result in higher levels of retention by the cedents and corresponding hardening of insurance pricing as well. Further, higher pricing might act as disincentive for innovative and new products.

19. We may not be able to manage our growth effectively.

We intend to grow our business in the future, which could require additional capital, systems development and skilled personnel. We may not be able to meet our capital needs, expand our systems effectively, allocate our human resources optimally, maintain the right business mix and balance of risks, identify and hire qualified employees or incorporate effectively the components of any businesses we may acquire in our effort to achieve growth. Additionally, as we grow, the ability of our management to source reinsurance business in the segments we target may be limited. In particular, we may have difficulties in managing the substantial growth in our agriculture segment experienced in the past three years. The failure to manage our growth effectively could have a material adverse effect on our business, financial condition, and results of operations.

See "—*Other Risks -- Substantial increases in our agriculture reinsurance business exposes us to risks, losses, uncertainties and challenges which could have a material adverse effect on our business, financial condition and results of operations*" on page 24 below.

20. The success of our business depends on our ability to attract and retain our senior management, actuaries and high-quality employees, and the loss of their services could have a material adverse effect on our business, financial condition, results of operations and prospects.

The success of our business to a large extent depends on the continued service of our senior management and various professionals and specialists, including actuaries, information technology specialists, investment managers and finance professionals, legal professionals, risk management specialists and underwriting and claim settlement personnel. As a result of ever-increasing market competition, the market demand and competition for experienced management personnel and insurance professionals and specialists has intensified. Our business and financial condition could suffer if we are unable to retain our senior management, or other high-quality personnel, including personnel in our reinsurance business, finance, actuarial, investment and information technology departments, or cannot adequately and timely replace them upon their departure.

Particularly, we rely on a limited number of actuarial personnel. Actuaries work in a specialized profession and there are a limited number of persons qualified to practice as an actuary in India. In addition, the qualifications of actuaries are subject to regulatory requirements in India under the Insurance Regulatory and Development Authority of India (Appointed Actuaries) Regulations, 2017 (the "**Appointed Actuaries Regulations**"). Any failure on our part to attract, retain or find suitable replacements for any our actuarial personnel could have a material adverse effect on our business, including and up to being prevented from conducting our business at all. Further, the Appointed Actuaries Regulations require the appointed actuary of a reinsurer to meet certain specialization as specified under the Appointed Actuaries Regulations within two years of the notification of these regulations. Our appointed actuary will be required to ensure the relevant specialization within the specified timeline, failing which we may be required to find a replacement. Any failure to find a replacement in time or at all may have an adverse impact on our business and results of operation.

Moreover, we may be required to increase substantially the number of our professionals and specialists in connection with any future growth plans, and we may face difficulties in doing so due to the competition in the insurance industry for such personnel. Our failure to retain or replace competent personnel could materially impair our ability to implement any plan for growth and expansion. Competition for quality employees among insurance companies and other business institutions may also necessitate increases in compensation and commissions, which would increase operating costs and reduce our profitability. As a Government owned company, however, we may face difficulty in raising compensation in line with private industry employee expectations.

21. Due to concentration in our reinsurance businesses, loss of business provided by one or more cedents could reduce our premium volume.

We conduct our reinsurance businesses in India primarily through direct relationships with cedents. The overall Indian insurance market is concentrated. In Fiscal 2017, 58.4% of our Indian domestic reinsurance business were generated through the top five cedents. In addition, a significant portion of the cross-border reinsurance business was generated through a small number of cedents. A significant reduction in the business produced by one or more of these cedents due to changes in their ceding strategies or otherwise could reduce our premium volume.

22. We depend on our clients' evaluations of the risks associated with their insurance underwriting, which may subject us to reinsurance losses.

In most of our reinsurance treaty business we do not separately evaluate each of the original individual risks assumed under these reinsurance contracts. Therefore, we are dependent on the original underwriting decisions made by insurance companies or reinsurance companies which cede the risk to us. We are subject to the risk that these insurers or reinsurers may not have adequately evaluated the insured risks and that the premiums ceded may not adequately compensate us for the risks we assume. We also do not separately evaluate each of the individual claims made on the underlying insurance contracts. Therefore, we are dependent on the original claims decisions made by our clients. We also are subject to the risk that the client may pay invalid claims, which could result in reinsurance losses for us.

23. The actuarial valuations of liabilities for our reinsurance business are not required to be audited and if such valuations are incorrect, it could have an adverse effect on our financial condition.

The actuarial valuation of liabilities presented in our financial statements and elsewhere for our reinsurance business are performed by our appointed actuaries. In India, the appointed actuary of an insurance company certifies such valuation and that in his/her opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. Our auditors rely upon our Appointed Actuary's certificate and do not review or audit such valuation independently, which practice might differ from other jurisdictions. If the assumptions and/or models used to conduct such an actuarial valuation of our liabilities are incorrect, or if there is an error in calculation, it could have an adverse effect on our financial condition, given that there is no independent assurance on the actuarial liabilities through an audit process. Therefore, there may be instances of incorrect actuarial valuations in the future.

24. Foreign currency fluctuations may reduce our net income and our capital levels.

Through our multinational reinsurance operations, we conduct business in a variety of foreign (non-Rupee) currencies including but not limited to US dollar, Euro and British pound. Assets and liabilities denominated in foreign currencies are exposed to changes in currency exchange rates, which may be material. Our reporting currency is the Indian Rupee, and exchange rate fluctuations relative to the Indian Rupee may materially impact our results of operation and financial position.

25. We may suffer losses due to defaults by others, including issuers of investment securities and reinsurance counterparties.

Issuers or borrowers whose securities we hold, reinsurers, clearing houses, counterparties and other financial intermediaries may default on their obligations to us due to bankruptcy, insolvency, lack of liquidity, adverse economic conditions, operational failure, fraud or other reasons. Even if we are entitled to collateral when a counterparty defaults, such collateral may be illiquid or proceeds from such collateral when liquidated may not be sufficient to recover the full amount of the obligation. All or any of these types of default could have a material adverse effect on our results of operations, financial condition and liquidity.

26. We have provided for an amount of ₹293.99 million during Fiscal 2017 towards provisions for NPAs. Having to provide for or write off bad debts may impact our business, cash flows and results of operations.

In respect of our loan and fixed debt portfolio, our gross NPAs as a percentage of our gross loans and debt securities as at March 31, 2017, March 31, 2016 and March 31, 2015 were 2.72%, 3.05% and 2.47%, respectively, and our net NPAs as a percentage of net loans and debt securities were 0.78%, 1.10% and 0.79% respectively. We define net NPAs as gross NPAs less our provision. We had provided for an amount of ₹293.99 million during Fiscal 2017 towards provision for NPAs, non-performing investments, depreciation on investments and write-off for restructured advances. Having to write off any significant amounts of bad debts and to invest significant management time and resources in litigation for recovery may materially impact our business, cash flows and results of operations. For details in relation to litigation filed by our Corporation for recovery of such NPAs, see "*Outstanding Litigation and Material Developments*" on page 443.

27. Any concentration in our investment portfolio could have a material adverse effect on our business, financial condition and results of operations.

As at March 31, 2017, the carrying value of our Indian investment portfolio on a standalone restated basis was ₹391,262.71 million, of which fixed income debt securities, equities, money market instruments accounted for 63.06%, 20.37% and 15.23%, respectively. Our investment portfolio includes a variety of asset classes as prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**"), including, but not limited to Central Government and State Government securities and other approved investments. Our investment portfolio may at any point of time have significant concentration in certain asset classes. In the event that any asset class in which we have a significant asset allocation experiences adverse developments, such developments could have a material adverse effect on our business, financial condition and results of operations.

28. ***A significant decrease in our capital could lead certain clients to terminate reinsurance agreements or to require additional collateral.***

Certain of our reinsurance contracts contain provisions that permit our clients to cancel the contract or require additional collateral in the event of a downgrade in our ratings below specified levels or a reduction of our capital specified levels over the course of the agreement. Whether a client would exercise such cancellation rights would likely depend, among other things, on the reason the provision is triggered, the prevailing market conditions, the degree of unexpired coverage and the pricing and availability of replacement reinsurance coverage.

If any such provisions were to become exercisable, we cannot predict whether or how many of our clients would exercise such rights or the extent to which they would have a significant and negative effect on our financial condition, results of operations or future prospects but they could have a significant adverse effect on our operations.

29. ***Our investment portfolio is subject to liquidity risk which could decrease its value.***

Some of our investments may not have sufficient liquidity as a result of a lack of market makers, market sentiment and volatility, and the availability and cost of credit. Such investments include equity in private limited companies, certain fixed income securities and venture capital investments. In these circumstances, our ability to sell our assets without significantly depressing market prices, or at all, may be limited. As a large institutional investor in India, we may also hold significant positions in many of the listed stocks that we directly invest in, and any decision to sell or any perception in the market that we intend to sell could adversely affect the liquidity and market price of such security and, in turn, our returns on investments in such security. We also hold unlisted debt and equity investments. For more details, see "*Our Business—Investments*" on page 142. If we are required to dispose of these or other potentially illiquid assets on short notice due to significant insurance claims to be paid, significant fall in value of our liquid assets or other reasons, we could be forced to sell such assets at prices significantly lower than the prices we have recorded in our financial statements. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

30. ***The limited amounts and types of long-term fixed income products in the Indian capital markets and the legal and regulatory requirements on the types of investment and amount of investment assets that insurance companies are permitted to make could limit our ability to closely match the duration of our assets and liabilities.***

Like other insurance companies, we seek to manage interest rate risk by matching, to the extent commercially practicable, the average duration of our investment assets and the corresponding reinsurance liabilities they support. Matching the duration of our assets to the corresponding liabilities reduces our exposure to changes in interest rates, because the effect of the changes could largely be offset against each other. However, restrictions under Indian insurance laws and related regulations, including the IRDAI Investment Regulations, on the type of investments and amount of investment assets in which we may invest, as well as the limited amounts and types of long-term investment assets in the Indian capital markets capable of matching the duration of our liabilities, may result in a mismatch of assets and liabilities. Our exposure to interest rate risk may also worsen as we expand our business. We cannot assure you that the investment restrictions imposed on insurance companies in India will not be strengthened and the sizes and types of long-term fixed income products available in the Indian securities market may increase in the future. Our failure to closely match the duration of our assets to that of the corresponding liabilities will continue to expose us to risks related to interest rate changes, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

31. ***We could be forced to sell investments at a loss to cover claims.***

We manage our claim and loss exposure and configure our policyholders' investment fund and shareholders' investment fund so as to provide and maintain sufficient liquidity to support anticipated claims under our reinsurance obligations. While we own a significant amount of liquid assets, a portion of our assets are relatively illiquid. If our liquid assets were insufficient to cover claims under reinsurance obligations, we could, under some circumstances, be required to dispose of assets on unfavorable terms, which could have an adverse effect on our results of operations and financial condition.

32. ***We may require additional capital in the future, which may not be available or may only be available on unfavorable terms.***

Our future capital requirements depend on many factors, including regulatory requirements, our ability to write new business successfully, the frequency and severity of catastrophic events, and our ability to establish premium rates and reserves at levels sufficient to cover losses. We may need to raise additional funds through financings or curtail our growth and reduce our assets. Any equity or debt financing, if available at all, may be on terms that are not favorable to us. Debt financings could result in the issuance of securities that have rights, preferences and privileges that are senior to those of our other securities. Disruption in the financial markets may limit our ability to access capital required to operate our business and we may be forced to delay raising capital or bear a higher cost of capital, which could decrease our profitability and significantly reduce our financial flexibility. In addition, if we experience a credit rating downgrade, withdrawal or negative watch/outlook in the future, we could incur higher borrowing costs and may have more limited means to access capital. If we cannot obtain adequate capital on favorable terms or at all, our business, operating results and financial condition could be adversely affected.

33. If we are not able to integrate any future acquisitions or successfully add new foreign branches, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

In the future, we may seek opportunities for growth through acquisitions or may be required to undertake amalgamations required by the IRDAI, pursuant to section 37A of the Insurance Act where it is satisfied that it is necessary to do so under the Insurance Act. Any such acquisitions or amalgamations may involve a number of risks, including ascertaining the correct value of the target, unknown or inadequately quantified actuarial liabilities, deterioration of book quality of the acquired business, diversion of our management's attention required to integrate the acquired business, failure to retain key acquired personnel, distributors and customers, leverage synergies or rationalize operations or develop skills required for new businesses and markets, some or all of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, we may make acquisitions outside of India as we did in April 2014, when we acquired GIC Re South Africa Limited. We also may add foreign branches in line with our business strategy. Acquired international companies and foreign branches that we set up may be subject to foreign regulatory regimes with which we have little experience, and such companies and branches may be subject to further risks which we may be unable to evaluate at the time we acquire them. These risks, if borne out, could have a material adverse effect on our business, financial condition, results of operations and prospects.

34. Our international business is subject to applicable laws and regulations relating to sanctions, foreign corrupt practices and money laundering, the violation of which could adversely affect our operations.

Our activities are subject to applicable economic and trade sanctions, anti-bribery and money laundering laws and regulations in the jurisdictions where we operate including the U.S, the U.K. and the European Community ("**EU**"), among others. Compliance with these regulations may impose significant costs, limit or restrict our ability to do business or engage in certain activities, or subject us to the possibility of civil or criminal actions or proceedings. Although we have policies and controls in place designed to comply with applicable laws and regulations, it is possible that we, or an employee or intermediary acting on our behalf could fail to comply with applicable laws and regulations as interpreted by the relevant authorities and, given the complex nature of the risks, it may not always be possible for us to attain compliance with such laws and regulations. The implementation of the Joint Comprehensive Plan of Action in respect of Iran, and the resulting divergence of regulatory requirements between U.S. and EU entities and persons regarding business with Iran, has increased these risks. Failure to accurately interpret or comply with or obtain appropriate authorizations and/or exemptions under such laws or regulations could expose us to civil penalties, criminal penalties and other sanctions, including fines or other punitive actions. In addition, such violations could damage our business and/or our reputation. Such criminal or civil sanctions, penalties, other sanctions, and damage to our business and/or reputation could have a material adverse effect on our financial condition and results of operations.

35. If actual renewals of our existing contracts with cedents or retrocessional reinsurers do not meet expectations, our business, results of operations and financial condition could be materially and adversely affected.

Our reinsurance contracts and retrocessional contracts are generally written for a one-year term. In our financial forecasting, we assume that these contracts of the current year will be renewed with the same amount of premium income or expense. However, the price of reinsurance and retrocessional contracts fluctuates along with the reinsurance and insurance cycles. Therefore, if actual renewals of our existing contracts with cedents and reinsurers do not meet expectations due to changes in pricing conditions or otherwise, our business, financial condition and results of operations could be materially and adversely affected.

36. If we are deemed to be in violation of applicable laws and regulations relating to sanctions, our reputation, business, results of operations and financial condition could be adversely affected.

As a reinsurer, we are subject to the regulatory regimes of various countries, including applicable economic and trade sanctions programs administered by supranational organizations such as the United Nations. In addition, certain countries and markets where we conduct business also impose economic and trade sanctions. These sanctions are imposed in connection with doing business with, or affecting, certain countries, their citizens or entities, specially designated nationals or other persons or entities that may be doing business with targeted countries, persons or entities.

Our Corporation, GIC Re South Africa and GIC Re Corporate Member are companies organized under the laws of India, South Africa and England and Wales, respectively, and each complies with United Nations sanctions, Indian law and other applicable laws as may be applicable. None of our Corporation, GIC Re South Africa and GIC Re Corporate Member is a

U.S. person or organized under United States law, and none of their directors, officers or employees involved in reinsurance business is a citizen or a resident of, or otherwise located in, the United States. We believe that our provision of reinsurance has not been in violation of any United Nations sanctions, Indian law or other laws applicable to our Corporation. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, we had gross premium ₹3,320.69 million, ₹3,153.91 million and ₹2,551.42 million, respectively, from countries subject to sanctions (including Belarus, Congo, Cuba, Iraq, Iran, Lebanon, Libya, Macedonia, Sudan, Syria, Ukraine, Venezuela, Yemen and Zimbabwe), which in Fiscal 2017, Fiscal 2016 and Fiscal 2015 constituted 0.98%, 1.70% and 1.67%, respectively, of our total gross premium.

We have recently adopted a sanction compliance policy with respect to our reinsurance business activities. As part of our policy, we seek to ensure that reinsurance contracts we enter contain "sanctions limitations and exclusion" clauses or other appropriate clauses, under which our obligations toward claim settlements related to sanctioned countries, companies or persons are excluded. However, we cannot guarantee the effectiveness of our sanctions compliance policy. In addition, the policy is subject to exceptions under certain circumstances. Such circumstances include where a domestic reinsurance contract involves the strategic interests of Government of India or is as per Government of India directions, or when our Chairman cum Managing Director in her sole discretion decides to make an exception to our sanctions compliance policy.

Prior to the adoption of our sanction compliance policy, we entered reinsurance contracts in and outside of India that did not have such "sanctions limitations and exclusion" clauses. In particular, we entered into certain treaty contracts that reinsure insurance policies of Russian cedents that insure the transportation of defense and military related equipment from Russia to various regions. These contracts with Russian cedents did not have "sanctions limitations and exclusion" clauses. The premiums derived from these reinsurance contracts during Fiscal 2017, Fiscal 2016 and Fiscal 2015 was less than 0.02% of our total gross premiums on a restated consolidated basis during each of these fiscal years, and we have not paid any claims under these contracts for the transportation of defense and military related equipment during the last three fiscal years. We do not believe that these reinsurance contracts violate any law or regulation to which we are subject to. We have undertaken not to renew these contracts at their expiry.

In addition, in the Offer Agreement, we have made representations and undertakings to the Book Running Lead Managers related to economic and trade sanctions of the United Nations, the United States and European Union. In particular, we have undertaken to the Book Running Lead Managers to take reasonable efforts to ensure that the proceeds from the Offer will not be used in connection with any business in violation of applicable United Nations, United States or European Union economic or trade sanctions.

We have not been subject to any sanctions or sanctions-related enforcement in the past. However, if we are deemed to be in violation of applicable laws and regulations relating to sanctions, whether due to ongoing business or business done in the past, or to have engaged in any conduct that is subject to sanctions, we could be subject to sanctions or governmental actions that could lead to civil or criminal penalties, including fines. In addition, such violations or engaging in such conduct could damage our reputation, and ceding companies, brokers and other intermediaries may decline to continue doing business with us. We may also encounter legal, regulatory or other restrictions on our ability to establish local presence or otherwise conduct business in one or more jurisdictions. Further, we cannot assure the current or future regulations or developments related to economic sanctions will not have a negative impact on our business or reputation. All of the foregoing could have a material adverse effect on our results of operations and financial condition.

37. We may not be able to detect money-laundering and other illegal or improper activities fully or on a timely basis.

We are required to comply with applicable anti-money-laundering ("**AML**") and anti-terrorism laws and other regulations in India. In the ordinary course of our reinsurance operations, we run the risk of failing to comply with the prescribed Know Your Customer ("**KYC**") procedures and the consequent risk of fraud and money laundering by dishonest customers and assessment of penalties and/or imposition of sanctions against us for such compliance failures despite having implemented systems and controls designed to prevent the occurrence of these risks.

Although we believe that we have adequate internal policies, processes and controls in place to prevent and detect any AML activity and ensure KYC compliance, there can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties by the relevant government agencies to whom we report. Our business and reputation could suffer if any such parties use or attempt to use our Corporation for money-laundering or illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable legal requirements. Incidents described above or any similar incidents in the future may materially and adversely affect our business and/or reputation.

38. Certain of our records in relation to form filings are not traceable.

Certain of our records in relation to filing of forms, including with respect to allotment of Equity Shares, with the RoC are not traceable. Our Corporation has conducted a search of such records with the RoC and we have not been able to retrieve these records. While we continue to conduct a search for such records, we cannot assure you that such records will be available in the future.

39. Our Corporation is currently not in compliance with provisions of the SEBI Listing Regulations and the Corporate Governance Guidelines issued by the IRDAI in relation to the composition of its Board of Directors.

Pursuant to Regulation 17(1) of the SEBI Listing Regulations, our Board is required to comprise at least 50% Independent Directors. Further, pursuant to paragraph 5.3 of the Corporate Governance Guidelines issued by IRDAI, our Board is required to include a minimum of three Independent Directors.

Currently, the board of directors of our Corporation comprises one Independent Director. Our Corporation is wholly-owned by the President of India (acting through the Ministry of Finance) and accordingly, pursuant to the Articles of Association of our Corporation, the Directors are required to be appointed by the President of India.

As on date of filing of this Draft Red Herring Prospectus, our Corporation is not in compliance with the appointment of Directors including under Regulation 17(1) of the SEBI Listing Regulations and paragraph 5.3 of the Corporate Governance Guidelines issued by IRDAI.

Pursuant to Regulation 18(3) read with Paragraph A (2) of Part C of Schedule II of SEBI Listing Regulations, provisions relating to recommendation for appointment, remuneration and terms of appointment of auditors of a listed entity, is required to be included in the terms of reference of audit committee. In accordance with Section 139(5) of the Companies Act, 2013, Comptroller and Auditor General of India ("**CAG**") is required to appoint our Joint Statutory Auditors. Accordingly, provisions relating to appointment of our Joint Statutory Auditors are not included in the terms of reference of our Audit Committee, as required under the SEBI Listing Regulations.

Pursuant to Regulation 19(4) read with Paragraph A of Part D of Schedule II of SEBI Listing Regulations, provisions relating to (i) identification of persons who are qualified to become directors, (ii) recommending appointment and removal of directors, (iii) recommending extension of the term of independent directors, (iv) formulation of criteria for evaluation of performance of the directors, (v) devising policy on diversity of the board of directors, (vi) formulation of the criteria for determining qualifications, positive attributes and independence of a director, are required to be included in the terms of reference of nomination and remuneration committee. In our case, the power to appoint Directors on our Board vests with the President of India acting through the MoF. Given that matters pertaining to, among others, appointment of our Directors are determined by the President of India, acting through the MoF, we do not have the power to appoint Directors on our Board.

Accordingly, the aforementioned matters are not included in the terms of reference of our Audit Committee and Nomination and Remuneration Committee, respectively. To this extent, we are not compliant with the SEBI Listing Regulations.

Our Corporation has applied to the SEBI for relaxation from the strict enforcement of the SEBI ICDR Regulations in this regard which requires our Corporation to comply with the corporate governance requirements of the SEBI Listing Regulations and has undertaken to comply with such requirements before filing the Red Herring Prospectus. For further information, see "*Our Management*" beginning on page 166.

We cannot assure you that such relaxation will be granted by the SEBI in favorable terms or at all.

40. Fraud or misconduct by our employees could adversely affect our reputation, business, results of operations and financial condition.

Our business is susceptible to acts of fraud committed by our employees. Fraudulent and unauthorized conduct by our employees could also include binding us to transactions that exceed authorized limits or present unacceptable risks or concealing unauthorized or unlawful activities from us. Employee's misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm. It is not always possible to deter fraud or misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Any instances of such fraud or misconduct could adversely affect our reputation, business, financial condition and results of operations.

41. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be materially and adversely affected.

We take steps to establish and maintain compliance and disclosure procedures, systems and controls, and to maintain internal controls over financial reporting to produce reliable financial reports and prevent financial fraud. However, internal controls over financial reporting must be reviewed on an ongoing basis as risks evolve, and the processes to maintain such internal controls involve human diligence and compliance and are subject to lapses in judgement and breakdowns resulting from human error. To the extent that there are lapses in judgement or breakdowns resulting from human error, the accuracy of our financial reporting could be affected, resulting in a loss of investor confidence and could adversely affect our reputation, business, financial condition and results of operations.

42. Cybersecurity events could disrupt business operations, result in the loss of critical and confidential information, and adversely impact our reputation and results of operations.

We are dependent upon the effective functioning and availability of our information technology and application systems platforms. These platforms include, but are not limited to, proprietary software programs such as catastrophe models as well as those licensed from third-party vendors including analytic and modeling systems. We rely on the security of such platforms for the secure processing, storage and transmission of confidential information. Examples of significant cybersecurity events are unauthorized access, computer viruses, deceptive communications (phishing), ransom ware, malware or other malicious code or cyber-attack, catastrophic events, system failures and disruptions and other events that could have security consequences (each, a "Cybersecurity Event"). A Cybersecurity Event could materially impact our ability to adequately price our reinsurance products and services, establish reserves, provide efficient and secure services to our clients, brokers, vendors and regulators, value our investments and to timely and accurately report our financial results. Although we have implemented controls and have taken protective measures to reduce the risk of Cybersecurity Events, we cannot reasonably anticipate or prevent rapidly evolving types of cyber-attacks and such measures may be insufficient to prevent a Cybersecurity Event. Cybersecurity Events could expose us to a risk of loss or misuse of our information, litigation, reputational damage, violations of applicable privacy and other laws, fines, penalties or losses that are either not insured against or not fully covered by insurance maintained. We may be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities.

43. Failure to comply with privacy laws and regulations and contractual obligations with respect to confidential information may negatively impact our business and results of operations.

We must comply with privacy laws and regulations and contractual obligations with respect to the use, storage and disclosure of confidential information of our business partners including clients, as well as the underlying insured parties which may be individuals. Accordingly, we depend upon our internal information technology system for the storage and transmission of such confidential information. A compromise in our security systems that results in customer or insured parties' information being obtained by unauthorized persons or our failure to comply with security requirements for use, storage and/or transmission of sensitive information could adversely affect our reputation with our customers and result in litigation against us or the imposition of penalties and fines, all of which may adversely impact our business and results of operations.

Regulatory authorities around the world are considering a number of legislative and regulatory proposals concerning data protection. In addition, the interpretation and application of data protection laws in India, the U.S., Europe and elsewhere are often uncertain and in flux. It is possible that these laws may be interpreted and applied in a manner that is inconsistent with our data practices. If so, in addition to the possibility of fines, this could result in an order requiring that we change our data practices, which could have an adverse effect on our business and results of operations. Complying with these various laws could cause us to incur substantial costs or require us to change our business practices in a manner adverse to our business.

As a group operating worldwide, we strive to comply with all applicable data protection laws and regulations. It is however possible that we fail to comply with applicable laws and regulations. The failure or perceived failure to comply may result in inquiries and other proceedings or actions against us by government entities or others, or could cause us to lose clients which could potentially have an adverse effect on our business.

44. Our business may be subject to negative publicity, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our business is, to a large extent, reliant on the strength of our brand and our reputation as a global reinsurer. The high media scrutiny and public attention that the insurance industry is subjected to, in addition with increasing consumer activism in India, increases the risk to the reputation of the insurance and reinsurance industry in general, and a risk of negative publicity and damage to our brand if we are presented in a negative light. Litigation, employee misconduct, operational failures, regulatory investigations, press speculation and negative publicity, amongst others relating to us, whether founded or unfounded, could damage our brand or our reputation. Negative publicity could be based, for instance, on allegations that we have failed to comply with regulatory requirements or result from failure in business continuity or performance of our information technology systems, loss of customer data or confidential information, or unsatisfactory service and support levels.

Any damage to our brand or our reputation could hamper the trust placed in the brand and cause existing customers or intermediaries to withdraw their business and potential customers or intermediaries to reconsider doing business with us. Furthermore, negative publicity may result in increased regulation and legislative scrutiny of industry practices as well as increased litigation, which may further increase our costs of doing business and adversely affect our profitability. Negative publicity may also influence market or rating agencies' perception of us, which could make it more difficult for us to maintain our credit rating. Therefore, any damage to our brand or our reputation could have a material adverse effect on our business, financial condition, results of operations and prospects.

45. Legal and enforcement activities relating to the insurance industry could affect our business and our industry.

The insurance industry has experienced substantial volatility as a result of litigation, investigations and regulatory activity by various insurance, governmental and enforcement authorities concerning certain practices within the insurance industry. While at this time, none of these actions have caused an adverse effect on our reinsurance business, we are unable to predict the potential effects, if any, that future investigations may have upon our industry. Because we frequently assume the credit risk of the counterparties with whom we do business throughout our insurance and reinsurance operations, our results of operations could be adversely affected if the credit quality of these counterparties is severely impacted by investigations in the reinsurance or insurance industry or by changes to industry practices.

46. We are dependent on the loss settlements made by ceding companies, which if settled using poor business or legal judgment could materially adversely affect our performance.

We are dependent on the loss settlements made by ceding companies, which if settled using poor business or legal judgment could materially adversely affect our performance. Under the terms of our reinsurance contracts, all loss settlements made by a ceding company, provided they are within the terms of the underlying policies and within the terms of the relevant contract, will be unconditionally binding upon us. While we believe that the ceding companies will settle such claims in good faith, we are bound to accept the claims settlements agreed to by the ceding companies. Under the underlying policies, each ceding company bears the burden of proving that a contractual exclusion applies to a loss, and there may be circumstances where the facts of a loss are insufficient to support the application of an exclusion. In such circumstances, we assume such losses under the reinsured contracts, which could materially adversely affect our performance.

47. Political, regulatory, governmental and industry initiatives in and outside India could adversely affect our business.

Our reinsurance operations in and outside of India are subject to extensive laws and regulations that are administered and enforced by a number of different governmental and non-governmental self-regulatory authorities and associations in each of their respective jurisdictions. Our international businesses and reinsurance underwriting in each jurisdiction are subject to varying degrees of regulation and supervision. The laws and regulations of the jurisdictions in which we operate may require, among other things, maintenance of minimum levels of statutory capital, surplus, and liquidity; various solvency standards; and periodic examinations of us or our subsidiary's financial condition. Applicable statutes, regulations, and policies may also restrict our ability to write reinsurance contracts, to make certain investments, and to manage funds.

Some of these authorities regularly consider enhanced or new regulatory requirements intended to prevent future crises or otherwise assure the stability of institutions under their supervision. These authorities may also seek to exercise their supervisory authority in new and more robust ways, and new regulators could become authorized to oversee parts of our business.

It is not possible to predict all future impacts of these types of changes but they could affect the way we conduct our business and manage our capital, and may require us to satisfy increased capital requirements, any of which, in turn, could affect our results of operations, financial condition and liquidity. Regulations may restrict our ability to write new business, to make certain investments and to manage funds or assets.

Recent government intervention and the possibility of future government intervention have created uncertainty in the insurance and reinsurance markets. Government regulators are generally concerned with the protection of policyholders to the exclusion of other interested parties, including shareholders of reinsurers. We believe it is likely there will continue to be increased regulation of, and other forms of government participation in, our industry in the future, which could adversely affect our business by, among other things:

- Providing reinsurance capacity in markets and to clients that we target or requiring our participation in industry pools and guaranty associations;
- Further restricting our operational or capital flexibility;
- Expanding the scope of coverage under existing contracts;
- Regulating the terms of reinsurance contracts; or
- Disproportionately benefiting the companies domiciled in one country over those domiciled in another.

48. Since we rely on a few reinsurance brokers for a significant part of our international reinsurance business, loss of business provided by these brokers or breaches by these brokers of their contractual or regulatory obligations could reduce our premium volume and net income and have an adverse effect on our business, financial condition and results of operations.

We produce a significant part of our international reinsurance business and a portion of our domestic reinsurance business through brokers. For Fiscal 2017, 86.27% of our gross reinsurance premiums accepted outside India, and

9.23% of our gross reinsurance premiums accepted inside India, were sourced through brokers. In Fiscal 2017, we had five brokers that accounted for 12.09% of our total gross premiums written. Because broker-produced business is concentrated with a small number of brokers, we are exposed to concentration risk. A significant reduction in the business produced by these brokers could potentially reduce our premium volume and net income.

In addition, we cannot guarantee that our brokers will comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all. Our brokers may breach agreements they have with us because of factors beyond our control. They may also terminate or refuse to renew their agreements because of their own financial difficulties or business priorities, potentially at a time that is costly or otherwise inconvenient for us. Our operations could be delayed or our commercial activities could be harmed due to any such event despite having continuity plans in place as required by regulations. In addition, if our brokers fail to operate in compliance with regulations or corporate and societal standards, we could suffer reputational harm. Accordingly, any significant reduction in business from our brokers or other business or reputational harm caused by our brokers would likely have an adverse effect on our business, financial condition and results of operations.

49. We are subject to numerous additional risks and uncertainties as we expand distribution of our reinsurance products in international markets.

Apart from our operations in India, we also engage in reinsurance business in international markets. As at March 31, 2017, our international reinsurance business cover India and 162 countries around the world, including Asia Pacific, Europe, North America, South America, the Middle East and Africa. Different markets vary in political and economic conditions, natural environment and catastrophe risks, rules and regulations, and reinsurance products and applicable terms and conditions.

We seek to expand our existing business and other related business in international markets. Therefore, we may face increasing operational, regulatory, compliance, reputational and exchange rate risks as well as numerous other uncertainties relating to international businesses and international markets. Any of local characteristics, requirements, activities or needs could increase the legal and compliance and other costs and expenses that we incur in a specific jurisdiction without any corresponding increase in revenues and income from operating in that jurisdiction. In addition, our international business is subject to regulation by various countries and regions in addition to Indian regulatory authorities, and there may be restrictions on our ability to expand internationally due to regulatory constraints and a variety of other factors. Our failure to comply with any of the relevant laws and regulations to which we are subject may result in fines, asset freezing, seizures, restrictions on our business operations or expansion, or revocation of our business licenses. The expansion of our international business may also divert resources from our existing business and technical expertise and put pressure on our existing systems (such as our internal control systems and information technology systems). Therefore, there can be no assurance that expanding the international reach and distribution of our reinsurance offerings will not result in reputational harm, significant losses, operational failures or regulatory fines or sanctions.

50. The insurance sector is subject to seasonal fluctuations in operating results and cash flows.

The insurance sector in India is subject to seasonal fluctuations in operating results and cash flow. Insurance volumes in India typically significantly increase in the final quarter of each fiscal year. For the same reason, as a reinsurer in India, we typically experience slower sequential revenue growth in the first quarter of each fiscal year. As a result of these factors, our Indian business may be subject to seasonal fluctuations in operating results and cash flows during any interim financial period, and consequently, such results cannot be used as an indication of our annual results, and cannot be relied upon as an indicator of our future performance.

51. Our results of operations fluctuate from period to period and may not be indicative of our long-term prospects.

The performance of our reinsurance operations and our investment portfolio fluctuate from period to period. Fluctuations result from a variety of factors, including:

- reinsurance contract pricing;
- our assessment of the quality of available reinsurance opportunities;
- the volume and mix of reinsurance products we underwrite;
- loss experience on our reinsurance liabilities;
- our ability to assess and integrate our risk management strategy properly; and
- the performance of our investment portfolio.

In particular, we seek to accept reinsurance and make investments to achieve favorable returns. In addition, our focus on long-term growth result in fluctuations in total premiums written from period to period as we concentrate on reinsurance contracts that we believe will generate better long-term, rather than short-term, results. Accordingly, our short-term results of operations may not be indicative of our long-term prospects.

52. ***Higher expenses than expected could have a material adverse effect on our business, financial condition and results of operations.***

We price the reinsurance we accept based on assumptions for expenses we expect to incur. The assumptions for expenses include issuance cost, infrastructure related costs, employee costs, maintenance cost and other support costs. Expenses may be higher than expected due to specific events and changes in macroeconomic conditions including inflation, changes in regulations, competition dynamics, distributor pressures, people and other factors. In addition, significant variation of actual inflation from our assumptions could also result in higher than expected expenses. If actual incurred expenses exceed the priced levels, it could have a material adverse effect on our business, financial condition and results of operations. We may also be unable to control or maintain our costs due to low productivity or increased competition. Any of these could cause higher than expected expenses and could have a material adverse effect on our business, financial condition and results of operations.

53. ***Reductions in the rate of obligatory cessions to us in India or higher retention rates by our insurance company customers in India or internationally may reduce our premiums accepted and have a material effect on our results of operations. Obligatory cessions may also require us to reinsure unprofitable business that we might not otherwise accept.***

The amount of reinsurance that is ceded by an insurance company determines its retention ratio which is the amount of risk that the insurer retains. To retain more premiums for themselves, insurers may increase their retention rates, particularly when premium prices are declining. Changes in retention rates in and outside India are important to our reinsurance underwriting volumes. If our insurance company customers raise their retention rates for any reason, our premiums accepted may be reduced which may have a material impact on our results of operations.

All direct insurers in India are required to make a 5% cession (subject to certain limits) of every non-life policy to us. After this obligatory cession to us, Indian insurers must maintain the maximum possible retention commensurate with their financial strength and volume of business. The rate of obligatory cessions was decreased from 20% to 15% in Fiscal 2006, to 10% in Fiscal 2012, to 5% in Fiscal 2013, where it remains currently. Any further reduction in obligatory cessions by the IRDAI could reduce our premiums and adversely affect our results of operations. Notwithstanding, obligatory cessions may also require us to reinsure unprofitable business that we might not otherwise accept. For example, we are required to accept 5% of third party motor insurance risks in India which has historically had high losses and not been a profitable business line.

54. ***Our financial statements and the presentation of our performance metrics differ significantly from those of non-insurance companies and may be difficult to understand or interpret.***

Our Restated Financial Information have been prepared in accordance with Indian GAAP, the Insurance Act, 1938, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the Companies Act, 2013 and restated under the SEBI ICDR Regulations. Our Restated Financial Information, and the financial statements which will be prepared for the future accounting periods will, differ significantly from those of non-insurance companies and may be difficult to understand. For example, while financial statements of companies other than insurance companies generally consists of a balance sheet, profit and loss statement and cash flows statement, our financial statements consist of a balance sheet, revenue accounts (the 'policyholders' account'), the profit and loss account (the 'shareholders' account') and a cash flow statement. As a result of the technical nature of our financial statements as compared to those of non-insurance companies, an investor may find them difficult to understand or interpret.

Our performance metrics, including combined ratios, net commission ratios, incurred claims ratios and solvency ratios are significantly different from those of non-insurance companies and may require certain estimates and assumptions in their calculation. These performance metrics are not part of our financial statements and are unaudited (save for our combined ratio which is audited). Among international reinsurance companies, these metrics may be calculated differently by different companies. An investor must exercise caution before relying on these metrics and these must be read along with our Restated Financial Information.

55. ***Changes in the accounting standards used in the reporting of our financial statements due to new pronouncements, interpretations, migration to new standards or even due to our own decision to change accounting policies may significantly affect our financial statements for the future years, and may materially and adversely affect our financial results, financial condition or Shareholders' equity.***

Our financial statements are prepared in accordance with accounting principles generally accepted in India (Indian GAAP), in compliance with the accounting standards notified under section 133 of the Companies Act, 2013 further amended by Companies (Accounting Standards) Amendment Rules, 2016, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with the provisions of the Insurance Act, 1938 (amended by the

Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed thereunder, including Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India.

It is possible that in the future, changes to accounting standards or any other regulations governing us could change the current accounting treatment being followed by our Corporation. This may have a significant impact on the level and volatility of our financial results, financial condition or Shareholders' equity. In any such event, our profit/ loss for the preceding years might not be strictly comparable with the profit/ loss for the period for which such accounting policy changes are being made.

In addition, companies in India are required to prepare annual and interim financial statements under an IFRS converged standard known as "Ind AS". The Ministry of Corporate Affairs of the GoI ("**MCA**") has notified the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015 ("**MCA Ind AS Rules**") and has also issued a press release dated January 18, 2016 outlining a roadmap for implementation of Ind AS converged with IFRS. Thereafter, MCA issued the Companies (Accounting Standards) Amendment Rules, 2016 dated March 30, 2016 ("**Amendment Rules**") applicable for accounting periods commencing on or after March 30, 2016. Such Amendment Rules state that insurance companies shall apply such Ind AS may be notified by the IRDAI. The IRDAI has issued a circular on implementation of Ind AS, dated March 1, 2016, with respect to the implementation of Ind AS stating that insurers shall follow the Ind AS notified under the MCA Ind AS Rules, subject to any guideline or direction issued by the IRDAI in this regard. The IRDAI has delayed implementation of Ind AS for insurance and reinsurance companies in a recent circular, dated June 28, 2017. Insurance and reinsurance companies now are required to prepare Ind AS based financial statements for accounting periods beginning from April 1, 2020 onwards, with comparatives for the periods ending March 31, 2020.

Given that there is significant lack of clarity on the manner of implementation of Ind AS by insurance companies and there is not yet a significant body of established practice in India on which to draw in forming judgements regarding its implementation and application to insurance companies, we have not determined with any degree of certainty the impact that such adoption will have on our financial reporting. In the transition to Ind AS reporting, we may encounter several technical difficulties in the implementation of Ind AS. Moreover, there is increasing competition for the small number of Ind AS experienced accounting personnel available as more Indian companies begin to prepare Ind AS financial statements.

There can hence be no assurance that our financial condition, financial results, cash flows or changes in Shareholders' equity will not appear materially worse under Ind AS than under Indian GAAP and that any failure to successfully adopt Ind AS and submit pro forma financial statements within the prescribed timelines could have a material adverse effect on the price of the Equity Shares.

Also see "*—External Risks— Significant differences exist between Indian GAAP and other reporting standards, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition*" on page 42.

56. Our Corporation will continue to be controlled by the GoI following this Offer.

After the completion of the Offer, the GoI will hold majority of the paid-up Equity Share capital of our Corporation. Consequently, the GoI acting through the Ministry of Finance will continue to control us and will have the power to elect and remove the Directors and therefore determine the outcome of most proposals for corporate action requiring approval of the Board or the shareholders, including with respect to the payment of dividends, preparation of budgets, capital expenditure, and transactions with other public sector companies. We continue to be a public sector undertaking under the Companies Act, and the GoI may issue directives with respect to the conduct of our business or its affairs or change in control or impose other restrictions in terms of our Articles of Association. For further information on the Articles of Association, see "*Main Provisions of the Articles of Association*" on page 513.

57. The interests of the GOI as our controlling shareholder may conflict with the interests of shareholders.

Under our Articles of Association, the GoI, by holding a majority of our Equity Share capital may issue directives with respect to the conduct of our business or our affairs for as long as we remain a public sector undertaking, as defined under the Companies Act. The interests of the GoI may be different from our interests or the interests of other shareholders. As a result, the GoI may take actions with respect to our business and the businesses of our peers and competitors, designed to serve the public interest in India and not necessarily to maximize profits. In addition, as a result of our controlling ownership by the GoI, we are required to adhere to certain restrictions with respect to the types of investments we may make using our cash balances, which may restrict us from entering into certain investments providing a higher rate of return. The GoI will retain control over the decisions requiring adoption by our shareholders acting by a simple majority. The President of India could, by exercising its powers of control, delay or defer or initiate a change of control of our Corporation or a change in our capital structure, delay or defer a merger, consolidation, or discourage a merger with another public sector undertaking.

58. ***Some of our Directors may have interests in companies similar to ours, which may result in a conflict of interest that may adversely affect future financing opportunities from referrals.***

Alice G Vaidyan, Chairman-cum-Managing Director of our Corporation, is also a director of Asian Reinsurance Corporation, which is engaged in business lines similar to ours. G. Srinivasan, one of our Directors, is a director of India International (one of our Group Companies), which is engaged in business lines similar to ours. Such directorships as well as any other directorships in companies that operate in similar business lines as ours that our Directors may have, may result in potential conflict of interest situations. While our Board continues to adhere to the requirements of the Companies Act, 2013 in this regard, there can be no assurance that these or other conflicts of interest will be resolved in a timely and efficient manner.

59. ***Our ability to pay dividends in the future will depend on number of factors, including our profit after tax for the fiscal year, our capital requirements, our financial condition, our cash flows and applicable taxes, including dividend distribution tax payable by our Corporation, and the payments will be subject to the CPSE Capital Restructuring Guidelines.***

Our ability to pay dividends in the future will depend on number of factors, including our profit after tax for the fiscal year, our capital requirements, our financial condition, our cash flows and applicable taxes, including dividend distribution tax payable by our Corporation. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant. We may decide to retain all our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends in the future.

In accordance with the CPSE Capital Restructuring Guidelines, our Corporation is required to pay an annual dividend of 30% of its PAT or 5% of Government of India’s equity, whichever is higher, unless an exemption is provided in accordance with the guidelines. For further details, see “*Dividend Policy*” on page 186.

60. ***Any increase in or realization of our contingent liabilities could have a material adverse effect on our business, financial condition, results of operations and prospects.***

As of March 31, 2015, 2016 and 2017, our aggregate contingent liabilities, in accordance with the provisions of Accounting Standard - 29 – Provisions, Contingent Liabilities and Contingent Assets, were ₹30,860.68 million, ₹27,655.82 million and ₹33,174.27 million, respectively, on a restated consolidated basis. The details of our contingent liabilities which have not been provided for by us as of March 31, 2017 as per Our Restated Consolidated Financial Information are as follows:

(in ₹ millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Claims, other than under policies not acknowledged as debts	11.00	11.00	11.00	Nil
Guarantees / LC given by or on behalf of the Corporation	15,864.37	10,617.68	8,352.71	9,161.47
Statutory demand / liabilities in dispute - Income-tax demands disputed, not provided	17,298.90	17,027.14	22,496.97	21,199.25
Total	33,174.27	27,655.82	30,860.68	30,360.72

There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future. In the event that the level of contingent liabilities increase, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

61. ***Our Subsidiary GIC Re South Africa Limited has experienced losses in the recent past.***

In Fiscal 2017 and Fiscal 2016, our Subsidiary GIC Re South Africa Limited (“**GIC Re South Africa**”) has made net losses after tax of ₹139.07 million and ₹ 31.93 million. If GIC Re South Africa continues to experience losses, either in the short term or over extended periods, we may be required to fund GIC Re South Africa’s business to run its operations successfully, which could have an adverse effect on our results of operations.

62. ***This Draft Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL Research.***

This Draft Red Herring Prospectus in the sections titled “*Summary of Industry*”, “*Summary of our Business*”, “*Industry Overview*” and “*Our Business*” on pages 48, 51, 97 and 120, respectively, includes information that is derived from an industry report titled *Analysis of the Indian Re-insurance industry, July 2017,* prepared by CRISIL Research, a research house, pursuant to an engagement with us. We commissioned the report to confirm our understanding of the insurance industry in India. Neither we, nor any of the Lead Managers, our Directors, the GoI, nor any other person connected with the Offer has verified the information in the commissioned report. CRISIL Research has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the such information and disclaims responsibility for any errors or omissions in the information or for the results obtained from the use of such information. The commissioned report also highlights certain industry and market data, which may be subject to assumptions. Methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that the assumptions of CRISIL Research are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in the Equity Shares. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

63. Statistical and industry data in this Draft Red Herring Prospectus may be inaccurate, incomplete or unreliable.

We have not independently verified data obtained from industry publications and other sources referred to in this Draft Red Herring Prospectus. In addition, such data may also be produced on different bases from those used in the industry publications we have referenced. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Therefore, discussions of matters relating to India, its economy, the financial services industry, the housing sector and the urban infrastructure sector are subject to the caveat that the statistical and other data upon which such discussions are based may be inaccurate, incomplete or unreliable. Accordingly, investors should not place undue reliance or base their investment decisions solely on the basis of such information.

64. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have entered into various transactions with related parties. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties. For details on our related party transactions, see "*Financial Statements – Annexure XXIX*" beginning on page 385.

65. Deployment of the Net Proceeds is entirely at the discretion of our Corporation and is not subject to any monitoring by any independent agency.

Our funding requirements and the deployment of the proceeds of the Offer are purely based on our management's estimates and have not been appraised by any bank or financial institution. Our Corporation may have to revise such estimates from time to time and consequently our funding requirements may also change. Further, the deployment of the funds towards the objects of the Offer is entirely at the discretion of our management and is not subject to monitoring by any external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.

66. Future growth in the Indian insurance and reinsurance market cannot be assured.

Over the long term, we expect the insurance market in India to continue to expand and the insurance penetration and insurance density to continue to rise with the continued growth of the Indian economy, favorable demographic patterns and rise in household financial savings. Accordingly, we expect the Indian reinsurance market to mirror this growth. Our judgements regarding the anticipated drivers of such growth and their impact on the Indian insurance and reinsurance industry might be mistaken and actual developments might not reflect such expectations. In addition, the Indian insurance industry may not be free from systemic risks, including risks related to macroeconomic conditions and customers' attitude to financial savings. Consequently, the growth and development of the Indian insurance and reinsurance industry cannot be assured.

67. Recent global economic conditions have been unprecedented and challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during a part of Fiscal 2008 and 2009 adversely affected market prices in the global securities markets, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. In June 2016, a majority of voters in the United Kingdom elected to withdraw from the European Union in a national referendum. The referendum was advisory, and the terms of any withdrawal are subject to a negotiation period that could last at least two years after the government of the United Kingdom formally initiates a withdrawal process. Nevertheless, the referendum has created significant uncertainty about the future relationship between the United Kingdom and the European Union, including with respect to the laws and regulations that will apply as the United Kingdom determines which European Union laws to replace or replicate in the event of a withdrawal. The referendum has also given rise to calls for the governments of other European Union member states to consider withdrawal. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have a material adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

68. If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business, and results of operations.

Any change in tax laws, including for indirect taxes, may result in us no longer being able to enjoy the existing exemptions / benefits, available to us, which could adversely impact our profitability. If there is an upward revision to the currently applicable special corporate tax rates of 12.5% under Section 115JB of the Income Tax Act applicable to us, or if the normal corporate tax rates of 30% along with applicable surcharge and cess become applicable to us, our tax burden will increase. Other benefits such as inapplicability of minimum alternate tax rates, as applicable to other corporates, exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds.

The GoI introduced on July 1, 2017, a comprehensive national GST regime that combines taxes and levies by the central and state governments into one unified rate of interest. While the GoI and other state governments have announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the legal regime on the GST, we are unable to provide any assurance as to the implementation of the GST. Such implementation also remains subject to any disputes between the various state governments, which could create further uncertainty. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India including us and may result in significant additional taxes becoming applicable to us. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

In addition, if international tax reforms such as the Base Erosion and Profit Sharing measures of the Organisation for Economic Co-operation and Development are adopted by India, we may be subject to enhanced disclosure and compliance requirements and a resultant increase in our costs related to such compliance.

We cannot predict whether any tax laws or regulations impacting insurance products will be enacted, the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition and results of operations.

69. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Indian central government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition and results of operations.

70. Potential application of the United States Federal Insurance Excise Tax to non-U.S. reinsurers.

The United States Internal Revenue Service, in Revenue Ruling 2008-15, has formally announced its position that the U.S. federal insurance excise tax (the "FET") is applicable (at a 1% rate on premiums) to all reinsurance cessions or retrocessions of risks by non-U.S. insurers or reinsurers to non-U.S. reinsurers where the underlying risks are either (i) risks of a U.S. entity or individual located wholly or partly within the U.S. or (ii) risks of a non-U.S. entity or individual engaged in a trade or business in the U.S. which are located within the U.S. ("U.S. Situs Risks"), even if the FET has been paid on prior cessions of the same risks. The legal and jurisdictional basis for, and the method of enforcement of, the IRS's position is unclear. We have not determined if the FET should be applicable with respect to risks ceded to us by, or by us to, a non-U.S. insurance company. If the FET is applicable, it should apply at a 1% rate on premium for all U.S. Situs Risks ceded to us by a non-U.S. insurance company, or by us to a non-U.S. insurance company, even though the FET also applies at a 1% rate on premium ceded to us with respect to such risks.

71. Significant differences exist between Indian GAAP and other reporting standards, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.

As stated in the report of our auditors included in this Draft Red Herring Prospectus, our financial statements are prepared and presented in conformity with Indian GAAP (including compliance to the Companies Act, the Insurance Act, the IRDA Act, regulations framed and circulars issued thereunder and restated under the SEBI ICDR Regulations), consistently applied during the periods stated, except as provided in such reports, and no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to US GAAP or IFRS or any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, including US GAAP or IFRS.

Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on your familiarity with Indian GAAP, Insurance Act, Insurance Regulatory and Development Authority of India Act, 1999, the Companies Act, and the regulations framed thereunder. Any reliance by persons not familiar with Indian GAAP, or these laws and regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

72. Difficulties faced by other financial institutions or the Indian financial sector generally could adversely affect us.

We are exposed to the risks of the Indian financial system, which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact daily. Our transactions with these financial institutions expose us to credit risk in the event of default by the counterparty, which can be exacerbated during periods of market illiquidity. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions. This in turn could adversely affect our business, financial condition and results of operations.

73. A significant change in the GoI's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.

A large part of our business and customers are located in India or are related to and influenced by the Indian economy. The Indian government has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Government policies could adversely affect business and economic conditions in India, our ability to implement our strategy and our future financial performance. Since 1991, successive Indian governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. For the past several years, coalition governments have governed India. The leadership of India and the composition of the coalition in power are subject to change and election results are sometimes not along expected lines. It is difficult to predict the economic policies that will be pursued by the Government of India. The rate of economic liberalization could change and specific laws and policies affecting insurance companies, foreign investment, currency exchange and other matters affecting investment in our securities could change as well. Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

74. ***Communal disturbances, riots, terrorist attacks and other acts of violence or war involving India and/or other countries, health epidemics and natural calamities could adversely affect India's economy and the financial markets, result in loss of client confidence, and adversely affect the price of our Equity Shares, our business, financial condition and results of operations.***

India has experienced communal disturbances, terrorist attacks and riots during recent years. Any major hostilities or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business and may adversely affect the Indian stock markets where our Equity Shares will trade as well as global equity markets generally. Such acts could negatively impact business sentiment and consumer confidence, which could adversely affect our business and results of operations.

India and other countries may enter armed conflict or war with other countries or extend pre-existing hostilities. Military activity or terrorist attacks could adversely affect the Indian economy by, for example, disrupting communications and making travel more difficult. Such events could also create a perception that investments in Indian companies involve a higher degree of risk. This could adversely affect client confidence in India, which could have a negative impact on the economies of India and other countries, on the markets for our products and services and on our business.

Since 2003, outbreaks of Severe Acute Respiratory Syndrome in Asia, avian influenza across Asia and Europe, Ebola virus in western Africa, and Influenza A (H1N1) across the world have adversely affected a number of countries and companies. Any future outbreak of infectious diseases or other serious public health epidemics may have a negative impact on the economies, financial markets and level of business activity in affected areas, which may adversely affect our business. India has also experienced natural calamities such as earthquakes, floods, drought and a tsunami in the recent past. The length and severity of these natural disasters determine the extent of their impact on the Indian economy. Prolonged spells of abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy.

Such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares, and adversely affect our business, financial condition and results of operations.

RISKS RELATING TO THE EQUITY SHARES

75. ***Our Equity Shares have not been publicly traded prior to this Offer. After this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.***

Prior to this Offer, there has been no public market for our Equity Shares. An active trading market on the Stock Exchanges may not develop or be sustained after this Offer. Moreover, the Offer Price is intended to be determined through a book-building process and may not be indicative of the price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter.

The trading price of our Equity Shares after this Offer may be subject to significant fluctuations in response to factors including general economic, political and social factors, developments in India's fiscal regime, variations in our operating results, volatility in Indian and global securities markets, developments in our business as well as our industry and market perception regarding investments in our business, changes in the estimates of our performance or recommendations by financial analysts, research analysts' recommendations, announcements by third parties or governmental entities of significant claims or proceedings against us, new laws and governmental regulations applicable to our industry, additions or departures of key management personnel, changes in exchange rates, any large claims made under one of our policies and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. The trading price of our Equity Shares may also decline in reaction to events that affect the entire market and/or other companies in our industry even if these events do not directly affect us and/or are unrelated to our business or operating results.

76. ***Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by the GoI may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in our Corporation. Any future equity issuances by us or sales of our Equity Shares by the GoI may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

77. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

78. There are restrictions on share transfers under the Insurance Act and the relevant IRDAI regulations.

The IRDAI on August 5, 2016 issued the Listed Indian Insurance Companies Guidelines. These guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. The guidelines, inter alia, propose self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to 1% or more, but less than 5%, of the paid up equity share capital of the insurer. The self-certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, if the person proposing to acquire equity shares is likely to result in (i) the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid up equity share capital of the insurer or the total voting rights of the insurer, or (ii) the aggregate holding of such person along with the persons acting in concert, increasing to in excess of 10%, each such acquisition would require prior approval of the IRDAI. The investors intending to acquire Equity Shares amounting to 1% or more, up to 5%, of the paid up equity share capital of our Corporation in the Offer would be required to comply with the self-certification criteria as set out in "*Offer Procedure—Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Corporation*" on page 475. Additionally, investors intending to acquire Equity Shares in the Offer such that (i) the aggregate holding of such investor, his relatives, associate enterprises and persons acting in concert, would increase to 5% or more of the paid up Equity Share capital of our Corporation or the total voting rights of our Corporation, or (ii) the aggregate holding of the investor along with the persons acting in concert, increasing to in excess of 10% of the paid up equity share capital of our Corporation or the total voting rights of our Corporation, should note that each such acquisition would require prior approval of the IRDAI. Investors will also be subject to such restrictions with respect to any acquisition of Equity Shares after the Offer. For further details, see "*Offer Procedure*" beginning on page 474.

79. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares and/or the ability of others to acquire us, which could prevent us from operating our business or entering a transaction that is in the best interests of our shareholders.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

In addition, the Insurance Act read with Rule 3 of the Indian Insurance Companies (Foreign Investment) Rules, 2015 and FDI policy set the cap on aggregate holdings of equity shares by foreign investors, including portfolio investors, at 49% of paid-up equity share capital, provided the insurer is an Indian owned and controlled entity. For further details on the cap on foreign investment and calculation of foreign investment in insurers, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 512. If our Corporation reaches the cap, our ability to attract further foreign investors would be curtailed, which may have a material adverse impact on the market price of the Equity Shares.

80. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after closure of the Offer.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid, and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until closure of the Offer.

Therefore, QIBs and Non-Institutional Investors would not be able to withdraw or lower their Bids, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition, or otherwise, between the dates of the submission of their Bids and the Allotment.

While our Corporation is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Corporation may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the offer or cause the trading price of the Equity Shares to decline on listing.

81. Investors may have difficulty enforcing foreign judgments against us or our management

We are a limited liability company incorporated under the laws of India. Substantially all our directors and executive officers are residents of India and a substantial portion of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of CPC on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. Such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Indian central government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees, which are dissimilar to amounts payable in respect of taxes, other charges of a like nature, a fine or other penalties.

We have been advised by our Indian counsel that the United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters, other than arbitration awards. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Indian Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered.

82. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by our Corporation.

If you are a foreign investor and the law of the jurisdiction that you are located in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by you, your proportional interest in our Corporation would be reduced.

83. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid to an Indian resident, will be subject to long term capital gains tax in India. Further, recent Finance Act 2017 amendments provides that any income arising from the transfer of a long-term capital asset, being equity share in a company, shall not be exempted, if the transaction of acquisition of such equity shares was entered on or after October 1, 2004 without payment of STT except in certain instances as provided for in notification dated June 5, 2017 (F. No. 43/2017/F. No. 370142/09/2017-TPL). In addition, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. This amendment further provides that the Government will notify certain modes of acquisition to which the recent amendment made by Finance Act 2017 would not be applicable and the shares acquired by such modes of acquisition would continue to get the benefit of section 10(38) of the Income Tax Act. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

84. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law, including those related to class actions, may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder in an Indian company than as a shareholder of a corporation in another jurisdiction.

85. U.S. Foreign Account Tax Compliance Act withholding may affect payments on the Equity Shares.

The U.S. Foreign Account Tax Compliance Act ("FATCA") imposes a reporting regime and, potentially, a 30.0% withholding tax with respect to (a) certain payments from sources within the United States, (b) "foreign pass thru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (c) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution.

The United States has entered into an inter-governmental agreement regarding the implementation of FATCA with India (the "IGA"). Under the IGA, a non-U.S. financial institution that is resident in India (a "Reporting FI") is not subject to withholding under FATCA provided that it complies with the terms of the IGA, including requirements to register with the U.S. Internal Revenue Service and to identify, and report certain information on, accounts held by certain U.S. persons (which includes for the purposes of this risk factor all U.S. persons for tax purposes) owning, directly or indirectly, an equity or debt interest in our Corporation (other than equity and debt interests that are regularly traded on an established securities market) and report on accounts held by certain other persons or entities to the Indian Income Tax Department, which will exchange such information with the U.S. Internal Revenue Service.

Our Corporation expects that it will be treated as a Reporting FI pursuant to the IGA and that it will comply with the requirements under the IGA and relevant Indian legislation. Our Corporation also expects that the Equity Shares will be regularly traded on an established securities market, meaning that our Corporation should not have to report specific information on its Shareholders to the Indian Income Tax Department. However, there can be no assurance that our

Corporation will be treated as a Reporting FI, that the Equity Shares will be considered to be regularly traded on an established securities market or that our Corporation will not in the future be subject to withholding tax under FATCA or the IGA. Prospective investors that are U.S. persons should consult their own tax advisors regarding the potential impact of FATCA.

Prominent Notes:

1. Public offer of 124,700,000 Equity Shares for cash at a price of ₹ [●] per Equity Share, including 107,500,000 Equity Shares through an offer for sale by the President of India, for cash at a price of to ₹ [●] per Equity Share aggregating to ₹ [●] million. The Offer would constitute 14.22% of our post-Offer paid up Equity Share capital.

2. As of March 31, 2017, our Corporation's net worth was ₹179,916.72 million as per our Corporation's Restated Standalone Financial Statements and ₹195,136.94 million as per our Restated Consolidated Financial Statements.

3. As of March 31, 2017, the net asset value per Equity Share was ₹209.21 as per our Corporation's Restated Standalone Financial Statements and was ₹226.90 as per our Restated Consolidated Financial Statements and the book value per Equity Share was ₹209.21 as per our Corporation's Restated Standalone Financial Statements and was ₹226.90 as per our Restated Consolidated Financial Statements.

4. For details of related party transactions entered into by our Corporation, see "*Related Party Transactions*" on page 185.

5. The average cost of acquisition of Equity Shares for our Promoter is ₹ 0.25 per Equity Share. For further details, see "*Capital Structure*" beginning on page 79.

6. Except as disclosed in "*Our Group Companies*" and "*Related Party Transactions*" on pages 183 and 185 respectively, none of our Group Companies have business interest or other interests in our Corporation.

7. There has been no financing arrangement whereby our Directors and their relatives have financed the purchase by any other person of securities of our Corporation during the period of six months immediately preceding the date of the Draft Red Herring Prospectus.

8. For any complaints, information or clarifications pertaining to the Offer, investors may contact the Registrar to the Offer, our Corporation and the BRLMs who have submitted the due diligence certificate to SEBI.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

*Unless otherwise specified, the information and statistics in this section are extracted from the report entitled "CRISIL Research, Analysis of the Indian Re-insurance industry, July 2017" (the "**CRISIL Report**"). The information presented in this section, including forecasts and projections, have not been prepared or independently verified by us, our Directors, the GoI, the BRLMs, or any of our or their respective affiliates or advisors or any other party involved in the Offer, and no representation is made as to its accuracy.*

Indian Economy

The Indian economy is the fourth largest economy in the world in terms of GDP at purchasing power parity (PPP) exchange rates, with an estimated GDP, in PPP terms, for 2016 of U.S.$8.7 trillion. (Source: CIA World Factbook).

According to CRISIL Research, India's GDP at current prices in Fiscal 2017 was ₹152 trillion.

India has the world's second largest population, estimated at 1,210 million (Source: Censusinfo India 2011) and the second largest labour force, estimated at 513.7 million people. (Source: CIA World Factbook) It also has one of the youngest populations in the world with a median age of 27.6 years, a high share of working population and rapid urbanization (2.38% change per annum). (Source: CIA World Factbook)

India is developing into an open-market economy. Economic liberalization measures including industrial deregulation, privatization of state-owned enterprises and reduced controls on foreign trade and investment began in the 1990s and have accelerated India's growth which averaged approximately 7% per annum from 1997 to 2016. (Source: CIA World Factbook). In recent years, India has become a popular destination for foreign direct investment ("FDI"), owing to its well-developed private corporate sector, large consumer market potential, large well-educated and English speaking workforce and well-established legal systems. Overall, India attracted FDI of approximately U.S.$55.4 billion in Fiscal 2016 and U.S.$45.1 billion in Fiscal 2015 as compared to an average of U.S.$23.1 billion from Fiscal 2001 to Fiscal 2013. (Source: Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India – Fact Sheet on FDI from April 2000 to December 2016.)

The Indian economy has shown moderate recovery in the past three fiscal years. Domestic GDP growth showed a marginal improvement from 7.2% in Fiscal 2015 to 7.9% in Fiscal 2016, primarily attributable to an increase in private final consumption expenditure from 6.2% in Fiscal 2015 to 7.4% in Fiscal 2016. (Source: RBI Annual Report 2015-16.) Real GDP growth, however, slowed to 7.1% in Fiscal 2017 with weak private investment and a slowdown due to the Government's demonetization program. (Source: Central Statistical Office of India's Ministry of Statistics and Programme Implementation)

Global Reinsurance Industry

Introduction

Reinsurance has a rich history and likely evolved in its modern form from risk management by insurers in the aftermath of large city fires in England, Germany and Switzerland before the industrial revolution. The modern reinsurance industry's evolution dates to 1842, when the first reinsurance company, Cologne Re, was established in Germany. Industry giants, such as Swiss Re and Munich Re, were also established around the same time. During the first half of the 20th century, reinsurers began to emerge in many parts of the world, especially in countries such as the United States, where there were larger disruptions due to the world wars. Related market participants, including brokers and ancillary service providers, have also emerged as important stakeholders in the industry.

Reinsurance refers to the arrangement whereby insurers transfer part of the risks and liabilities written to one or more insurers or reinsurers by entering reinsurance contracts. Reinsurance is considered as the insurance of insurance. Retrocession is the risk transfer by a reinsurer in the same way. Retrocessional coverage consists of reinsurance purchased to cover a portion of the risks that the reinsurer is covering for the underlying insurance companies.

Reinsurance allows direct insurers to manage capacity, ease surplus strain, minimize fluctuations in claim payments and lapse exposure and manage their portfolios. The reinsurance industry also provides insurance companies with access to important industry information and expertise.

Under a reinsurance contract the cedent pays premium to the reinsurer and the risks and liabilities the cedent writes are transferred to the reinsurer. According to the terms and conditions of the reinsurance contact the reinsurer makes payments to the cedent with respect to the claims incurred under the original insurance contract (or in the case of a retrocession arrangement, under the reinsurance contract).

Global Players and Rankings

The global reinsurance market is competitive but concentrated. In terms of gross premium written in 2015, the top ten reinsurance companies are Munich Reinsurance Company, Swiss Re Ltd., Hannover Rueck S.E., SCOR S.E., Lloyd's of London, Berkshire Hathaway Inc, Reinsurance Group of America Inc., China Reinsurance (Group) Corporation, Everest Re Group Ltd, and Partner Re Ltd. (Source: CRISIL Report) According CRISIL Research, these top ten reinsurance companies write over 70% of the total life and non-life unaffiliated gross reinsurance premiums written. (Source: CRISIL Report)

Since the last large big acquisition in the global life reinsurance industry in 2013 was when SCOR bought Generali USA Life Reassurance Company, the global industry has become more concentrated but there have been no significant market entrants or big acquisitions. CRISIL Research observes that the reinsurance panels of large insurers usually only include three or four large players.

Our Corporation was 14th in the global reinsurance market based on gross reinsurance premiums written in 2015. (Source © A.M. Best – used with permission and as extracted from the CRISIL Report) Among Asian reinsurers in 2015, we were at 3rd position, next only to China Reinsurance Corporation and Korean Reinsurance Company. (Source: CRISIL Report) CRISIL Research indicates that our Corporation has further improved to 12th position in the global reinsurance market based on gross reinsurance premiums written in 2016.

Global Market Size, Environment and Outlook

The size of the global reinsurance market is estimated to be around USD 230 billion in 2016, with the non-life segment accounting for 70% of the market. (Source: CRISIL Report) According to CRISIL Research, the reinsurance industry is in a deep soft market cycle which began in 2013. The troika of weak underlying demand growth, low interest rates and the expansion of alternative capital has impacted the global reinsurance market over the past few years. With the supply of capital far exceeding the demand, the market has been extremely soft. (Source: CRISIL Report)

Indian Reinsurance Industry

In life insurance, India is the tenth largest market in the world in terms of total premium. (Source: CRISIL Report) In non-life insurance, India is the fifteenth largest insurance market in the world in terms of gross premiums. (Source: CRISIL Report)

Total premiums in the Indian life and non-life insurance markets were around ₹4.18 trillion and ₹1.28 trillion respectively in Fiscal 2017. According to CRISIL Research, the size of the Indian reinsurance market was estimated to be approximately ₹ 388 billion in Fiscal 2017. Reinsurance of non-life insurance business accounted for approximately 95% of the total premium ceded in Fiscal 2017. (Source: CRISIL Report) Currently, our Corporation is the only publicly owned reinsurance company in India, and there is one privately-owned reinsurance company which has been registered by the IRDAI, ITI Reinsurance Limited. (Source: CRISIL Research)

The insurance and reinsurance industries in India have been liberalized and are regulated by the IRDAI.

Subject to IRDAI regulation, foreign reinsurance companies are permitted to sell reinsurance coverage in India. In addition, as of June 30, 2017, eight foreign reinsurance companies and Lloyds of London have been registered by the IRDAI, which allows them to operate branches in India. (Source: CRISIL Research)

Reinsurance Market Size

According to CRISIL Research, the size of the Indian reinsurance market was estimated to be approximately ₹ 388 billion in Fiscal 2017. The reinsurance market in India grew at a healthy 15% CAGR in the ten fiscal years ending Fiscal 2017. In Fiscal 2017, premiums ceded to reinsurers increased by 73%, as non-life insurance premiums grew by 32% on-year and retention ratios declined close to 9%. (Source: CRISIL Report)

Non-Life Risk Dominates the Indian Reinsurance Market

Reinsurance of non-life insurance business accounted for approximately 95% of the total premium ceded in Fiscal 2017. (Source: CRISIL Report) The dominance of non-life in the reinsurance pie can be attributed to the better geographical spread of life policies compared to non-life and because the insured amounts are typically smaller in comparison, reinsurance need is correspondingly lower. In addition, life insurance is viewed as a protection-cum-savings product in India. Therefore, the uptake of pure life protection policies (term insurance) is on the lower side.

GIC Re Market Share

We are the largest reinsurance company in India in terms of gross premiums accepted in Fiscal 2017, and we accounted for close to 60% of the premiums ceded by Indian insurers to reinsurers during Fiscal 2017, according to CRISIL Research. The sharp jump in non-life premium growth particularly crop insurance in Fiscal 2017 resulted in a change in market shares in the view of CRISIL Research.

Reinsurance Market Estimates Fiscal 2017

According to CRISIL Research estimates, reinsurance premiums in India grew approximately 73% in Fiscal 2017, driven by strong growth in non-life insurance premiums and by the high proportion of premium ceded, particularly in both cases in the crop insurance business line.

An estimated 77% of domestic crop insurance premiums were ceded to reinsurers in Fiscal 2017. (Source: CRISIL Report) The agriculture segment contributed 16% of gross non-life premium written during Fiscal 2017. (Source: CRISIL Report) In contrast, the proportion of premium ceded to reinsurers in Fiscal 2017 was much lower in the motor and health segments, at 10% and 13%, respectively. (Source: CRISIL Report) If one excludes the crop insurance premiums ceded to reinsurers, reinsurance premium growth would have been much lower, at an estimated 20-25%, in Fiscal 2017, as per CRISIL Research estimates.

SUMMARY OF OUR BUSINESS

Overview

We are the largest reinsurance company in India in terms of gross premiums accepted in Fiscal 2017, and we accounted for approximately 60% of the premiums ceded by Indian insurers to reinsurers during Fiscal 2017, according to CRISIL Research. We are also an international reinsurer that underwrote business from 162 countries as at March 31, 2017. According to CRISIL Research, we ranked as the 12th largest global reinsurer in 2016 and the 3rd largest Asian reinsurer in 2015, in terms of gross premiums accepted. We provide reinsurance across many key business lines including fire (property), marine, motor, engineering, agriculture, aviation/space, health, liability, credit and financial and life insurance. Through our more than 44 years of experience in, and commitment to, providing reinsurance products and services, we believe that we have become a trusted brand to our insurance and reinsurance customers in India and overseas.

We have diversified our business geographically to grow our underwriting business and profitability as well as to maintain a balanced portfolio of risks. Our gross premiums on a restated consolidated basis from our international business in Fiscal 2017, Fiscal 2016 and Fiscal 2015 were ₹103,004.52 million, ₹83,396.92 million and ₹66,094.53 million, respectively, and our gross premiums have grown at a CAGR of 24.84% from Fiscal 2015 to Fiscal 2017. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums for risks outside of India were 30.53%, 45.00% and 43.28%, respectively, of our total gross premiums. We develop our overseas business through our home office in Mumbai, branch offices in London, Dubai and Kuala Lumpur, a representative office in Moscow, a subsidiary in the United Kingdom that is a member of Lloyd's of London and a subsidiary in South Africa.

We have a senior team of underwriters and actuaries to develop and manage our reinsurance business. We use our experience and long-standing relationships to tailor our portfolio to specific market segments. Our approach to underwriting allows us to deploy our capital across a variety of lines of business and to capitalize on opportunities that we believe offer favorable returns. In addition, we believe that our strong balance sheet allows us to underwrite risks across the Indian insurance market including large policies. In Fiscal 2017, we led 74.79% of the reinsurance treaties in which we participate in the Indian non-life market. We also administer three domestic reinsurance pools and one African-Asian reinsurance pool that allow us to manage reinsurance economics and strengthen relationships with our customers.

We maintain a diversified investment portfolio to generate investment returns to support our liabilities for the reinsurance we underwrite and to create shareholder value. We have an Indian investment portfolio, which includes fixed income debt securities including Government securities, equity securities including exchange traded funds, and other investments, but does not include fixed term deposits for our business written outside of India at our branches. As at March 31, 2017, our Indian investment assets on a standalone restated basis had a carrying value of ₹391,262.72 million and a fair value of ₹691,625.84 million. Our investment income from our Indian investment assets on a restated standalone basis in Fiscal 2017, Fiscal 2016 and Fiscal 2015 was ₹45,156.11 million, ₹41,749.92 million and ₹41,760.64 million, respectively, and has grown at a CAGR of 3.99% from Fiscal 2015 to Fiscal 2017. Our yields (without unrealized gains) from our Indian investment assets on a standalone restated basis in Fiscal 2017, Fiscal 2016 and Fiscal 2015 were 12.35%, 12.91% and 14.08%, respectively. In addition to our Indian investment assets, we hold fixed term deposits at banks outside of India for our overseas business (written outside of India at our branches) from which we earned ₹997.61 million in interest income in Fiscal 2017.

Our gross premiums on a restated consolidated basis in Fiscal 2017, Fiscal 2016 and Fiscal 2015 were ₹337,407.91 million, ₹185,342.45 million and ₹152,701.56 million, respectively, and have grown at a CAGR of 48.65% from Fiscal 2015 to Fiscal 2017. In the same fiscal years, our profit after tax on a restated consolidated basis was ₹31,406.23 million, ₹28,234.15 million and ₹28,909.75 million, respectively, and has grown at a CAGR of 4.23% from Fiscal 2015 to 2017. Our productivity, as measured by profit after tax per employee on a restated consolidated basis, improved to ₹55.78 million per employee in Fiscal 2017 from ₹55.07 million in Fiscal 2015.

Further, as at March 31, 2017, 2016 and 2015, we had a restated consolidated net worth (including fair value change account) of ₹495,508.46 million, ₹408,702.58 million and ₹433,842.92 million, respectively. Our total assets on a restated consolidated basis as at March 31, 2017, 2016 and 2015 amounted to ₹970,794.39 million, ₹761,027.46 million and ₹749,164.34 million, respectively. We had a solvency ratio of 2.41%, 3.80% and 3.32%, calculated on a restated standalone basis as at March 31, 2017, 2016 and 2015, respectively, against minimum statutory requirement of 1.50%. We have been rated "A-" (Excellent) with a stable outlook by AM Best for 10 consecutive years. In addition, we have paid successive annual dividends in the past five fiscal years (including a proposed dividend in Fiscal 2017) to the Government of India as our shareholder, and our dividends during last five fiscal years were an aggregate of ₹33,200.50 million.

Competitive Strengths

We believe that the following competitive strengths contribute to our success and position us well for future growth and robust financial performance.

Leader in Indian reinsurance industry with a trusted brand and 44 years of experience

We are the largest reinsurance company in India in terms of gross premiums accepted in Fiscal 2017, and we accounted for approximately 60% of the premiums ceded by Indian insurers to reinsurers during Fiscal 2017, according to CRISIL Research. Reinsurance premiums in India are projected by CRISIL Research to increase at a CAGR of 11-14% over the next five years to reach ₹700,000 million by Fiscal 2022. As a trusted brand in the Indian market with 44 years of experience, we believe that we are well placed to take advantage of this industry growth.

We write reinsurance for every non-life and over half of the life insurance companies in India and have long-term business relationships with almost all of these domestic insurance companies.

Our competitive advantages in the domestic reinsurance market include:

- our experienced underwriting and actuarial team;
- our strong customer service focus including the settlement of claims quickly and professionally;
- our strong balance sheet which allows us to underwrite risks across the Indian insurance market including large policies covering industrial and large infrastructure projects; and
- our underwriting and actuarial capabilities that we use to evaluate and accept domestic business.

Significant global player with growing international presence

We are an international reinsurer that underwrote business from India and 162 countries as at March 31, 2017. According to CRISIL Research, we ranked as the 12th largest global reinsurer in 2016 and the 3rd largest Asian reinsurer in 2015, in terms of gross premiums accepted. We believe that our geographic diversity has been important to the growth of our underwriting business and profitability and has also allowed us to maintain a geographically balanced portfolio of risks. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums on a restated consolidated basis from our international business (which is reinsurance written for risks outside of India) were ₹103,004.52 million, ₹83,396.92 million and ₹66,094.53 million, respectively, and have grown at a CAGR of 24.84% from Fiscal 2015 to 2017.

We have developed our business by establishing relationships with insurers and reinsurers globally and have a network of brokers which assist us in sourcing business. We write our overseas business through our home office in Mumbai, branch offices in London, Dubai and Kuala Lumpur, a representative office in Moscow, a subsidiary in South Africa and a subsidiary in the United Kingdom that is a member of Lloyd's of London. In addition, we recently established an International Financial Services Centre (IFSC) Insurance Office in Gujarat International Finance Tec-City ("**GIFT**") which has begun accepting reinsurance from international clients in India from Fiscal 2018. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premium for risks outside of India represented 30.53%, 45.00% and 43.28%, respectively, of our total gross premiums.

Diversified product portfolio and revenue streams

We have diversified our reinsurance businesses and risks by covering many key business lines including reinsurance of fire (property), marine, motor, engineering, agriculture, aviation/space, health, liability, credit and financial liability, and life insurance.

Our business model enables us to benefit from the expected growth of both the primary insurance and reinsurance markets in India as well as other large and fast growing markets like SAARC, South East Asia, Latin America, Africa and China. We believe our diversified reinsurance products also allow us to better manage our exposures by limiting and mitigating risks.

The following table shows the percentage of our gross premiums on a restated consolidated basis by business segment and line of business in and outside India for the past three Fiscal Years.

Business Segment	**Fiscal 2017**		**Fiscal 2016**		**Fiscal 2015**	
	India	**Outside India**	**India**	**Outside India**	**India**	**Outside India**
Fire (Property)	7.95%	16.31%	11.42%	23.70%	10.98%	20.11%
Marine	1.25%	2.11%	2.04%	3.48%	2.70%	4.55%
Miscellaneous						
Motor	15.24%	4.40%	17.80%	6.41%	19.75%	5.48%
Engineering	1.33%	1.27%	2.60%	2.20%	2.88%	2.33%
Agriculture	28.39%	0.52%	6.82%	0.15%	4.03%	0.19%
Aviation	0.25%	1.72%	0.05%	2.40%	0.98%	3.51%
Health	9.46%	2.90%	8.88%	4.63%	8.61%	5.17%
Liability	0.49%	0.21%	0.50%	0.31%	0.60%	0.16%
Credit	0.55%	0.05%	0.88%	0.07%	0.89%	0.07%

Business Segment	Fiscal 2017		Fiscal 2016		Fiscal 2015	
	India	Outside India	India	Outside India	India	Outside India
Others (1)	3.50%	1.04%	3.00%	1.36%	4.43%	1.47%
Life	1.08%	0.01%	1.00%	0.29%	0.86%	0.25%
Total	**69.47%**	**30.53%**	**55.00%**	**45.00%**	**56.72%**	**43.28%**

(1) *Others include workmen's compensation, personal accident and other miscellaneous risks.*

Robust and comprehensive risk management framework

We believe that our ability to analyze and quantify risk accurately, to understand volatility and how risks aggregate or correlate, and to establish the appropriate capital requirements and limits for the risks we accept, has contributed largely to our success. We believe that our experience of over 44 years in the reinsurance business has allowed us to establish an integrated framework of policies and processes to assist evaluating and valuing risk, and to ultimately provide an appropriate return.

We have invested in IT platforms and software to process data and model and evaluate risk. For example, we have our own customized Governance, Risk and Compliance (GRC) software called GICRiskPro that enables integrated risk evaluation through aggregation across business units to ensure automated and regulatory compliant reporting at regular intervals for better risk monitoring.

We also have a clearly defined governance structure for risk management. Our Board and its risk management committee are responsible for setting our overall vision and goals, which include our risk appetite and return expectations. While keeping in view a return goal, we start with a capital-based risk appetite and then look for risks that meet our return targets within that framework. We believe that this approach helps us to balance our insurance and reinsurance company clients' need for certainty of claims payment with our shareholders need for an adequate return.

Diversification of risks is at the core of our risk management strategy. As mentioned above, we have diversified our reinsurance business both geographically and by business line.

Diversified investment portfolio generating strong growth and attractive yields

We maintain a diversified Indian investment portfolio to generate investment returns to support our liabilities for the reinsurance we underwrite and to create shareholder value. Our capital allocation has sought for a balance between stability and yield, and we diversify investments by type of security, industry sector and, in the case of fixed income securities, maturity.

Our Indian investment portfolio includes fixed income debt securities, equity securities including exchange traded funds, and other investments. We are governed by the prudential norms set by the IRDAI which we believe has helped us to reduce the risks with respect to our Indian investment portfolio because of the requirement to invest in Government and high-rated fixed income securities.

As at March 31, 2017, our Indian investment assets on a standalone restated basis had a carrying value of ₹391,262.72 million and a fair value of ₹691,625.84 million. In addition, as at March 31, 2017, we had fixed term deposits for our non-Indian business (written outside of India at our branches) of ₹76,109.93 million held at various overseas financial institutions. As at March 31, 2017, investment assets outside India of our Subsidiaries amounted to ₹1,521.37 million and our accounted portion of investments in our associate companies amounted to ₹1,320.34 million.

We manage our Indian investment assets centrally, using appropriate risk management and investment parameters to guide our team within prescribed regulatory guidelines. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our investment income from our Indian investment assets on a restated standalone basis was ₹45,156.11 million, ₹41,749.92 million and ₹41,760.64 million, respectively, with a CAGR of 3.99% from Fiscal 2015 to 2017. Our yields (without unrealized gains) from our Indian investment assets on a restated standalone basis were 12.35%, 12.91% and 14.08% in Fiscal 2017, Fiscal 2016 and Fiscal 2015, respectively. In addition to investment income on Indian investment portfolio, in Fiscal 2017, we had interest income of ₹997.61 million on foreign short term deposits for our overseas business (written outside of India at our branches) on a restated standalone basis.

Strong financial track record and a strong balance sheet

We have an established track record of delivering results. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums on a restated consolidated basis were ₹337,407.91 million, ₹185,342.45 million and ₹152,701.56 million, respectively, and have grown at a CAGR of 48.65% from Fiscal 2015 to 2017. In the same Fiscal Years, our profit after tax on a restated consolidated basis was ₹31,406.23 million, ₹28,234.15 million and ₹28,909.75 million, respectively, and have grown at a CAGR of 4.23% from Fiscal 2015 to 2017. In addition, we have kept our operating expenses low. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our operating expenses related to insurance business as a percentage of net premiums earned were 0.83%, 1.15% and 1.18%, respectively. Our productivity as measured by profit after tax per employee on a restated consolidated basis was improved to ₹55.78 million per employee in Fiscal 2017 from ₹55.07 million in Fiscal 2015.

We have maintained a strong balance sheet. As at March 31, 2017, 2016 and 2015, we had a restated consolidated net worth (including fair value change account) of ₹495,508.46 million, ₹408,702.58 million and ₹433,842.92 million, respectively. Our total assets on a restated consolidated basis as at March 31, 2017, 2016 and 2015 amounted to ₹970,794.39 million, ₹761,027.46 million and ₹749,164.34 million, respectively. We had a solvency ratio of 2.41%, 3.80% and 3.32%, calculated on a restated standalone basis as at March 31, 2017, 2016 and 2015, respectively, against minimum statutory requirement of 1.50%. In addition, we have paid successive annual dividends in the past five fiscal years (including proposed dividends in Fiscal 2017) to the Government of India as our shareholder, and our dividends during last five fiscal years amounted to an aggregate of ₹ 33,200.50 million.

We were rated "A-" (Excellent) with a stable outlook by A.M. Best for 10 consecutive years from 2007 to 2016. We also have been consistently rated "AAA" with a stable outlook for our claims paying ability by CARE Ratings since 2004. We believe that such ratings reflect our strong balance sheet coupled with our comprehensive risk management framework and capabilities.

Experienced management team

We have a management team with extensive experience and know-how in the Indian reinsurance industry. We believe the quality of our management team has been critical in achieving our business results. All members of our senior management team bring with them substantial experience and in-depth knowledge. Our Corporation's Chairman cum Managing Director, Alice Vaidyan, has over 34 years of insurance industry experience. Having joined our Corporation in 2008, she was also the Chief Financial Officer from Fiscal 2015 to Fiscal 2016.

Our management team is responsible for formulating our strategy, managing our business segments, diversifying the business and geographic mix, putting in place a strong operating and technology platform, expanding our client and broker relationships, managing our investment portfolio and managing our risks and losses. We believe that our management's capabilities, strong reputation, extensive network of industry relationships and considerable experience in reinsurance will help us continue to grow our reinsurance business both in India and internationally.

Strategy

Our business goal is to be a leading global reinsurance and risk solution provider. To fulfil this goal, we plan to pursue the strategies set forth below.

Expand and leverage our leadership position in the domestic reinsurance industry and continue our strong business growth

Our position as the leading reinsurer in the domestic market is based on our 44 years of commitment to the Indian insurance industry. Building upon our competitive strengths, we seek to enhance the competitiveness and solidify our position as a leader in the domestic reinsurance market and maintain our strong and trusted brand. In particular, we seek to:

Continue to employ and sophisticated models, processes and capabilities. As an international reinsurer, we employ sophisticated underwriting, actuarial and risk management processes, models and technical capabilities in the domestic market. We believe our continued willingness to share our international know-how and expertise with our Indian clients helps us strengthen our business relationships.

Continue to lead Indian treaty underwriting and manage pools. We will continue to lead Indian reinsurance treaties and manage domestic pools. We believe that reinsurers that lead treaties and manage pools are generally solicited for a broader range of business and have greater access to attractive business.

Continue to lead reinsurance of large policies. We will continue to leverage our strong balance sheet to underwrite risks across the Indian insurance market including large policies covering industrial and large infrastructure projects.

Continue to deliver outstanding customer service. We aim to continue to deliver customer service and settle claims in a quick and efficient manner and with a high degree of professionalism.

Expand our presence internationally and grow our overseas business

In Fiscal 2017, our reinsurance written for risks outside of India represented 30.53% of our total gross premiums on a restated consolidated basis. We intend to expand our presence in select overseas geographies and markets to continue to grow our reinsurance business written for risks outside of India. Our goal is to achieve a balance of international and India business in terms of premiums.

In particular, our overseas business expansion plans include:

- Establishing a syndicate at Lloyds of London which will write a variety of classes of business from different parts of the world;
- Expanding our relationships with insurers in the United States (the largest market globally) and accepting more U.S. insurance related risks;

- Establishing representative offices in China and expanding our reinsurance business written in China;
- Establishing a representative office in Brazil to expand our Latin American business;
- Converting our Moscow representative office into a wholly owned subsidiary and expanding our reinsurance business in Russia and CIS countries from Moscow; and
- Establishing a strategic relationship for reinsurance business in Myanmar and establishing a representative office in Bangladesh.

Focus on improving profitability through reduction in combined ratio

A primary focus of our business is to accept and manage risks profitability to create shareholder value. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our combined ratio on a restated consolidated basis was 100.16%, 107.03% and 108.86% respectively. To achieve a greater operational level of profitability and to further reduce our combined ratios, we intend to

- Optimize our business mix by expanding our business lines and product offerings where we see better premium rate opportunities and better margin business;
- Grow our premium income in higher margin geographic regions like the United States, China, Japan, Israel and Turkey;
- Expand our proportional business where competitive pressure on premiums has been less severe;
- Continue to improve our risk management processes, data bases and technology; and
- Continue to maintain our high productivity per employee (as measured by profit after tax per employee) and keep our expenses of management low.

Grow our life reinsurance and other business lines in India and overseas markets

In life insurance, India is the tenth largest market in the world in terms of total premium. (Source: CRISIL Report) In non-life insurance, India is the fifteenth largest insurance market in the world in terms of gross premiums. (Source: CRISIL Report) We believe that the Indian life insurance market offers a growth opportunity for us due to its high growth rate primarily driven by low penetration levels.

We intend to market reinsurance of life products to all participants in Indian life insurance market. In particular, we are looking to create customized products for domestic life insurance companies to expand our business. We also intend to expand our international life reinsurance business by building our relationships overseas in SAARC, South East Asia, Latin America, Africa and China.

In addition to life insurance, we intend to grow our domestic health and liability insurance businesses and our overseas fire (property), space and cyber security business lines.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from:

(a) The Restated Standalone Financial Information of our Corporation, as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013.

(b) The Restated Consolidated Financial Information of our Corporation, as at and for the years ended March 31, 2017,2016, 2015, and 2014; and

The Restated Financial Information referred to above are presented under "*Financial Statements*" beginning on page 187.

The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 187 and 408, respectively.

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The following tables set forth summary financial information derived from our Restated Financial Statements.

Restated Standalone Summary Statement of Revenue Account

In Respect of Fire Insurance Business

(Amount in ₹ million)

S. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
1.	Premiums earned (Net)	55,492.70	45,175.63	39,664.26	36,682.89	34,313.23
2.	Profit on sale of Investments (Net)	3,779.86	3,352.02	4,559.85	2,610.22	2,678.27
3.	Forex Gain/(Loss)	(113.06)	478.33	(202.82)	638.57	301.56
4.	Interest, Dividend & Rent - Gross	6,244.37	5,543.28	6,112.70	5,697.64	5,012.07
	Total (A)	**65,403.87**	**54,549.26**	**50,133.99**	**45,629.32**	**42,305.13**
1.	Claims Incurred (Net)	43,877.47	34,492.17	26,538.92	37,356.71	30,063.58
2.	Commission (Net)	16,070.99	12,444.71	9,632.40	7,485.30	8,237.52
3.	Operating Expenses related to Insurance Business	624.89	680.12	541.98	643.28	353.30
4.	Expenses relating to Investments	8.36	7.09	8.10	5.98	11.06
5.	Premium Deficiency	-	-	-	-	-
	Total (B)	**60,581.71**	**47,624.09**	**36,721.40**	**45,491.27**	**38,665.46**
	Operating Profit /- Loss from Fire Business C = (A-B)	**4,822.16**	**6,925.17**	**13,412.59**	**138.05**	**3,639.67**
	APPROPRIATIONS					
	Transfer to Shareholders' Account	4,822.16	6,925.17	13,412.59	138.05	3,639.67
	Transfer to Catastrophe Reserve	-	-	-	-	-
	Transfer to Other Reserves (to be specified)	-	-	-	-	-
	Total (C)	**4,822.16**	**6,925.17**	**13,412.59**	**138.05**	**3,639.67**

In Respect of Miscellaneous Insurance Business

(Amount in ₹ million)

S. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31 , 2015	Year ended March 31, 2014	Year ended March 31, 2013
1.	Premiums earned (Net)	196,207.14	95,373.92	85,396.02	88,460.93	86,238.84
2.	Profit on sale of Investments (Net)	6,453.89	5,921.12	7,070.87	4,548.92	4,107.96
3.	Forex Gain/(Loss)	(160.52)	889.79	(310.83)	1,477.64	799.37
4.	Interest, Dividend & Rent - Gross	10,661.88	9,791.81	9,478.85	9,929.45	7,687.55
	Total (A)	**213,162.39**	**111,976.64**	**101,634.91**	**104,416.94**	**98,833.72**
1.	Claims Incurred (Net)	161,627.88	86,478.47	81,526.95	77,092.51	72,807.27
2.	Commission (Net)	35,781.63	20,633.98	16,114.75	14,997.59	18,475.71
3.	Operating Expenses related to Insurance Business	1,680.51	1,027.26	942.80	1,005.37	670.62
4.	Expenses relating to Investments	14.27	12.52	12.57	10.43	16.97
5.	Premium Deficiency	-	-	-	-	(1,414.67)
	Total (B)	**199,104.29**	**108,152.23**	**98,597.07**	**93,105.90**	**90,555.90**
	Operating Profit/-Loss from Miscellaneous Business C = (A-B)	**14,058.10**	**3,824.41**	**3,037.84**	**11,311.04**	**8,277.82**
	APPROPRIATIONS					
	Transfer to Shareholders' Account	14,058.10	3,824.41	3,037.84	11,311.04	8,277.82
	Transfer to Catastrophe Reserve	-	-	-	-	-
	Transfer to Other Reserves (to be specified)	-	-	-	-	-
	Total (C)	**14,058.10**	**3,824.41**	**3,037.84**	**11,311.04**	**8,277.82**

In Respect of Marine Insurance Business

(Amount in ₹ million)

S. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
1.	Premiums earned (Net)	9,086.62	9,181.11	9,226.77	9,956.65	11,464.85
2.	Profit on sale of Investments (Net)	844.00	901.85	943.29	667.82	766.17

S. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
3.	Forex Gain/(Loss)	(23.19)	138.96	(51.92)	187.60	147.12
4.	Interest, Dividend & Rent - Gross	1,394.30	1,491.40	1,264.52	1,457.72	1,433.80
	Total (A)	**11,301.73**	**11,713.32**	**11,382.66**	**12,269.79**	**13,811.94**
1.	Claims Incurred (Net)	7,567.56	6,328.00	9,919.18	5,621.28	6,073.10
2.	Commission (Net)	1,575.58	1,830.00	1,985.32	2,032.27	2,355.20
3.	Operating Expenses related to Insurance Business	63.27	74.42	86.52	99.82	73.73
4.	Expenses relating to Investments	1.87	1.91	1.68	1.53	3.16
5.	Premium Deficiency	-	(584.60)	584.60	-	-
	Total (B)	**9,208.28**	**7,649.73**	**12,577.30**	**7,754.90**	**8,505.19**
	Operating Profit/-Loss from Marine Business C = (A-B)	**2,093.45**	**4,063.59**	**(1,194.64)**	**4,514.89**	**5,306.75**
	APPROPRIATIONS					
	Transfer to Shareholders' Account	2,093.45	4,063.59	(1,194.64)	4,514.89	5,306.75
	Transfer to Catastrophe Reserve	-	-	-	-	-
	Transfer to Other Reserves (to be specified)	-	-	-	-	-
	Total (C)	**2,093.45**	**4,063.59**	**(1,194.64)**	**4,514.89**	**5,306.75**

In Respect of Life Insurance Business

(Amount in ₹ million)

S. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
1.	Premiums earned (Net)	2,349.74	2,375.57	1,304.31	1,059.99	491.15
2.	Profit on sale of Investments (Net)	35.90	46.77	50.58	22.71	11.19
3.	Forex Gain/(Loss)	(0.70)	6.94	(2.56)	7.62	1.37
4.	Interest, Dividend & Rent - Gross	59.31	77.35	67.80	49.57	20.93
	Total (A)	**2,444.25**	**2,506.63**	**1,420.13**	**1,139.89**	**524.64**
1.	Claims Incurred (Net)	3,447.33	1,699.96	932.67	1,002.44	479.43
2.	Commission (Net)	61.10	76.40	77.43	52.65	16.27
3.	Operating Expenses related to Insurance Business	23.67	21.57	15.95	14.84	5.86
4.	Expenses relating to Investments	0.08	0.10	0.09	0.05	0.05
5.	Premium Deficiency	-	-	-	-	-
	Total (B)	**3,532.18**	**1,798.03**	**1,026.14**	**1,069.98**	**501.61**
	Operating Profit/-Loss from Life Business C = (A-B)	**(1,087.93)**	**708.60**	**393.99**	**69.91**	**23.03**
	APPROPRIATIONS					
	Transfer to Shareholders' Account	(1,087.93)	708.60	393.99	69.91	23.03
	Transfer to Catastrophe Reserve	-	-	-	-	-
	Transfer to Other Reserves (to be specified)	-	-	-	-	-
	Total (C)	**(1,087.93)**	**708.60**	**393.99**	**69.91**	**23.03**

Restated Standalone Summary Statement of Profit and Loss Account

S. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
1.	Operating Profit/-Loss					
	(a) Fire Insurance	4,822.16	6,925.17	13,412.59	138.05	3,639.67
	(b) Marine Insurance	2,093.45	4,063.59	(1,194.64)	4,514.89	5,306.75
	(c) Miscellaneous Insurance	14,058.10	3,824.41	3,037.84	11,311.04	8,277.82
	(d) Life Insurance	(1,087.93)	708.60	393.99	69.91	23.03
2.	Income from Investments	-	-	-	-	-

S. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
	(a) Interest, Dividend & Rent - Gross	10,206.00	8,987.26	7,450.90	6,756.12	4,731.56
	(b) Profit on sale of Investments	6,177.93	5,434.60	5,558.10	3,095.14	2,528.38
	Less: Loss of sale of Investment	-	-	-	-	-
3.	Other Income:	-	-	-	-	-
	Profit on Exchange	-	806.67	-	1,009.71	288.60
	Profit on sale of Assets (Net)	-	-	(0.32)	-	-
	Sundry Balances Written Back (Net)	-	-	-	-	-
	Interest on Income-tax Refund	166.82	-	2,327.67	54.70	307.53
	Motor Pool Service changrs	-	-	-	32.36	-
	(Provision) / Doubtful Debts written back	-	1,578.53	-	-	-
	Miscellaneous Receipts	5.26	11.95	9.21	3.17	7.86
	Total (A)	**36,441.79**	**32,340.78**	**30,995.34**	**26,985.09**	**25,111.20**
4.	Provision for Doubtful Loans & Investment	293.99	420.09	32.01	1,248.85	95.68
5	Provision for Doubtful Debts	2,301.65	-	1,075.12	-	-
6	Amortisation of premium on Investments	185.15	185.61	181.03	200.69	188.51
7	Diminution in the value of investments written off	556.44	1,359.92	588.08	1,111.49	32.28
8	Other Expenses :	-	-	-	-	-
	Expenses relating to Investments	13.66	11.49	9.88	7.09	10.44
	Loss on Exchange	167.30	-	291.31	-	-
	(Profit)/Loss on sale of Assets (Net)	4.92	(1.07)	-	(0.20)	(0.07)
	Sundry Balances Written off (Net)	-	-	-	-	-
	Interest Motor Pool & Others	56.16	7.52	318.01	1,368.40	1,681.57
	Corporate Social Responsibility Expenses	160.27	490.94	179.48	-	-
	Total (B)	**3,739.54**	**2,474.50**	**2,674.92**	**3,936.32**	**2,008.41**
	Profit Before Tax	32,702.25	29,866.28	28,320.42	23,048.77	23,102.79
	Provision for Taxation :	-	-	-	-	-
	Current Tax	6,190.00	5,380.00	5,170.00	4,120.00	4,040.00
	Wealth Tax	-	-	11.36	4.18	2.03
	MAT Credit	(1,908.13)	(1,937.60)	(5,083.44)	(4,120.00)	(3,815.23)
	Deferred Tax	(52.55)	(23.96)	180.94	(173.83)	(12.65)
	Provision for Tax in respect of earlier years	(224.94)	(101.34)	14.71	-	-
	MAT Credit of earlier year	119.32	-	-	-	-
	Profit After Tax	**28,578.52**	**26,549.18**	**28,026.85**	**23,218.42**	**22,888.64**
	Appropriations	-	-	-	-	-
	(a) Balance brought forward from last year	9,635.64	7,718.80	4,003.67	(4,134.91)	(24,678.93)
	(b) Interim dividend	-	-	-	1,182.50	-
	(c) Proposed Final dividend	-	-	-	-	-
	(d) Dividend distribution tax	-	-	-	200.97	-
	Dividend Paid	8,600.00	5,400.00	3,311.00	4,687.00	-
	Dividend distribution Tax Paid	1,750.79	1,099.33	562.70	796.56	-
	(e) Transfer to General Reserve	-	18,133.00	20,438.00	8,212.79	2,344.62
	Balance carried forward to Balance Sheet	**27,863.41**	**9,635.65**	**7,718.82**	**4,003.69**	**(4,134.91)**

Restated Standalone Summary Statement of Assets and Liabilities

(Amount in ₹ million)

S. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
SOURCES OF FUNDS						
	Share Capital	4,300.00	4,300.00	4,300.00	4,300.00	4,300.00
	Reserves and Surplus	180,606.39	167,515.92	145,217.47	122,386.49	101,104.91
	Borrowings	-	-	-	-	-
	Deferred Tax Liability	-	-	-	-	-
	Fair Value Change Account	300,363.15	234,559.84	281,468.68	205,319.37	175,985.68
	Total	485,269.54	406,375.76	430,986.15	332,005.86	281,390.59
APPLICATION OF FUNDS						
	Investments	647,449.21	544,412.14	557,250.86	456,877.40	399,986.26

S. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
	Loans	3,221.25	3,657.76	3,938.45	4,240.51	4,629.11
	Fixed Assets	1,687.90	1,752.18	1,420.95	1,181.18	565.72
	Deferred Tax Asset	132.59	79.98	56.04	236.99	63.15
	Current Assets:					
	Cash and Bank Balances	121,907.65	97,614.01	77,280.87	82,639.20	82,342.79
	Advances and Other Assets	175,329.80	94,258.31	94,604.47	84,846.73	78,068.92
	Sub-Total (A)	297,237.45	191,872.32	171,885.34	167,485.94	160,411.71
	Current Liabilities	332,634.40	244,700.60	225,187.17	224,251.85	208,434.22
	Provisions	131,824.46	90,698.03	78,378.32	73,764.30	75,831.15
	Sub-Total (B)	464,458.86	335,398.63	303,565.49	298,016.15	284,265.37
	Net Current Assets (C)=(A-B)	(167,221.41)	(143,526.31)	(131,680.15)	(130,530.21)	(123,853.65)
	Miscellaneous Expenditure	-	-	-	-	-
	Total	485,269.54	406,375.76	430,986.15	332,005.86	281,390.59
CONTINGENT LIABILITIES		33,174.27	27,645.16	30,860.68	30,360.72	26,115.21

Restated Standalone Summary Statement of Cash Flow

(Amount in ₹ million)

	Particulars	Year ended March 31, 2017		Year ended March 31, 2016		Year ended March 31, 2015		Year ended March 31, 2014		Year ended March 31, 2013	
A)	**CASH FLOW FROM OPERATING ACTIVITIES**										
	Net Profit before taxation as per Profit & Loss A/c		32,702.25		29,866.28		28,320.41		23,048.74		23,102.78
	Adjustments for:										
	Exchange -Loss/Gain charged	464.77		(2,320.68)		859.45		(3,321.14)		(1,538.02)	
	Provision for diminution in value of investment	556.44		1,359.92		588.08		1,111.49		32.28	
	Provision for doubtful loans, investments & Debts	2,595.64		(1,158.44)		1,107.13		1,248.85		95.68	
	Amortisation of Premium on Investment	185.15		185.61		181.03		200.69		188.51	
	Depreciation	91.88		92.19		85.36		52.01		38.51	
	-Profit /Loss on sale of Assets	4.92		(1.07)		0.32		(0.20)		(0.07)	
	Provision for Leave Encashment & Salary Arrears	79.01		(106.47)		(56.49)		270.10		(19.45)	
	Sundry Balances Written off/ -back	-	3,977.81	-	(1,948.94)		2,764.88		(438.20)		(1,202.56)
	Operating Profit before working capital changes		36,680.06		27,917.34		31,085.29		22,610.54		21,900.22
	Changes in Unexpired Risk Reserves	38,609.43		11,641.56		2,978.78		(3,585.80)		5,204.27	
	Changes in Premium Deficiency Reserve	-		(584.60)		584.60		-		(1,414.67)	
	Changes in Provisions for Outstanding Claims	86,719.33		13,940.84		(3,634.09)		13,538.26		18,560.59	
	Changes in Income accrued on Investments	(122.12)		(717.11)		(857.79)		(649.23)		(785.77)	
	Changes in Balances with Insurance Companies	(81,342.47)		2,993.84		165.89		1,610.72		(3,767.10)	
	Changes in Advance and Deposits	(401.92)		909.79		(8,247.27)		(7,050.62)		23,482.53	
	Changes in other Current Liabilities	361.14	43,823.39	28.00	28,212.32	(16.79)	(9,026.67)	544.07	4,407.40	(27,551.90)	13,727.95
	Cash generated from operations		80,503.45		56,129.66		22,058.62		27,017.94		35,628.17
	Income Tax Paid (Net)		(2,685.62)		1,890.80		3,655.04		1,042.42		(479.63)
	Net Cash from Operating Activities		77,817.83		58,020.46		25,713.66		28,060.36		35,148.54
B)	**CASH FLOWS FROM INVESTING ACTIVITIES**										
	Purchase of Fixed Assets		(33.86)		(424.02)		(327.16)		(667.80)		(110.19)
	Proceeds from sale of Fixed Assets		1.34		1.67		1.70		0.54		0.04
	Foreign Currency Translation Reserve		(5,137.24)		2,248.60		(1,322.15)		4,930.20		1,748.25
	Changes in net Investments		(37,538.86)		(35,334.95)		(24,691.18)		(28,481.02)		(25,125.57)
	Net Cash used in Investing Activities		(42,708.62)		(33,508.70)		(26,338.79)		(24,218.08)		(23,487.47)
C)	**CASH FLOWS FROM FINANCING ACTIVITIES**										
	Dividend Paid		(8,600.00)		(5,400.00)		(3,311.00)		(5,869.50)		-
	Dividend Tax Paid		(1,750.79)		(1,099.33)		(562.70)		(997.52)		-
	Net Cash from Financing Activities		(10,350.79)		(6,499.33)		(3,873.70)		(6,867.02)		-
D)	**Effect of Foreign Exchange on Cash & Cash equivalents(Net)**		(464.77)		2,320.68		(859.50)		3,321.14		1,538.02

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
	Net increase in Cash and Cash equivalents (A+B+C+D)	24,293.65	20,333.11	(5,358.33)	296.40	13,199.09
	Cash and Cash equivalents at beginning of period	97,614.00	77,280.90	82,639.20	82,342.80	69,143.70
	Cash and Cash equivalents at the end of period	121,907.65	97,614.01	77,280.87	82,639.20	82,342.79

Matter of emphasis in our Restated Standalone Financial Information

(a) We draw attention to the fact that the Joint Auditors report on the standalone financial statements of the Company for the years ended 31st March 2017, 31st March 2016 and 31st March 2015 has, without qualifying the opinion, drawn attention to the following matter in the report for those years:

"We did not audit the financial statements / information of three foreign branches and one foreign representative office included in the standalone financial statements of the Corporation whose financial statements / financial information is considered in the standalone financial statements. The financial statements / information of these branches and representative office have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches and office, is based solely on the report of such other auditors.*"*

(b) We draw attention to the fact that the Joint Auditors report on the standalone financial statements of the Company for the years ended 31st March 2016 has, without qualifying the opinion, drawn attention to the following matter in the report for those years:

(a) "We draw attention to Note No. 3(c) to the financial statement in respect of applicability of prudential norms for provision on investment in State Government Securities for the reason stated in the said note."

Note No. 3(c) provides for follows:

Pending clarification from IRDAI in respect of applicability of prudential norms, as prescribed by RBI, for provisions on investment in State Government Securities, the Corporation has followed the prudential norms of provisions for loans and advances as prescribed by IRDAI for the said investments.

(b) "We draw attention to Note no. 45 to the financial statement in respect of fraud on the Dubai branch of the Corporation, on account of the unauthorized bank transfer."

Note No. 45 provides for follows:

The Dubai Branch of the Corporation had faced a case of internet fraud which had resulted in improper transfer of USD 1,427,040 from the Branch office USD Account with Bank of Baroda, Dubai BO to PNC Bank A/C of Washington, US. Through concerted efforts, the amount of USD 1,427,025 (USD 1,427,040 less bank charges of USD 25) was recovered and remitted back to the account with Bank of Baroda Dubai BO on 20.08.2016. The said amount is placed in a fixed deposit with the said Bank since recovery.

(c) We draw attention to the fact that the Joint Auditors report on the standalone financial statements of the Company for the years ended 31st March 2015 and 31st March, 2014 have, without qualifying the opinion, drawn attention to the following matter in the report for those years:

*"*We draw attention to Note No. 3(c) to the financial statement in respect of applicability of prudential norms for provision on investment in State Government Securities for the reason stated in the said note.*"*

Note No. 3(c) provides for follows:

Pending clarification from IRDAI in respect of applicability of prudential norms, as prescribed by RBI, for provisions on investment in State Government Securities, the Corporation has followed the prudential norms of provisions for loans and advances as prescribed by IRDAI for the said investments.

(d) We draw attention to the comments of the Comptroller and Auditor General of India under section 143(6)(b) of The Companies Act, 2013 on the Financial statements for the year ended 31 March 2016:

"The Current assets and current liabilities included Rs.5547.53 crore (Rs. 55,475.32 million) representing 'Terrorism Pool (TP) Assets' and 'Terrorism Pool (TP) Liabilities' respectively. The Company is only a manager to the Indian Market Terrorism Risk Insurance Pool and the TP Assets and the TP liabilities do not belong to the Company, except to the extent of GIC's share which is separately reflected in the financial statements. The inclusion of entire TP Assets & TP Liabilities under the head Current Assets and Current Liabilities have respectively resulted in the overstatement of both Current Assets and Current Liabilities by Rs.5547.53 crore" (Rs. 55,475.32 million).

The Corporation has addressed this issue in the financial statements for the year ended 31st March 2017 and similar adjustments have been made in the restated standalone summary financial information for the year ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013.

The following tables set forth summary financial information derived from our Restated Financial Statements.

Restated Consolidated Summary Statement of Revenue Account

In Respect of Fire Insurance Business

(Amount in ₹ million)

S. No.	Particulars	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014
1.	Premiums earned (Net)	55,958.89	46,372.06	39,817.41	36,682.89
2.	Profit on sale of Investments (Net)	3,782.28	3,352.13	4,558.68	2,610.22
3.	Forex Gain/(Loss)	(137.40)	480.53	(202.94)	638.57
4.	Interest, Dividend & Rent - Gross	6,257.73	5,545.82	6,116.80	5,697.64
	Total (A)	65,861.50	55,750.54	50,289.95	45,629.32
1.	Claims Incurred (Net)	42,532.76	35,070.45	26,635.63	37,356.71
2.	Commission (Net)	16,239.17	12,613.72	9,718.85	7,485.30
3.	Operating Expenses related to Insurance Business	709.20	737.11	746.32	643.28
4.	Expenses relating to Investments	9.88	7.39	8.34	5.99
5.	Premium Deficiency	-	-	-	-
	Total (B)	59,491.01	48,428.67	37,109.14	45,491.28
	Operating Profit /- Loss from Fire Business C = (A-B)	6,370.49	7,321.87	13,180.81	138.04
	APPROPRIATIONS				
	Transfer to Shareholders' Account	6,370.49	7,321.87	13,180.81	138.04
	Transfer to Catastrophe Reserve				
	Transfer to Other Reserves (to be specified)				
	Total (C)	6,370.49	7,321.87	13,180.81	138.04

In Respect of Miscellaneous Insurance Business

(Amount in ₹ million)

S. No.	Particulars	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014
1.	Premiums earned (Net)	196,292.65	95,409.87	85,486.90	88,460.93
2.	Profit on sale of Investments (Net)	6,455.89	5,921.28	7,069.05	4,548.92
3.	Forex Gain/(Loss)	(180.69)	893.26	(311.03)	1,477.64
4.	Interest, Dividend & Rent - Gross	10,672.95	9,795.80	9,485.29	9,929.45
	Total (A)	213,240.80	112,020.21	101,730.21	104,416.94
1.	Claims Incurred (Net)	161,700.35	86,508.17	81,557.92	77,092.51
2.	Commission (Net)	35,770.30	20,628.51	16,160.95	14,997.58
3.	Operating Expenses related to Insurance Business	1,711.90	1,057.76	735.17	1,005.37
4.	Expenses relating to Investments	15.54	12.99	12.94	10.43
5.	Premium Deficiency	-	-	-	-
	Total (B)	199,198.09	108,207.43	98,466.98	93,105.89
	Operating Profit/-Loss from Miscellaneous Business C = (A-B)	14,042.71	3,812.78	3,263.23	11,311.05
	APPROPRIATIONS				
	Transfer to Shareholders' Account	14,042.71	3,812.78	3,263.23	11,311.05
	Transfer to Catastrophe Reserve				
	Transfer to Other Reserves (to be specified)				
	Total (C)	14,042.71	3,812.78	3,263.23	11,311.05

In Respect of Marine Insurance Business

(Amount in ₹ million)

S. No.	Particulars	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014
1.	Premiums earned (Net)	9,103.90	9,189.16	9,248.95	9,956.65
2.	Profit on sale of Investments (Net)	844.26	901.87	943.04	667.82
3.	Forex Gain/(Loss)	(25.87)	139.42	(51.95)	187.60

S. No.	Particulars	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014
4.	Interest, Dividend & Rent - Gross	1,395.77	1,491.93	1,265.39	1,457.72
	Total (A)	11,318.06	11,722.38	11,405.43	12,269.79
1.	Claims Incurred (Net)	7,569.45	6,330.22	9,933.67	5,621.28
2.	Commission (Net)	1,574.01	1,828.83	1,997.49	2,032.27
3.	Operating Expenses related to Insurance Business	67.79	79.25	105.74	99.82
4.	Expenses relating to Investments	2.04	1.97	1.73	1.53
5.	Premium Deficiency	-	(584.60)	584.60	-
	Total (B)	9,213.29	7,655.67	12,623.23	7,754.90
	Operating Profit/-Loss from Marine Business C = (A-B)	2,104.77	4,066.71	(1,217.80)	4,514.89
	APPROPRIATIONS				
	Transfer to Shareholders' Account	2,104.77	4,066.71	(1,217.80)	4,514.89
	Transfer to Catastrophe Reserve				
	Transfer to Other Reserves (to be specified)				
	Total (C)	2,104.77	4,066.71	(1,217.80)	4,514.89

In Respect of Life Insurance Business

(Amount in ₹ million)

S. No.	Particulars	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014
1.	Premiums earned (Net)	2,391.44	2,411.27	1,394.51	1,059.99
2.	Profit on sale of Investments (Net)	37.72	46.96	48.37	22.71
3.	Forex Gain/(Loss)	(19.02)	11.11	(2.79)	7.61
4.	Interest, Dividend & Rent - Gross	69.37	82.15	75.56	49.57
	Total (A)	2,479.51	2,551.49	1,515.65	1,139.88
1.	Claims Incurred (Net)	3,490.56	1,750.28	986.03	1,002.44
2.	Commission (Net)	59.35	74.36	78.38	52.65
3.	Operating Expenses related to Insurance Business	24.94	25.96	64.30	14.84
4.	Expenses relating to Investments	1.23	0.67	0.54	0.05
5.	Premium Deficiency	-	-	-	-
	Total (B)	3,576.08	1,851.27	1,129.25	1,069.98
	Operating Profit/-Loss from Life Business C = (A-B)	(1,096.57)	700.22	386.40	69.90
	APPROPRIATIONS				
	Transfer to Shareholders' Account	(1,096.57)	700.22	386.40	69.90
	Transfer to Catastrophe Reserve				
	Transfer to Other Reserves (to be specified)				
	Total (C)	(1,096.57)	700.22	386.40	69.90

Restated Consolidated Summary Statement of Profit and Loss Account

(Amount in ₹ million)

S. No.	Particulars	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014
1.	Operating Profit/(Loss)				
	(a) Fire Insurance	6,370.49	7,321.87	13,180.81	138.04
	(b) Marine Insurance	2,104.77	4,066.71	(1,217.80)	4,514.89
	(c) Miscellaneous Insurance	14,042.70	3,812.78	3,263.23	11,311.05
	(d) Life Insurance	(1,096.57)	700.22	386.40	69.90
2.	Income from Investments				
	(a) Interest, Dividend & Rent - Gross	10,198.94	8,928.04	7,467.23	6,731.65
	(b) Profit on sale of Investments	6,185.13	5,435.61	5,553.46	3,095.14
	Less: Loss of sale of Investment	-	-	-	-
3.	Other Income:				
	Profit on Exchange	0.01	829.66	-	1,009.71
	Profit on sale of Assets (Net)	-	-	(0.32)	-
	Sundry Balances Written Back (Net)	-	-	-	-
	Interest on Income-tax Refund	166.82	-	2,327.67	54.70
	Motor Pool Service changrs	-	-	-	32.35
	(Provision) / Doubtful Debts written back	-	1,573.30	-	-
	Miscellaneous Receipts	14.38	23.34	20.78	3.19
	Total (A)	**37,986.67**	**32,691.53**	**30,981.46**	**26,960.62**
4.	Provision for Doubtful Loans & Investment	293.99	420.09	32.01	1,248.85
5	Provision for Doubtful Debts	2,305.58	-	1,075.12	-
6	Amortisation of premium on Investments	185.15	185.60	181.02	200.69
7	Diminution in the value of investments written off	556.44	1,359.92	588.08	1,111.48
8	Other Expenses :	-	-	-	-
	Expenses relating to Investments	18.21	14.49	10.83	7.10
	Loss on Exchange	240.75	-	291.87	-
	(Profit)/Loss on sale of Assets (Net)	4.93	(1.07)	-	(0.20)
	Sundry Balances Written off (Net)	-	-	-	-
	Interest Motor Pool & Others	56.29	7.52	318.01	1,368.40
	Corporate Social Responsibility Expenses	160.27	490.94	179.48	-
	Total (B)	3,821.61	2,477.49	2,676.42	3,936.32
	Profit Before Tax	**34,165.06**	**30,214.04**	**28,305.04**	**23,024.30**
	Provision for Taxation :				
	Current Tax	6,190.00	5,381.11	5,170.80	4,120.00
	Wealth Tax	-	-	11.36	4.18
	MAT Credit	(1,908.13)	(1,937.60)	(5,083.44)	(4,120.00)
	Deferred Tax	(53.32)	(23.96)	180.94	(173.83)
	Provision for Tax in respect of earlier years	(224.93)	(101.34)	14.71	-
	MAT Credit of earlier year	119.32	-	-	-
	Profit After Tax	**30,042.12**	**26,895.83**	**28,010.67**	**23,193.95**
	Share of Profit in Associate Companies	1,364.11	1,338.32	899.08	1,136.57
	Profit for the year	**31,406.23**	**28,234.15**	**28,909.75**	**24,330.52**
	Appropriations	-	-	-	-
	(a) Balance brought forward from last year	21,999.29	18,397.47	13,857.46	4,606.75
	(b) Interim dividend	-	-	-	1,182.50
	(c) Proposed Final dividend	-	-	-	-
	(d) Dividend distribution tax	-	-	-	200.97
	Dividend Paid	8,600.00	5,400.00	3,311.00	4,687.00

S. No.	Particulars	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014
	Dividend distribution Tax Paid	1,750.79	1,099.33	562.70	796.55
	(e) Transfer to General Reserve	-	18,133.00	20,496.04	8,212.79
	Balance carried forward to Balance Sheet	**43,054.73**	**21,999.29**	**18,397.47**	**13,857.46**

Restated Consolidated Summary Statement of Balance Sheet

(Amount in ₹ million)

	Particulars	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014
SOURCES OF FUNDS					
	Share Capital	4,300.00	4,300.00	4,300.00	4,300.00
	Reserves and Surplus	195,387.01	179,877.82	155,941.79	132,240.80
	Borrowings	-	-	-	-
	Deferred Tax Liability	-	-	-	-
	Fair Value Change Account	300,371.52	234,567.32	281,475.91	205,319.37
	Total	500,058.53	418,745.14	441,717.70	341,860.17
APPLICATION OF FUNDS					
	Investments	662,119.91	556,859.61	567,577.47	466,791.74
	Loans	3,221.25	3,657.76	3,938.45	4,240.51
	Fixed Assets	1,693.91	1,759.02	1,429.17	1,181.17
	Goodwill on Consolidation	378.67	378.67	378.67	-
	Deferred Tax Asset	161.44	106.79	87.01	236.98
	Current Assets:				
	Cash and Bank Balances	122,314.29	97,793.63	77,488.76	82,640.68
	Advances and Other Assets	180,904.92	100,471.98	98,264.81	84,858.90
	Sub-Total (A)	303,219.21	198,265.61	175,753.57	167,499.58
	Current Liabilities	338,091.86	250,720.72	227,741.62	224,325.51
	Provisions	132,644.00	91,561.60	79,705.02	73,764.30
	Sub-Total (B)	470,735.86	342,282.32	307,446.64	298,089.81
	Net Current Assets (C)=(A-B)	(167,516.65)	(144,016.71)	(131,693.07)	(130,590.23)
	Miscellaneous Expenditure	-	-	-	-
	Total	500,058.53	418,745.14	441,717.70	341,860.17
CONTINGENT LIABILITIES		33,174.27	27,645.16	30,860.68	30,360.72

Restated Consolidated Summary Statement of Cash Flow

(Amount in ₹ million)

	Particulars	Year ended 31 March 2017		Year ended 31 March 2016		Year ended 31 March 2015			Year ended 31 March 2014	
A)	**CASH FLOW FROM OPERATING ACTIVITIES**									
	Net Profit before taxation as per Profit & Loss A/c		34,165.06		30,214.04			28,305.04		23,024.30
	Adjustments for:									
	Exchange -Loss/Gain charged	603.73		(2,353.99)		860.59			(3,321.14)	
	Provision for diminution in value of investment	556.44		1,359.92		588.08			1,111.49	
	Provision for doubtful loans, investments & Debts	2,595.65		(1,158.44)		1,107.13			1,248.85	
	Amortisation of Premium on Investment	185.15		185.61		181.03			200.69	
	Depreciation	94.55		94.51		86.92			52.01	
	Share of profit in Associate Companies	1,364.11		1,338.32		899.08			1,136.57	
	Profit /Loss on sale of Assets	4.93		(1.07)		0.32			(0.21)	
	Provision for Leave Encashment & Salary Arrears	(2,448.64)		2,421.18		(56.49)			270.10	
	Sundry Balances Written off/ -back	-	2,955.92	-	1,886.04	-		3,666.66	-	698.36
	Operating Profit before working capital changes		37,120.98		32,100.08			31,971.70		23,722.66
	Changes in Unexpired Risk Reserves	38,565.40		11,178.43		4,305.48			(3,585.80)	
	Changes in Premium Deficiency Reserve	-		(584.60)		584.60			-	

	Particulars	Year ended 31 March 2017		Year ended 31 March 2016		Year ended 31 March 2015			Year ended 31 March 2014	
	Changes in Provisions for Outstanding Claims	83,977.69		14,728.61		(2,971.01)			13,538.26	
	Changes in Income accrued on Investments	(122.12)		(717.11)		(857.78)			(649.25)	
	Changes in Balances with Insurance Companies	(78,530.22)		3,035.23		(1,654.43)			1,664.91	
	Changes in Advance and Deposits	(477.84)		904.61		(8,243.24)			(7,055.79)	
	Changes in Goodwill	-		-		(378.67)			-	
	Changes in other Current Liabilities	442.34	43,855.25	116.40	28,661.57	(31.04)		(9,246.09)	556.59	4,468.92
	Cash generated from operations		80,976.23		60,761.65			22,725.61		28,191.58
	Income Tax Paid (Net)		(159.25)		(633.80)			3,623.28		1,042.42
	Net Cash from Operating Activities		80,816.98		60,127.85			26,348.89		29,234.00
B)	**CASH FLOWS FROM INVESTING ACTIVITIES**									
	Purchase of Fixed Assets		(35.28)		(425.93)			(336.41)		(667.80)
	Proceeds from sale of Fixed Assets		0.91		2.63			1.17		0.54
	Foreign Currency Translation Reserve		(5,546.25)		2,201.21			(1,334.53)		4,930.21
	Changes in Capital Reserve		-		-			(0.51)		0.51
	Changes in net Investments		(39,761.19)		(37,455.55)			(25,096.24)		(29,653.69)
	Net Cash used in Investing Activities		(45,341.81)		(35,677.64)			(26,766.52)		(25,390.23)
C)	**CASH FLOWS FROM FINANCING ACTIVITIES**									
	Dividend Paid		(8,600.00)		(5,400.00)			(3,311.00)		(5,869.50)
	Dividend Tax Paid		(1,750.79)		(1,099.33)			(562.70)		(997.52)
	Net Cash from Financing Activities		(10,350.79)		(6,499.33)			(3,873.70)		(6,867.02)
D)	**Effect of Foreign Exchange on Cash & Cash equivalents(Net)**		(603.73)		2,353.99			(860.59)		3,321.14
	Net increase in Cash and Cash equivalents (A+B+C+D)		24,520.65		20,304.87			(5,151.92)		297.89
	Cash and Cash equivalents at beginning of period		97,793.64		77,488.76			82,640.68		82,342.79
	Cash and Cash equivalents at the end of period		122,314.29		97,793.63			77,488.76		82,640.68

Matter of emphasis in our Restated Consolidated Financial Information

(a) We draw attention to the fact that the Joint Auditors report on the consolidated financial statements of the Company for the year ended 31 March 2017 has, without qualifying the opinion, drawn attention to the following matter in the report for the that year:

"We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (net) Rs. 9389.03 million as at 31st March, 2017, total revenues of Rs. 326.55 million and net cash flows amounting to Rs. 227.01 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs.3977.12 million for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management except for an Indian Associate Agricultural Insurance Company of India Limited, whose unaudited accounts are considered for the purpose of consolidation and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors."

(b) We draw attention to the fact that the Joint Auditors report on the consolidated financial statements of the Company for the years ended 31 March 2016 has, without qualifying the opinion, drawn attention to the following matter in the report for the that year:

"We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (net) Rs. 7751.77 million as at 31st March, 2016, total revenues of Rs. 156.46 million and net cash flows amounting to Rs. 1349.54 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 1373.35 million for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors."

(c) We draw attention to the fact that the Joint Auditors report on the consolidated financial statements of the Company for the years ended 31 March 2015 has, without qualifying the opinion, drawn attention to the following matter in the report for the that year:

"We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (net) Rs. 3754.91 million as at 31st March, 2015, total revenues of Rs. 129.97 million and net cash flows amounting to Rs. 206.41 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 899.08 million for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors."

(d) We draw attention to the fact that the Joint Auditors report on the consolidated financial statements of the Company for the years ended 31 March 2014 has, without qualifying the opinion, drawn attention to the following matter in the report for the that year:

"We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (net) Rs. 74.20 million as at 31st March, 2014 and net cash flows amounting to Rs. 1.48 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 1136.57 million for the year ended 31st March, 2014, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors."

(e) We draw attention to the fact that the Joint Auditors report on the consolidated financial statements of the Company for the years ended 31 March 2017, 31 March 2015 and 31 March 2014 has, without qualifying the opinion, drawn attention to the following matter in the report for the that year:

"We draw attention to Significant Accounting Policy No.1.7, for the reasons stated therein, the impact of Profit for the year or Assets and Liabilities due to deviation in Accounting Policies of the Corporation and its Subsidiaries cannot be evaluated. As the impact thereof is not material our opinion is not modified in respect of this matter."

THE OFFER

Offer of Equity Shares	124,700,000 Equity Shares
of which	
Fresh Issue of 17,200,000 Equity Shares aggregating to ₹ 86,000,000 (1)	17,200,000 Equity Shares
Offer for Sale of 107,500,000 Equity Shares aggregating to ₹537,500,000 (2)	107,500,000 Equity Shares
Of which	
A) QIB portion(3)	Not more than 62,350,000 Equity Shares
Of which	
Available for allocation to Mutual Funds only (5% of the QIB Portion)	3,117,500 Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	59,232,500 Equity Shares
B) Non-Institutional Portion	Not less than 18,705,000 Equity Shares
C) Retail Portion	Not less than 43,645,000 Equity Shares
Equity Shares pre and post Offer	
Equity Shares outstanding prior to the Offer	860,000,000 Equity Shares
Equity Shares outstanding after the Offer	877,200,000 Equity Shares

(1) *Our Board of Directors has approved the Fresh Issue pursuant to a resolution dated August 4, 2017 and our Shareholders have approved the Fresh Issue pursuant to a resolution dated August 4, 2017.*

(2) *The Selling Shareholder through its letter bearing file number F No. 3/1/2017 – DIPAM(M) dated August 3, 2017 conveyed the approval granted by the Government of India for the Offer. The Selling Shareholder confirms that the Equity Shares offered in the Offer for Sale have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus, in accordance with Regulation 26(6) of the SEBI ICDR Regulations.*

(3) *Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or combination of categories at the discretion of the Selling Shareholder and our Corporation, in consultation with the BRLMs and the Designated Stock Exchange. Further, in terms of the Listed Indian Insurance Companies Guidelines, no person shall be Allotted Equity Shares representing 1% or more and less than 5% of the post-Offer paid up equity capital of our Corporation without satisfying the 'fit and proper' criteria set out by our Corporation, through a self-certification process. In addition, no person shall be Allotted Equity Shares representing 5% or more of the post-Offer paid up equity capital of our Corporation, unless prior approval of the IRDAI has been obtained by the Bidder in this regard. Accordingly, our Corporation shall not Allot Equity Shares pursuant to the Offer to any Bidder in excess of such number of Equity Shares which is likely to result in the total post-Offer paid up capital held by such Bidder to exceed 5% of the paid up capital of our Corporation after the Allotment without such approval. For further details, see "Regulations and Policies", "Offer Procedure - Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Corporation" and "Offer Structure" beginning on pages 155, 475 and 470, respectively.*

Allocation to Bidders in all categories, except the Retail Portion, shall be made on a proportionate basis. For further details, see "*Offer Procedure – Allotment Procedure and Basis of Allotment*" beginning on page 501.

GENERAL INFORMATION

Our Corporation was incorporated at Mumbai on November 22, 1972 as General Insurance Corporation of India, a private limited company under the Companies Act, 1956. Pursuant to approval of the Central Government dated January 8, 2016 and resolution passed by our Shareholders on February 4, 2016, our Corporation was converted into a public limited company with effect from March 7, 2016. The Registrar of Companies, Mumbai issued a fresh certificate of incorporation dated March 7, 2016 consequent on conversion of our Corporation from a "private limited" to a "public limited" company dated March 7, 2016. Our Corporation is registered with IRDAI for carrying on reinsurance business pursuant to the registration certificate dated April 2, 2001.

For details of the business of our Corporation, see "*Our Business*" and "*History and Certain Corporate Matters*" beginning on pages 120 and 162, respectively.

Registered Office and Corporate Office of our Corporation

'Suraksha'
170 J Tata Road
Churchgate, Mumbai 400 020
Tel: (91 22) 2286 7000
Fax: (91 22) 2288 4010
E-mail: investors.gic@gicofindia.com
Website: www.gicofindia.com
CIN: U67200MH1972GOI016133
Registration Number: 016133
IRDAI Registration Number: 112 dated April 2, 2001

Address of the RoC

Our Corporation is registered with the RoC situated at 100, Everest, Marine Drive, Mumbai 400 002.

Board of Directors

The following table sets forth details relating to our Board as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Alice G Vaidyan	Chairman-cum-Managing Director	07394437	Flat No. A-11, Mayfair Gardens, Little Gibbs Road, Malabar Hill, Mumbai 400 006
Ravi Mital	Non-Executive Director	06507252	C-II-165, Chanakyapuri, Vinay Marg, New Delhi 110021
Usha Sangwan	Independent Director	02609263	B-6, Jeevan Jyot, Napeansea Road, Mumbai 400 036
G. Srinivasan	Non-Executive Director	01876234	Flat No. 9, Mayfair House, Little Gibbs Road, Malabar Hills, Mumbai 400 006
Segar Sampathkumar	Whole-time Director	07018007	A-10 Mayfair Gardens, Little Gibbs Road, Malabar Hill, Mumbai 400 005
Y Ramulu	Whole-time Director	07234450	Flat No. 7, Pearl Mansion CHS Ltd., 4th Floor, 91, Maharshi Karve Marg, New Marine Lines, Mumbai -400 020

For further details of our Directors, see "*Our Management*" beginning on page 166.

Chief Financial Officer

Vimal Chand Jain
'Suraksha'
170 J Tata Road
Churchgate, Mumbai 400 020
Tel: (91 22) 2286 7000
Fax: (91 22) 2281 2217
E-mail: cfo.gic@gicofindia.com

Company Secretary and Compliance Officer

Suchita Gupta
'Suraksha'
170 J Tata Road
Churchgate, Mumbai 400 020
Tel: (91 22) 2286 7000
Fax: (91 22) 2288 4010
E-mail: cs.gic@gicofindia.com

Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidders shall also enclose a copy of the Acknowledgement Slip duly received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Book Running Lead Managers

Citigroup Global Markets India Private Limited
1202,12th Floor
First International Financial Centre
G- Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 098
Tel: (91 22) 6175 9999
Fax: (91 22) 6175 9961
E-mail: gic.ipo@citi.com
Investor grievance e-mail: investors.cgmib@citi.com
Website: www.online.citibank.co.in
Contact person: Ashish Guneta
SEBI registration number: INM000010718

Axis Capital Limited*
1st floor, Axis House
C 2, Wadia International Centre
Pandurang Budhkar Marg,
Worli
Mumbai 400 025
Tel: (91 22) 4325 2183
Fax: (91 22) 4325 3000
E-mail: gic.ipo@axiscap.in
Investor grievance e-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Lohit Sharma
SEBI Registration No.: INM000012029

***** *In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, Axis Capital Limited will be involved only in marketing of the Offer.*

Deutsche Equities India Private Limited
The Capital, 14th floor
C -70, G Block,
Bandra Kurla Complex
Mumbai 400 051
Tel: (91 22) 7180 4444
Fax: (91 22) +7180 4199
E-mail: gicofindia.ipo@db.com
Investor grievance e-mail: db.redressal@db.com
Website: www.db.com/India
Contact person: Viren Jairath
SEBI registration number: INM000010833

HSBC Securities and Capital Markets (India) Private Limited
52/60, Mahatma Gandhi Road
Fort
Mumbai 400 001
Tel: (91 22) 2268 5555
Fax: (91 22) 2263 1284
E-mail: gicreipo@hsbc.co.in
Investor grievance e-mail: investorgrievance@hsbc.co.in
Website:http://www.hsbc.co.in/1/2/corporate/equities-globalinvestment-banking
Contact person: Rishabh Rajesh Garg
SEBI registration number: INM000010353

Kotak Mahindra Capital Company Limited
1st Floor, 27 BKC, Plot No. 27
"G" Block, Bandra Kurla Complex
Bandra (East)
Mumbai 400 051

Tel: (91 22) 4336 0000
Fax: (91 22) 6713 2445
E-mail: gicre.ipo@kotak.com
Investor Grievance ID: kmccredressal@kotak.com
Website: www.investmentbank.kotak.com
Contact Person: Ganesh Rane
SEBI Registration No.: INM000008704

Syndicate Members

[●]

Indian Legal Counsel to the Corporation

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Tel: (91 22) 2496 4455
Fax: (91 22) 2496 3666

Indian Legal Counsel to the BRLMs

Khaitan & Co
One Indiabulls Centre
Tower 1, 13th Floor
841 Senapati Bapat Marg
Elphinstone Road
Mumbai 400 013
Tel: (91 22) 6636 5000
Fax: (91 22) 6636 5050

International Legal Counsel to our Corporation

Clyde & Co
Hong Kong
58th Floor, Central Plaza
18 Harbour Road, Wanchai
Hong Kong
Tel: (852) 2878 8600
Fax: (852) 2522 5907

International Legal Counsel to the BRLMs

Herbert Smith Freehills LLP
50 Raffles Place
#24-01 Singapore Land Tower
Singapore 048623
Tel: (65) 6868 8000
Fax: (65) 6868 8001

Joint Auditors to our Corporation

M/s G B C A & Associates
Chartered Accountants
Benefice Business House, III level
126 Mathuradas Mills Compound
N.M Joshi Marg
Lower Parel (W)
Mumbai 400 013
Tel: (91 22) 3321 37 37
Fax: (91 22) 3321 38 38

M/s. Samria & Co.
Chartered Accountants
2E, Court Chambers, 35
New Marine Lines
Behind Aayakar Bhavan
Mumbai 400 020
Tel: (91 22) 2201 8158
Fax: (91 22) 2206 6982
E-mail: samriaco@gmail.com

E-mail: reachus@gbcaindia.com
Firm registration number: 103142W
Peer review number: 009636

Firm registration number: 109043W
Peer review number: 010099

Escrow Collection Bank(s)

[●]

Public Offer Bank(s)

[●]

Refund Bank(s)

[●]

Banker to our Corporation

Bank of India

Ground Floor, Eros Theatre Building
Jamshedji Tata Road
Churchgate Mumbai-400020
Tel: (91 22) 2288 4868
Fax: (91 22) 2282 0660/2282 6450
E-mail: Churchgate.MumbaiSouth@bankofindia.co.in
Website: www.bankofindia.com
Contact person: S. M. Sundaram

Registrar to the Offer

[●]
[●] [*insert address*]
Tel: [●]
Fax: [●]
E-mail: [●]
Website: [●]
Contact person: [●]
SEBI registration number: [●]

The Registrar to the Offer will be appointed prior to the filing of the Red Herring Prospectus.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at www.sebi.gov.in and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

Except as stated below, our Corporation has not obtained any expert opinions:

Our Corporation has received written consent from the Joint Auditors namely, M/s G B C A & Associates and Samria & Co. to include their respective names as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" defined under Section 2(38) and Section 26 of the Companies Act, 2013 in respect of the report of the Joint Auditors dated August 4, 2017 on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Corporation, and the Statement of Tax Benefits dated August 6, 2017 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. As the Equity Shares in the Offer will not be registered under the U.S. Securities Act, any references to the term "expert" herein and the Joint Auditors' consent to be named as "expert" with respect to the Offer are not in the context of a U.S. registered offering of securities.

Monitoring Agency

Pursuant to Regulation 16 of the ICDR Regulations, our Corporation is exempt from appointing a Monitoring Agency for the Offer.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency.

Inter-se allocation of Responsibilities

The following table sets forth details of the inter-se allocation of responsibilities for various activities among the BRLMs for the Offer:

Inter-se Allocation of Responsibilities among BRLMs			
S. No.	**Activity**	**Responsibilities**	**Co-ordinator**
1.	Capital structuring with relative components and formalities	BRLMs	Citi
2.	Drafting and approval of all statutory advertisements	BRLMs	Citi
3.	Due diligence of our Corporation including its operations/management/ business/plans/legal, etc. Drafting and design of the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus and of statutory advertisements including a memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and SEBI including finalisation of the Prospectus and RoC filing.	BRLMs	Citi
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned above, including corporate advertising, brochures, etc.	BRLMs	Axis
5.	Appointment of Bankers to the Issue, Registrar to the Issue and other intermediaries including printers, advertising agency	BRLMs	Citi
6.	Marketing and road show presentation and FAQs	BRLMs	Citi
7.	Retail marketing of the Issue, which will cover, *inter alia*: • Finalising media, marketing and public relations strategy; • Finalising centre for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Issue material including forms, the Prospectus and deciding on the quantum of Issue material; and • Finalising collection centres	BRLMs	Kotak
8.	Non-institutional marketing of the Issue, which will cover, *inter alia*: • Finalising media, marketing and public relations strategy; and	BRLMs	Axis

Inter-se Allocation of Responsibilities among BRLMs			
S. No.	**Activity**	**Responsibilities**	**Co-ordinator**
	• Finalising centre for holding conferences for brokers, etc.		
9.	Domestic Institutional marketing of the Issue, which will cover, *inter alia*: • Finalising the list and division of investors for one to one meetings, institutional allocation	BRLMs	HSBC
10.	International Institutional marketing of the Issue, which will cover, *inter alia*: • Finalising the list and division of investors for one to one meetings, institutional allocation	BRLMs	DB
11.	Pricing and managing the book	BRLMs	Citi
12.	Co-ordination with the Stock Exchanges for book-building process including software, bidding terminals, etc.	BRLMs	Kotak
13.	Post-Bidding activities including management of public issue accounts, co-ordinating, underwriting, co-ordination of non-institutional allocation, announcement of allocation and dispatch of refunds to Bidders, etc. The post-Issue activities will involve essential follow up steps, including the finalisation of trading, dealing of instruments, and demat of delivery of shares with the various agencies connected with the work such as the Registrar to the Issue, the Bankers to the Issue, the bank handling refund business and SCSBs. The BRLMs shall be responsible for ensuring that these agencies fulfill their functions and discharge this responsibility through suitable agreements with our Corporation.	BRLMs	HSBC

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

Trustees

As this is an offer of Equity Shares, the appointment of trustees is not required.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which will be decided by our Corporation and the Selling Shareholder, in consultation with the BRLMs, and which shall be notified in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation at least five Working Days prior to the Bid / Offer Opening Date. The Offer Price shall be determined by our Corporation and the Selling Shareholder in consultation with the BRLMs after the Bid / Offer Closing Date.

All Bidders can participate in the Offer only through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the QIB Portion and Non-Institutional Investors Bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid / Offer Closing Date.

For further details, see "*Offer Structure*" and "*Offer Procedure*" beginning on pages 470 and 474, respectively.

In terms of the Listed Indian Insurance Companies Guidelines, no person shall be Allotted Equity Shares representing 1% or more and less than 5% of the post-Offer paid up equity capital of our Corporation without satisfying the 'fit and proper' criteria set out by our Corporation, through a self-certification process. In addition, no person shall be Allotted Equity Shares representing 5% or more of the post-Offer paid up equity capital of our Corporation, unless prior approval of the IRDAI has been obtained by the Bidder in this regard. Accordingly, our Corporation shall not Allot Equity Shares pursuant to the Offer to any Bidder in excess of such number of Equity Shares which is likely to result in the total post-Offer paid up capital held by such Bidder to exceed 5% of the paid up capital of our Corporation after the Allotment without such approval. For further details, see "*Regulations and Policies*", "*Offer Procedure - Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Corporation*" and "*Offer Structure*" on pages 155, 475 and 470, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure – Part B – Basis of Allocation*" on page 500.

Underwriting Agreement

After the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC, our Corporation and the Selling Shareholder propose to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The following table sets forth details relating to the intention of the Underwriters to underwrite the number of Equity Shares indicated below:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).

Name, address, telephone number, fax number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (₹ in million)
[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after pricing and actual allocation and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on certificates provided by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Corporation.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

Notwithstanding the above, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchasers for or purchase of the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and our Corporation and the Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters after the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

The following table sets forth details of the share capital of our Corporation as at the date of this Draft Red Herring Prospectus:

(In ₹ except share data)

		Aggregate value at face value	Aggregate value at Offer Price
A	**AUTHORISED SHARE CAPITAL**		
	2,000,000,000 Equity Shares	10,000,000,000	
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	860,000,000 Equity Shares	4,300,000,000	
C	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Of which:		
	Fresh Issue of 17,200,000 Equity Shares	86,000,000	[●]
	Offer for Sale of 107,500,000 Equity Shares	537,500,000	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	877,200,000 Equity Shares	4,386,000,000	
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	Nil	Nil
	After the Offer	[●]	

* *Our Board of Directors has approved the Fresh Issue pursuant to a resolution dated August 4, 2017 and our Shareholders have approved the Fresh Issue pursuant to a resolution dated August 4, 2017. The Selling Shareholder, through its letter bearing file number F No. 3/1/2017 – DIPAM(M) dated August 3, 2017, conveyed the approval granted by the Government of India for the Offer. The Equity Shares under the Offer for Sale have been held by the Selling Shareholder for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI and are eligible for being offered for sale in the Offer in accordance with the SEBI ICDR Regulations.*

Changes in the authorised share capital of our Corporation

1. The authorised share capital of our Corporation was reclassified from ₹750,000,000 comprising 7,500,000 shares of ₹100 each to ₹750,000,000 comprising 7,500,000 equity shares of ₹100 each pursuant to a resolution dated December 2, 1982 passed by our Shareholders.

2. The authorised share capital was increased from ₹750,000,000 comprising 7,500,000 equity shares of ₹100 each to ₹2,500,000,000 comprising 25,000,000 equity shares of face value of ₹100 each pursuant to a resolution dated April 24, 1990 passed by our Shareholders.

3. The authorised share capital of our Corporation of ₹2,500,000,000 comprising 25,000,000 equity shares of face value of ₹ 100 each was increased to ₹10,000,000,000 comprising 100,000,000 equity shares of face value of ₹100 each pursuant to a resolution dated April 27, 2005 passed by our Shareholders.

4. The authorised share capital of our Corporation of ₹10,000,000,000 comprising 100,000,000 equity shares of face value of ₹100 each was sub-divided to ₹10,000,000,000 comprising 10,000,000,000 equity shares of face value of ₹1 each pursuant to the resolution dated February 4, 2016 passed by our Shareholders.

5. The authorised share capital of our Corporation of ₹10,000,000,000 comprising 10,000,000,000 equity shares of face value of ₹1 each was consolidated to ₹10,000,000,000 comprising 2,000,000,000 Equity Shares of face value of ₹5 each pursuant to the resolution dated August 4, 2017 passed by our Shareholders.

Notes to the Capital Structure

1. **Equity share capital history of our Corporation**

(a) *The following table sets forth details of the history of the equity share capital of our Corporation:*

Date of allotment of equity shares	Number of equity shares allotted	Face value (₹)	Issue price (including premium if applicable) (₹)	Reason for allotment	Consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
November 22, 1972	6	100	100(1)	Subscription to MoA	Cash	6	60
December 21, 1972	499,994	100	100(1)	Further issue	Cash	500,000	5,000,000
January 4, 1973	1,250,000	100	100	Further issue	Cash	1,750,000	130,000,000
February 25, 1974	334,540	100	100	Further issue	Cash	2,084,540	163,454,000
January 28, 1975	315,460	100	100	Further issue	Cash	2,400,000	195,000,000
December 27, 1982	1,900,000	100	100	Bonus issue in the ratio of 1:1 on the fully paid up equity shares as on December 27, 1982	N.A.	4,300,000	430,000,000
January 28, 1986	2,150,000	100	100	Bonus issue in the ratio 1:2	N.A.	6,450,000	645,000,000
July 5, 1990	4,300,000	100	100	Bonus issue in the ratio 2:3	N.A.	10,750,000	1,075,000,000
February 22, 1994	10,750,000	100	100	Bonus issue in the ratio 1:1	N.A.	21,500,000	2,150,000,000
June 10, 2005	21,500,000	100	100	Bonus issue in the ration 1:1	N.A.	43,000,000	4,300,000,000
Pursuant to the resolution of our Shareholders passed on February 4, 2016, our Corporation sub-divided its equity shares from face value of ₹ 100 each to equity shares of face value of ₹ 1 each with effect from February 04, 2016. Therefore, the cumulative number of issued, subscribed and paid-up equity shares pursuant to subdivision was 4,300,000,000 equity shares of the face value of ₹ 1 each.							
Pursuant to the resolution dated August 4, 2017 passed by our Shareholders, our Corporation consolidated its equity shares from face value of ₹ 1 each to equity share of face value of ₹ 5 each with effect from August 4, 2017. Therefore, the cumulative number of issued, subscribed and paid-up equity shares pursuant to consolidation is 860,000,000 equity shares of the face value of ₹ 5 each.							

(1) *Out of the face value of ₹100 per share, ₹10 per share was paid on allotment. Pursuant to the Board resolution dated December 2, 1982, two calls of ₹20 per share aggregating to ₹40 per share were made by our Corporation. The calls were required to be paid by our Shareholders in two parts: ₹20 per share before November 30, 1982 and ₹20 per share before December 31, 1982. However, both calls of ₹20 per share were accepted at the same time as our Shareholders paid the entire amount before November 30, 1982. Pursuant to the resolutions adopted by our Shareholders in their meeting dated December 02, 1982, ₹25,000,000 from the general reserve of our Corporation was capitalised and used for paying up the remaining ₹50 per equity share for 500,000 partly paid shares.*

All allotments of equity shares were made to our Promoter and/or nominees of our Promoter.

(b) *The details of the equity shares allotted for consideration other than cash:*

Our Corporation has not allotted any equity shares for consideration other than cash or out of revaluation reserves.

2. Issue of Shares in the last two preceding years

Our Corporation has not issued equity shares in the last two years.

3. History of the Equity Share capital held by our Promoter

(a) *Build-up of our Promoter's shareholding in our Corporation*

All allotments of equity shares were made to our Promoter and his nominees. For details of allotments made to the Promoter, see "*Capital Structure - History of equity share capital of our Corporation*", beginning on page 79.

None of the equity shares held by our Promoter are pledged and all of the equity shares held by our Promoter are in the process of being dematerialised.

(b) *Details of promoter's contribution and lock-in*:

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post Offer capital of our Corporation held by Promoter shall be considered as minimum Promoter's Contribution and locked-in for a period of three years from the date of Allotment.

The following table sets forth details of the Equity Shares which are held by Promoter and eligible for such lock-in for a period of three years from the date of Allotment:

Date of the transaction	**Nature of transaction**	**Number of Equity Shares**	**Nature of consideration**	**Face value (₹)**	**Offer price / transfer price per Equity Share (₹)**	**Date when the equity shares were made fully paid up**	**Number of Equity Shares locked-in**	**Percentage of the pre-Offer capital (%)**	**Percentage of the post-Offer capital (%)**
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

The minimum promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from our Promoter, which falls within the definition of a 'promoter' under the SEBI ICDR Regulations. Our Corporation undertakes that the Equity Shares that are being locked-in are not ineligible for computation of promoter's contribution in terms of Regulation 33 of the SEBI ICDR Regulations. Our Promoter has confirmed to our Corporation and the BRLMs that the Equity Shares held by our Promoter which shall be locked in for a period of three years have been financed from the Consolidated Fund of India and no loans or financial assistance from any bank or financial institutions have been availed for this purpose. In this connection, we confirm the following:

(i) The Equity Shares offered for promoter's contribution have not been acquired in the last three years for (a) consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) bonus shares out of revaluation reserves or unrealised profits of our Corporation or bonus shares issued against Equity Shares which are otherwise ineligible for computation of promoter's contribution;

(ii) Our promoter's contribution does not include any Equity Shares acquired during the preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Our Corporation has not been formed by the conversion of a partnership firm into a Corporation; and

(iv) The Equity Shares held by our Promoter and offered for promoter's contribution are not subject to any pledge.

Other requirements in respect of lock-in:

In addition to 20% of the fully diluted post-Offer shareholding of our Corporation held by our Promoter and locked-in for three years as specified above and other than the Equity Shares Allotted pursuant to the Offer, the entire pre-Offer Equity Share capital of our Corporation, will be locked-in for a period of one year from the date of Allotment.

The Equity Shares held by our Promoter which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans, subject to applicable laws (including laws prescribed by IRDAI).

The Equity Shares held by persons other than the Promoter prior to the Offer and locked-in under the SEBI ICDR Regulations may be transferred to any other person holding the Equity Shares which are locked-in subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations and the Insurance Act, as applicable. The Equity Shares held by our Promoter which are locked-in may be transferred to any new promoter or persons in control of our Corporation, subject to compliance with any lock-in/ transfer restrictions prescribed by the IRDAI, continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable. In addition, post listing, such persons shall also be required to comply with the provisions of the Listed Indian Insurance Companies Guidelines, including the declaration on "fit and proper" status of such persons and approval of the IRDAI, as may be applicable.

4. **Sales or purchases of Equity Shares or other specified securities of our Corporation by our Promoter, or our Directors, or their immediate relatives during the six months immediately preceding the date of this Draft Red Herring Prospectus.**

Our Promoter, our Directors, or their immediate relatives have not sold or purchased any Equity Shares or other specified securities of our Corporation during the six months immediately preceding the date of this Draft Red Herring Prospectus, except as set out below:

Date of transfer	Name of the transferor	Name of transferee	Number of equity shares transferred*	Price per equity share (₹)	Reason for transfer Benefits accrued to our Corporation
August 4, 2017	Anil Kumar Khachi	Ravi Mital	400**	Nil	Change in nominee due to transfer
August 4, 2017	G. C. Gaylong	Pauly Sukumar N.	200**	Nil	Superannuation of existing nominee

* *Face value of ₹1*

** *Holding shares on behalf of President of India*

Shareholding of our Promoter in our Corporation

Our Promoter and its nominees hold 860,000,000 Equity Shares, constituting 100% of the total Equity Share capital of our Corporation.

5. **Shareholding Pattern of our Corporation**

The following table sets forth details of the shareholding pattern of our Corporation as on the date of this Draft Red Herring Prospectus:

Category (I)	**Category of shareholder (II)**	**Nos. of shareholders (III)**	**Number of fully paid up Equity Shares held (IV)**	**Number of Partly paid-up Equity Shares held (V)**	**Number of shares underlying Depository Receipts (VI)**	**Total nos. shares held (VII) =(IV)+(V)+ (VI)**	**Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)**	**Number of Voting Rights held in each class of securities (IX)**				**Number of Shares Underlying Outstanding convertible securities (including Warrants) (X)**	**Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)**	**Number of Locked in shares (XII)**		**Number of Shares pledged or otherwise encumbered (XIII)**		**Number of Equity Shares held in dematerialised form (XIV)**
								No of Voting Rights			**Total as a % of (A+B+ C)**			**Number (a)**	**As a % of total Shares held** (b)	**Number (a)**	**As a % of total Shares held (b)**	
								Class eg: Equity	**Class eg: Others**	**Total**								
(A)	**Promoter**	1*	860,000,000	0	0	860,000,000	100	860,000,000	-	-	100	0			0		0	0
(B)	**Public**	0	0	0	0	0	0	0	0	0	0	0	0		0		NA	0
(C)	**Non Promoter-Non Public**	0	0	0	0	0	0.00	0	0	0	0.00	0	0		0		NA	0
(C1)	**Shares underlying DRs**	0	0	0	0	0	0.00	0	0	0	0.00	0	0		0		NA	0
(C2)	**Shares held by Employee Trusts**	0	0	0	0	0	0.00	0	0	0	0.00	0	0		0		NA	0
	Total	1	**860,000,000**	**0**	**0**	**860,000,000**	**100**	**860,000,000**	**0**	**0**	**100.00**	**0**	**100.00**		**0**		**0**	**0**

* *Includes 320 Equity Shares held by nominees on behalf of President of India*

6. **The list of top 10 Shareholders of our Corporation and the number of Equity Shares held by them are set forth below**:

(a) The following table sets forth details of the top 10 Shareholders as on the date of this Draft Red Herring Prospectus:

Serial Number	Name of the Shareholder	Number of Equity Shares (face value of ₹5 each)	Percentage (%)
1.	President of India	859,999,680	99.99
2.	Ravi Mital*	80	Negligible
3.	Alice G Vaidyan*	40	Negligible
4.	Usha Sangwan*	40	Negligible
5.	Y Ramulu*	40	Negligible
6.	Dinesh R Waghela*	40	Negligible
7.	B N Narasimhan*	40	Negligible
8.	Pauly Sukumar N.*	40	Negligible
	Total	**860,000,000**	**100**

* *Holding shares on behalf of President of India*

(b) The following table sets forth details of the top 10 Shareholders 10 days prior to the date of this Draft Red Herring Prospectus:

Serial Number	Name of the Shareholder	Number of equity shares (face value of ₹1 each)	Percentage (%)
1.	President of India	4,299,998,400	99.99
2.	Anil Kumar Khachi *	400	Negligible
3.	Alice G Vaidyan*	200	Negligible
4.	Usha Sangwan*	200	Negligible
5.	Y Ramulu*	200	Negligible
6.	Dinesh R Waghela*	200	Negligible
7.	B N Narasimhan*	200	Negligible
8.	G.C.Gaylong *	200	Negligible
	Total	**4,300,000,000**	**100**

* *Holding shares on behalf of President of India*

(c) The following table sets forth details of the top 10 Shareholders two years prior to the date of this Draft Red Herring Prospectus:

Serial Number	Name of the Shareholder	Number of Equity Shares (face value of ₹100 each)	Percentage (%)
1.	President of India	42,999,984	99.99
2.	Snehalata Srivastava*	4	Negligible
3.	A.K.Roy*	2	Negligible
4.	G. Srinivasan*	2	Negligible
5.	G.C.Gaylong*	2	Negligible
6.	Alice G Vaidyan*	2	Negligible
7.	Y Ramulu*	2	Negligible
8.	B. Balachandra*	2	Negligible
	Total	**43,000,000**	**100**

* *Holding shares on behalf of President of India*

7. As on the date of this Draft Red Herring Prospectus, our Corporation does not have any employee stock option plan.

8. Our Corporation has not issued any Equity Shares in the one year preceding the date of filing of this Draft Red Herring Prospectus at a price lower than the Offer Price.

9. As on the date of this Draft Red Herring Prospectus, our Corporation has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.

10. For details in relation to Equity Shares held by our Directors and Key Management Personnel, see "*Our Management*" beginning on page 166.

11. There has been no financing arrangement whereby our Directors and their relatives have financed the purchase by any other person of securities of our Corporation other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

12. As on the date of this Draft Red Herring Prospectus, our Corporation has eight shareholders.

13. Our Corporation presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

14. Except as disclosed in herein under "*Build-up of our Promoter's shareholding in our Corporation*" beginning on page 80, our Promoter has not purchased or sold any securities of our Corporation or its Subsidiary during the period commencing six months prior to the date of filing this Draft Red Herring Prospectus.

15. Our Corporation, our Directors, the BRLMs have not made any or entered into any buy-back and/or standby arrangements for purchase of the Equity Shares being offered in the Offer from any person.

16. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (in accordance with the definition of "associate company" as provided under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Corporation.

17. Any over-subscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot.

18. All Equity Shares allotted pursuant to the Offer will be fully paid up at the time of Allotment and there are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus.

19. This Offer is being made under Rule 19(2)(b)(iii) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations, wherein at least 10% of the post-Offer paid-up Equity Share capital our Corporation will be offered to the public. Our Corporation is eligible for the Offer in accordance with Regulation 26(1) of the SEBI ICDR Regulations

20. The Offer is being made through the Book Building Process, wherein not more than 50% of the Offer shall be allocated to QIBs on a proportionate basis. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. For further details, see "*Offer Procedure"* beginning on page 474.

21. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Corporation shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

22. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or by our Promoter to the persons who are Allotted Equity Shares pursuant to the Offer.

23. Our Corporation shall ensure that transactions in the Equity Shares by the Promoter, if any, during the period between the date of registering the Red Herring Prospectus with the RoC and the Bid/ Offer Closing Date shall be reported to the Stock Exchanges within 24 hours of the transactions.

24. Our Promoter confirms that the Equity Shares offered in the Offer for Sale have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus, in accordance with Regulation 26(6) of the SEBI ICDR Regulations.

OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue and the Offer for Sale.

Offer for Sale

Our Corporation will not receive any proceeds from the Offer for Sale.

Fresh Issue

Our Corporation proposes to utilize the Net Proceeds from the Fresh Issue towards:

(i) augmenting the capital base of our Corporation to support the growth of our business and to maintain current solvency levels; and

(ii) General corporate purposes, subject to applicable law.

Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amount (in ₹ million)*
Gross Proceeds of the Fresh Issue	[●]
(Less) Issue related expenses in relation to the Fresh Issue*	[●]
Net Proceeds	**[●]**

* *To be determined upon finalisation of the Offer Price.*

Utilization of Net Proceeds of the Offer

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

Particulars	Amount (in ₹million)
Augmenting the capital base	[●]
General corporate purposes*	[●]
Net Proceeds	**[●]**

* *To be determined upon finalisation of the Offer Price.*

The main objects clause as set out in the Memorandum of Association enables our Corporation to undertake its existing activities and the activities for which funds are being raised by our Corporation through the Offer.

Schedule of Deployment

(In ₹ million)

Particulars	Total Estimated Costs	Amount to be funded from the Net Proceeds	Deployment in the Financial Year 2018
Augmenting the capital base	[●]	[●]	[●]
General corporate purposes*	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**

* *To be determined upon finalisation of the Offer Price.*

Details of the Objects of the Offer

1. Augmentation of capital base

Our Corporation proposes to utilize the Net Proceeds from the Fresh Issue to augment the capital base of our Corporation to support the future growth of our business and to maintain current solvency levels.

We are a reinsurance company in India that underwrote business from 162 countries as at March 31, 2017. We provide reinsurance across many key business lines including fire (property), marine, motor, engineering, agriculture, aviation/space, health, liability, credit and financial and life insurance. Through our more than 44 years of experience in, and commitment to, providing reinsurance products and services, we believe that we have become a trusted brand to our insurance and reinsurance customers in India and overseas. For further details, see "*Our Business*" beginning on page 120.

"Solvency ratio" is a regulatory measure of capital adequacy, calculated by dividing available solvency margin by required solvency margin, each as calculated in accordance with the guidelines of the IRDAI on a standalone restated basis. Currently as per Section 64VA of the Insurance Act read with Regulation 6 and Paragraph 3 of Schedule III to the IRDAI (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations 2016, we are required to maintain a minimum solvency ratio of 1.50. As of March 31, 2017 our solvency ratio was 2.41.

Accordingly, the Net Proceeds is to augment the capital base of our Corporation to support the future growth of our business (including branch offices), primarily underwriting risks across insurance market in India and abroad, including large policies covering industrial and large infrastructure projects. For further details in relation to our business strategies, see "*Our Business – Strategy*" beginning on page 123.

The fund requirements for the objects are based on internal management estimates and have not been appraised by any bank or financial institution.

2. General Corporate Purpose

Our Corporation proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million (net of issue expenses in relation to the Fresh Issue) towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Corporation proposes to utilise Net Proceeds include meeting exigencies and expenses incurred by our Corporation in the ordinary course of business. In addition, our Corporation may also utilise the Net Proceeds for expenditure considered expedient and as approved periodically by the Board or appropriate competent authority, subject to compliance with necessary provisions of the Companies Act, as may be applicable.

In addition to the above, our Corporation may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Corporation, from time to time. Our Corporation's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any.

Means of finance

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from Offer.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Corporation will deposit the Net Proceeds in one or more scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board. In accordance with section 27 of the Companies Act, 2013, our Corporation confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Our Corporation has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Offer Expenses

The total expenses of the Offer are estimated to be approximate ₹ [●] million. The expenses of the Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal expenses, statutory advertisement expenses, registrar and depository fees and listing fees.

All the Offer related expenses shall be borne by our Corporation and/ or the Selling Shareholder through the DIPAM. However, expenses in relation to: (i) the filing fees to SEBI; (ii) NSE/ BSE charges for use of software for the book building; (iii) payments required to be made to Depository or the Depository Participants for transfer of shares to the beneficiaries account; (iv) payment required to be made to Stock Exchanges for initial processing, filing and listing of shares; (v) road show expenses including but not restricted to the venue, cost for the brokers/analysts meet and other venue expenses like banners, refreshments etc. (other than the travel cost of our Corporation/GoI officials) and (vi) printing and stationery expenses, shall be borne by the BRLMs. Payments, if any, made by our Corporation in relation to the Offer shall be on behalf of the Selling Shareholder and such payments will be reimbursed to our Corporation.

The estimated Offer expenses are as under:

Sr. No.	Activity	Estimated amount[1] (₹ in million)	As a % of total estimated Offer expenses*	As a % of Offer size*
1.	Payment to BRLMs (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Commission and processing fees for SCSBs, brokerage, bidding charges and selling commission for Syndicate Member, Registered Brokers, RTAs and CDPs[2]	[●]	[●]	[●]
3.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
4.	Others: i. Other regulatory expenses ii. Advertising and marketing for the Offer iii. Fees payable to Legal Counsels iv. Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses		[●]	[●]	[●]

[1] *Amounts will be finalised at the time of filing the Prospectus and on determination of Offer Price and other details.*

[2.] *Selling commission on the portion for Retail Individual Bidders and the portion for Non-Institutional Bidders which are procured by members of the Syndicate (including their Sub Syndicate Members), RTAs and CDPs would be as follows:*

Portion for Retail Individual Bidders	*[●]% of the Amount Allotted* (plus applicable GST)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable GST)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

In addition to the selling commission referred above, any additional amount(s) to be paid shall be, as mutually agreed upon the Book Running Lead Managers, their affiliate Syndicate Member, our Corporation and Selling Shareholder before the opening of the Offer. The Syndicate, RTAs and CDPs shall be entitled to processing/ uploading charges of ₹ [●] (plus applicable GST) per valid Bid cum Application Form procured by them.

Processing/uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured by the Registered Brokers and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Bidders	*₹ [●] per valid Bid cum Application Form* (plus applicable GST)*
Portion for Non-Institutional Bidders	*₹ [●] per valid Bid cum Application Form* (plus applicable GST)*

Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured by them would be as follows:

Portion for Retail Individual Bidders	*[●]% of the Amount Allotted* (plus applicable GST)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable GST)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

No additional processing/uploading charges shall be payable to the SCSBs on the applications directly procured by them.

Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate /Sub-Syndicate /Registered Brokers / RTAs /CDPs and submitted to SCSBs for blocking would be as follows.

Portion for Retail Individual Bidders	*₹ [●] per valid Bid cum Application Form* (plus applicable GST)*
Portion for Non-Institutional Bidders	*₹ [●] per valid Bid cum Application Form* (plus applicable GST)*

Monitoring Utilization of Funds

Our Corporation is exempt from appointing a Monitoring Agency in terms of Regulation 16 of SEBI ICDR Regulations.

Pursuant to the SEBI Listing Regulations, our Corporation shall disclose to the Audit Committee the application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Corporation shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Corporation. Furthermore, in accordance with the SEBI Listing Regulations, our Corporation shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilization of the Net Proceeds of the Offer from the objects of the Offer as stated above and details of category wise variation in the actual utilization of the Net Proceeds of the Offer from the objects of the Offer as stated above. The information will also be published in newspapers simultaneously with the submission of such information to the Stock Exchanges, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Corporation shall not vary the objects of the Fresh Issue without our Corporation being authorised to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the regional language of the jurisdiction where our Registered Office is situated.

Other Confirmations

No part of the Net Proceeds will be paid by our Corporation to our Directors, or key management personnel, except in the normal course of business and in compliance with applicable law.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Corporation and the Selling Shareholder in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 5 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to "*Our Business*", "*Risk Factors*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 120, 19, 187 and 408, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

A. Leader in Indian reinsurance industry with a trusted brand and 44 years of experience.

B. Significant global player with growing international presence.

C. Diversified product portfolio and revenue streams.

D. Robust and comprehensive risk management framework.

E. Diversified investment portfolio generating strong growth and attractive yields.

F. Strong financial track record and a strong balance sheet.

G. Experienced management team.

H. Expand and leverage our leadership position in the domestic reinsurance industry and continue our strong business growth.

I. Expand our presence internationally and grow our overseas business.

For further details, see "*Our Business – Our Competitive Strengths*" beginning from pages 120.

Quantitative Factors

The information presented below relating to our Corporation is based on the Restated Standalone Financial Information and Restated Consolidated Financial Information. For further details, see "*Financial Statements*" beginning on page 187.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

I. Basic and Diluted Earnings per Share ("EPS") (Face value of ₹ 5 each), as adjusted for change in capital:

On a standalone basis:

Fiscal	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2015	32.59	32.59	1
March 31, 2016	30.87	30.87	2
March 31, 2017	33.23	33.23	3
Weighted Average	**32.34**	**32.34**	

EPS has been calculated in accordance with the Accounting Standard 20 – "Earning per share" issued by the Institute of Chartered Accountants of India. As the face value of equity share is consolidated from ₹ 1 to ₹5 per equity share subsequent to the date of balance sheet, EPS is calculated based on face value of ₹5 per Equity Share.

On a consolidated basis:

Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2015	33.62	33.62	1
March 31, 2016	32.83	32.83	2
March 31, 2017	36.52	36.52	3
Weighted Average	**34.81**	**34.81**	

EPS has been calculated in accordance with the Accounting Standard 20 – "Earning per share" issued by the Institute of Chartered Accountants of India. As the face value of Equity share is consolidated from ₹ 1 to ₹5 per share subsequent to the date of Balance Sheet, EPS is calculated based on face value of ₹5/- per Equity Share.

II. Price Earning Ratio (P/E) in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the lower end of Price Band (number of times)	P/E at the higher end of Price Band (number of times)
Based on basic EPS as per the restated standalone financial statements for the year ended March 31, 2017	[●]	[●]
Based on basic EPS as per the restated consolidated financial statements for the year ended March 31, 2017	[●]	[●]
Based on diluted EPS as per the restated standalone financial statements for the year ended March 31, 2017	[●]	[●]
Based on diluted EPS as per the restated consolidated financial statements for the year ended March 31, 2017	[●]	[●]

III. Return on Net Worth ("RoNW"):

As per Restated Standalone Financial Information and Restated Consolidated Financial Information:

Period ended	Standalone		Consolidated	
	RoNW (%)	Weight	RoNW (%)	Weight
March 31, 2015	19.78%	1	18.97%	1
March 31, 2016	16,41%	2	16.21%	2
March 31, 2017	15.88%	3	16.09%	3
Weighted Average	**16.71%**		**16.61%**	

RoNW is calculated as net profit after taxation and minority interest attributable to the equity shareholders of our Corporation divided by shareholders' funds as on the date of the balance sheet. Shareholders' funds = Share capital + reserves & surplus – deferred tax assets- Foreign Currency Translation Reserve.

IV. Net Asset Value ("NAV") per Equity Share:

i. Net asset value per Equity Share as on March 31, 2017 as per Restated Standalone Financial Information and Restated Consolidated Financial Information is ₹ 209.21 and ₹ 226.90, respectively.

ii. After the Offer as per Restated Standalone Financial Information and Restated Consolidated Financial Information :

NAV	Restated consolidated (₹)	Restated standalone (₹)
Offer price	[●]	[●]
After the Offer*	[●]	[●]

Note: *Net Asset Value per equity share represents consolidated and standalone net worth as at the end of the fiscal year, as restated divided by the number of equity shares outstanding at the end of the period/year.*

V. **Minimum Return on Total Net Worth after Offer** needed to maintain Pre-Offer EPS for the year ended March 31, 2017:

To maintain pre-Offer basic EPS

(a) Based on Restated Standalone Financial Information of our Corporation:

(i) At the Floor Price - [●]%

(ii) At the Cap Price - [●]%

(b) Based on Restated Consolidated Financial Information of our Corporation:

(i) At the Floor Price - [●]%

(ii) At the Cap Price - [●]%

To maintain pre-Offerdiluted EPS

(a) Based on Restated Standalone Financial Information of our Corporation:

(i) At the Floor Price - [●]%

(ii) At the Cap Price - [●]%

(b) Based on Restated Consolidated Financial Information of our Corporation:

(i) At the Floor Price - [●]%

(ii) At the Cap Price - [●]%

VI. Net Asset Value per Equity Share (Face value of ₹ 5 each)

- [●]

Offer Price: ₹ [●]

VII. Comparison with Listed Industry Peers

There are no listed reinsurance companies in India. Accordingly, it is not possible to provide an industry comparison in relation to our Corporation.

The Offer price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Corporation and the Selling Shareholder, in consultation with the BRLMs, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" beginning on pages 19, 120, 408 and 187, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

Date: August 6, 2017

To
The Board of Directors
General Insurance Corporation of India
"Suraksha",
170, Jamshedji Tata Road,
Churchgate,
Mumbai – 400 020

(The "**Corporation**")

Dear Sirs,

Sub: Proposed initial public offering (the "Offer") of equity shares of face value Rs. 5 each ("Equity Shares") by General Insurance Corporation of India (the "Corporation")

We hereby report that the enclosed statement is in connection with the possible special tax benefits available to the Corporation under the Income-tax Act, 1961, presently in force in India.

The tax benefits are dependent on the Corporation or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Corporation or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Corporation faces in the future, the Corporation may or may not choose to fulfill.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. While all reasonable care has been taken in the preparation of this statement, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it. We do not express any opinion or provide any assurance as to whether:

(i) the Corporation or its shareholders will continue to obtain these benefits in the future; or

(ii) the conditions prescribed for availing of the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Corporation and on the basis of our understanding of the business activities and operations of the Corporation.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of the tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Corporation for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement

The enclosed Statement is intended solely for your information and for inclusion in the Draft Red Herring Prospectus in connection with the Offer and is not to be used, referred to or distributed for any other purpose without our prior written consent

We hereby consent to the statement of tax benefits being disclosed in the Draft Red Herring Prospectus to be filed by the Corporation in connection with the Issue.

Yours sincerely,

For G B C A & ASSOCIATES
Chartered Accountants
ICAI Firm Registration No: 103142W

Partner: SANJEEV LALAN
Membership No.: 045329

For SAMRIA & CO
Chartered Accountants
ICAI Firm Registration No: 109043W

Partner: ADHAR SAMRIA
Membership No.:049174

Place: Mumbai Place: Mumbai

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE CORPORATION AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible special tax benefits available to the Corporation and its shareholders under the direct tax laws in force in India (i.e. applicable for the Financial Year 2017-18, relevant to the assessment year 2018-19). Several of these benefits are dependent on the Corporation or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Corporation or its shareholders to derive the possible tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfill.

A. SPECIAL TAX BENEFITS AVAILABLE TO THE CORPORATION

Taxability of insurance companies

Taxability of an insurance company is governed by the provisions of Section 44 read with Rule 2 of the First Schedule of the Act. As per Section 44 of the Act, the normal computational provisions i.e. "Interest on securities", "Income from House property", "Capital gains" or "Income from other sources", or Sections 28 to 43B of "Profits or Gains from Business and Profession" are not applicable to the company.

B. **SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS**

(a) To Resident taxpayer

There are no special tax benefits available to the resident shareholders.

(b) Tax treaty benefits

As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

(c) Non-resident Indian taxation

Special provisions in case of Non-Resident Indian ('NRI') in respect of income/ LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means an individual being a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.

- In accordance with section 115E, income from investment or income from LTCG on transfer of assets other than specified asset shall be taxable at the rate of 20 percent (plus applicable cess). Income by way of LTCG in respect of a specified asset (as defined in Section 115C(f) of the Income-tax Act, 1961), shall be chargeable at 10 percent (plus applicable cess).

- As per the provisions of Section 115F of the Act, LTCG [not covered under Section 10(38) of the Act] arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is reinvested in specified assets or in savings certificate referred to in Section 10(4B) of the Act within six months of the date of transfer, subject to the extent and conditions specified in that Section. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently; if the specified assets or saving certificates referred in Section 10(48) of the Act are transferred or converted into money within three years from the date of their acquisition.

- Under the provisions of Section 115G of the Act, it shall not be necessary for a NRI to furnish his return of income if his only source of income is investment income or LTCG or both and tax deductible at source under provisions of Chapter XVII-B has been deducted from such income.

- Under the provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

- Under the provisions of Section 115-I of the Act, a NRI may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income under Section 139 of the Act declaring therein that the provisions of the Chapter shall not apply to him for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and the tax liability arising thereon.

(d) Benefits available to Foreign Institutional Investors ("FIIs") under the Act:

(a) Capital gains

- In Finance Act (No.2), 2014 it was provided that any securities held by a FII which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be capital asset. Consequently, the income arising to a FII from transactions in securities would always be in the nature of capital gains.

- In accordance with Section 115AD, FIIs will be taxed at 10 percent (plus applicable surcharge and cess) on long-term capital gains (computed without indexation of cost and foreign exchange fluctuation), if STT is not payable on the transfer of the shares.

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O of the Act) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20 percent (plus applicable surcharge and cess).

(b) Tax Treaty benefits

In accordance with the provisions of Section 90 of the Act, FIIs being non-residents will be entitled to choose the provisions of Act or the provisions of tax treaty entered into by India with other foreign countries, whichever are more beneficial, while deciding taxability in India (subject to furnishing of Tax Residency Certificate).

(c) Computation of book profit under Section 115JB

An explanation has been inserted in Section 115JB stating that, the provisions of Section 115JB shall not be applicable and shall be deemed never to have been applicable to a foreign company if-

(i) It is a resident of a country or a specified territory with which India has a tax treaty referred to in sub-section (1) of Section 90 and it does not have a permanent establishment in India; or

(ii) It is a resident of a country with which India does not have a tax treaty and it is not required to seek registration under any law for the time being in force relating to companies.

(e) Benefits available to Venture Capital Companies/ Funds under the Act:

In terms of Section 10(23FB) of the Act, all venture capital companies/ fund registered with Securities and Exchange Board of India, subject to the conditions specified, are eligible for exemption from income tax on any income from investment in a venture capital undertaking. Further, the Finance Act, 2015 has inserted a proviso providing that nothing contained in this clause shall apply in respect of any income of a venture capital fund or venture capital company, being an "investment fund" of the previous year relevant to the assessment year beginning on or after 1st April 2016.

"Investment fund" has been defined under in clause (a) of Explanation 1 to Section 115UB of the Act to mean any fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate which has been granted a certificate of registration as a Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992.

(f) Benefits available to Alternative Investment Fund (Category I & II) under the Act:

The Finance Act, 2015 has inserted Chapter XII-FB in the Act which provides for special taxation regime for Category I and Category II Alternative Investment Funds referred to as "investment fund" as per clause (a) of Explanation 1 to Section 115UB of the Act. Further, the said Act has also inserted Section 10(23FBA) in terms of which income of any investment fund, other than income chargeable under the head "Profits and gains of business or profession", shall be exempt from income tax.

(g) Benefits available to Mutual Funds under the Act:

In terms of Section 10(23D) of the Act, all Mutual funds set up by public sector banks or public sector financial institutions or Mutual Funds registered under the Securities and Exchange Board of India Act/ Regulations there under or Mutual Funds authorised by the Reserve Bank of India, subject to the conditions specified, are eligible for exemption from income taxes on all their income, including income from investment in the shares of the company.

However, the Mutual Funds would be required to pay tax on distributed income to unit holders as per the provisions of Section 115R of the Act. However, w.e.f. 1 October 2014, for the purpose of determining additional income tax, the amount of distributed income shall be increased to such amount as would after reduction of additional income tax on such increased amount at the rate specified be equal to the amount of income distributed by mutual fund.

Notes:

(i) All the above benefits are as per the current direct tax laws relevant for the Assessment Year 2018-19 (considering the amendments made by Finance Act, 2017).

(ii) The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.

(iii) The possible tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.

(iv) In view of the individual nature of tax consequences, each investor is advised to consult his/ her own tax advisor with respect to specific tax consequences of his/her participation in the IPO.

(v) The above Statement of Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

The stated benefits will be available only to the sole/ first named holder in case the shares are held by joint holders.

SECTION IV: ABOUT OUR CORPORATION

INDUSTRY OVERVIEW

*Unless otherwise specified, the information and statistics in this section are extracted from the report entitled "CRISIL Research, Analysis of the Indian reinsurance industry, July 2017" (the "**CRISIL Report**"). The information presented in this section, including forecasts and projections, have not been prepared or independently verified by us, our Directors, the GoI, the BRLMs, or any of our or their respective affiliates or advisors or any other party involved in the Offer, and no representation is made as to its accuracy.*

CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL from sources which it considers reliable ("Data"). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / CRISIL Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / CRISIL Report. The CRISIL Report is not a recommendation to invest / disinvest in any company covered in the CRISIL Report. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the CRISIL Report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of the CRISIL Report may be published/ reproduced in any form without CRISIL's prior written approval.

Indian Economy

The Indian economy is the fourth largest economy in the world in terms of GDP at purchasing power parity (PPP) exchange rates, with an estimated GDP, in PPP terms, for 2016 of U.S.$8.7 trillion. (Source: CIA World Factbook).

According to CRISIL Research, India's GDP at current prices in Fiscal 2017 was ₹152 trillion.

India has the world's second largest population, estimated at 1,210 million (Source: Censusinfo India 2011) and the second largest labour force, estimated at 513.7 million people. (Source: CIA World Factbook) It also has one of the youngest populations in the world with a median age of 27.6 years, a high share of working population and rapid urbanization (2.38% change per annum). (Source: CIA World Factbook)

India is developing into an open-market economy. Economic liberalization measures including industrial deregulation, privatization of state-owned enterprises and reduced controls on foreign trade and investment began in the 1990s and have accelerated India's growth which averaged approximately 7% per annum from 1997 to 2016. (Source: CIA World Factbook). In recent years, India has become a popular destination for foreign direct investment ("FDI"), owing to its well-developed private corporate sector, large consumer market potential, large well-educated and English speaking workforce and well-established legal systems. Overall, India attracted FDI of approximately U.S.$55.4 billion in Fiscal 2016 and U.S.$45.1 billion in Fiscal 2015 as compared to an average of U.S.$23.1 billion from Fiscal 2001 to Fiscal 2013. (Source: Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India – Fact Sheet on FDI from April 2000 to December 2016.)

The Indian economy has shown moderate recovery in the past three fiscal years. Domestic GDP growth showed a marginal improvement from 7.2% in Fiscal 2015 to 7.9% in Fiscal 2016, primarily attributable to an increase in private final consumption expenditure from 6.2% in Fiscal 2015 to 7.4% in Fiscal 2016. (Source: RBI Annual Report 2015-16.) Real GDP growth, however, slowed to 7.1% in Fiscal 2017 with weak private investment and a slowdown due to the Government's demonetization program. (Source: Central Statistical Office of India's Ministry of Statistics and Programme Implementation)

Overall, the prospects for domestic growth remain positive based on expectations that the current Government, which took office in May 2014 with a strong mandate, would bolster the reform process to address the structural and liquidity issues that have hampered growth. The Government appears to be firmly committed to deficit reduction and fiscal responsibility. This has enhanced the credibility of fiscal policy which it is expected will help to anchor inflation expectations and improve the business environment, including by fostering credibility amongst international investors. The fiscal deficit has been reduced from 4.1% in Fiscal 2015 to 3.5% in Fiscal 2017. In its budget presented on February 1, 2017, the Government announced that the Fiscal Responsibility and Budget Management Committee has recommended a 3% fiscal deficit for the next three years, keeping in mind the sustainable debt target and a need for public investment. The Government ultimately decided on targeting fiscal deficit at 3.2% of GDP for Fiscal 2018. (Source: Union Budget of India, 2017-18)

The passage of the Goods and Services Tax ("GST") Bill in 2016 marked a new era in cooperative fiscal federalism and growing political consensus for political reforms. The implementation of GST is expected to boost trade, investment and growth by reducing supply chain rigidities, encouraging scale economies, reducing transportation and transaction costs and promoting efficiency gains. The Reserve Bank of India suggests this would improve the overall competitiveness of the economy. (Source: Reserve Bank of India Annual Report)

In addition, India's inflation movements have become favorable over the last three fiscal years. The consumer price index ("CPI") inflation has fallen from 6.0% in Fiscal 2015 to 4.9% in Fiscal 2016 and further to 4.5% in Fiscal 2017. Core CPI inflation picked up to 4.7% in Fiscal 2017 as against 4.3% in Fiscal 2016. (Source: RBI Handbook of Statistics on the Indian Economy)

Global Reinsurance Industry

Introduction

Reinsurance has a rich history and likely evolved in its modern form from risk management by insurers in the aftermath of large city fires in England, Germany and Switzerland before the industrial revolution. The modern reinsurance industry's evolution dates to 1842, when the first reinsurance company, Cologne Re, was established in Germany. Industry giants, such as Swiss Re and Munich Re, were also established around the same time. During the first half of the 20th century, reinsurers began to emerge in many parts of the world, especially in countries such as the United States, where there were larger disruptions due to the world wars. Related market participants, including brokers and ancillary service providers, have also emerged as important stakeholders in the industry.

Reinsurance refers to the arrangement whereby insurers transfer part of the risks and liabilities written to one or more insurers or reinsurers by entering reinsurance contracts. Reinsurance is considered as the insurance of insurance. Retrocession is the risk transfer by a reinsurer in the same way. Retrocessional coverage consists of reinsurance purchased to cover a portion of the risks that the reinsurer is covering for the underlying insurance companies.

Reinsurance allows direct insurers to manage capacity, ease surplus strain, minimize fluctuations in claim payments and lapse exposure and manage their portfolios. The reinsurance industry also provides insurance companies with access to important industry information and expertise.

Under a reinsurance contract the cedent pays premium to the reinsurer and the risks and liabilities the cedent writes are transferred to the reinsurer. According to the terms and conditions of the reinsurance contact the reinsurer makes payments to the cedent with respect to the claims incurred under the original insurance contract (or in the case of a retrocession arrangement, under the reinsurance contract).

Types of Reinsurance

There are two main types of reinsurance: treaty and facultative reinsurance.

Treaty reinsurance. In treaty reinsurance, the cedent seeks reinsurance for certain type of insurance or class of risks insured under a direct contract of insurance or specific risks within a certain period. The cedent enters treaty reinsurance contracts in advance with the reinsurer, which set out their rights and obligations including the type of treaty contract, scope of business, treaty limit, account settlement and exclusions. Once the treaty is in place, the cedent is obliged to cede and the reinsurer is obliged to reinsure all the business that comes within the scope of the terms and conditions under the treaty. Generally, under a treaty arrangement, the reinsurer does not separately evaluate each individual risk assumed under the contract and they follow the original underwriting decision made by the cedent.

Facultative reinsurance. Facultative reinsurance constitutes a separately negotiated contract of reinsurance in respect of each original contract of insurance. This permits the reinsurer to decide in each case whether to underwrite each risk and to more accurately price the reinsurance to reflect the risks. Facultative reinsurance is usually sought by cedents for risks that are not covered by their treaty reinsurance arrangements, for amounts exceeding the sum insured of their treaty arrangements and for complex or unusual risks.

Reinsurance is written on either a proportional basis or a non-proportional basis.

Proportional (quota-share). In proportional reinsurance arrangements, the cedent's retention amount and the reinsurer's liability are determined according to the sum insured. The cedent and the reinsurer share the risk on a proportional basis. Premium and losses are allocated according to the agreed percentage of the sum insured. Facultative reinsurance contracts are usually proportional.

Non-Proportional (excess). In non-proportional insurance, the liabilities of the cedent and the reinsurer are calculated based on losses. Once the losses incurred by the cedent exceed the agreed amount the reinsurer will be liable for a specified portion or all the excess loss. These are known as excess of loss agreements.

Alternative Capital

In recent years, alternative capital products have emerged as a substitute for traditional reinsurance contracts. Alternative capital refers to a source of reinsurance capacity which is based on investors directly investing into certain reinsurance risks such as catastrophe bonds, collaterized reinsurance, and insurance-linked securities.

Reinsurance Industry Market Cycles

The reinsurance industry market is global. Insurers and reinsurers can maximize the diversification of business risks through reinsurance transactions with reinsurers worldwide. The reinsurance market is also cyclical.

The size of the reinsurance market is generally characterized by the availability of reinsurance capacity. The size of that capacity available in each period for a given risk is largely dependent on the level of losses in the market in the previous period. The interplay and movements among the elements of capacity, loss and price of reinsurance drives the reinsurance cycle. There are two types of market conditions in the reinsurance market cycle: soft market conditions and hard market conditions.

Hard market: A hard market is the upswing in the reinsurance market cycle, when premiums increase and capacity for most types of reinsurance decreases. This upswing can be caused by a number of factors, including falling investment returns for insurers, increases in frequency or severity of losses, and regulatory intervention deemed to be against the interests of reinsurers.

Soft market: A soft market is the downswing in the reinsurance market cycle, when prices decline and capacity increases resulting often in high limits, flexible contracts and a high availability of coverage.

Global Players and Rankings

The global reinsurance market is competitive but concentrated. In terms of gross premium written in 2015, the top ten reinsurance companies are Munich Reinsurance Company, Swiss Re Ltd., Hannover Rueck S.E., SCOR S.E., Lloyd's of London, Berkshire Hathaway Inc, Reinsurance Group of America Inc., China Reinsurance (Group) Corporation, Everest Re Group Ltd, and Partner Re Ltd. (Source: CRISIL Report) According CRISIL Research, these top ten reinsurance companies write over 70% of the total life and non-life unaffiliated gross reinsurance premiums written. (Source: CRISIL Report)

Since the last large big acquisition in the global life reinsurance industry in 2013 was when SCOR bought Generali USA Life Reassurance Company, the global industry has become more concentrated but there have been no significant market entrants or big acquisitions. CRISIL Research observes that the reinsurance panels of large insurers usually only include three or four large players.

Our Corporation was 14th in the global reinsurance market based on gross reinsurance premiums written in 2015. (Source © A.M. Best – used with permission and as extracted from the CRISIL Report) Among Asian reinsurers in 2015, we were in 3rd position, next only to China Reinsurance Corporation and Korean Reinsurance Company. (Source: CRISIL Report) CRISIL Research indicates that our Corporation has further improved to 12th position in the global reinsurance market based on gross reinsurance premiums written in 2016.

The following table shows the top 20 global reinsurance groups ranked based on unaffiliated gross premiums written in 2015.

Top 20 Global Reinsurance groups – Ranked based on unaffiliated gross premiums written in 2015

Sr. No.	Company	Gross premiums written (Total reinsurance) (in USD million)	Gross premiums written (Non-Life reinsurance) (in USD million)
1	Munich Reinsurance Company	36,976	19,319
2	Swiss Re Ltd.	32,249	19,561
3	Hannover Rueck S.E.	18,651	10,204
4	SCOR S.E.	14,665	6,254
5	Lloyd's	12,740	12,740
6	Berkshire Hathaway Inc.	12,236	7,049
7	Reinsurance Group of America Inc.	9,371	N/A
8	China Reinsurance (Group) Corporation	8,283	4,743
9	Everest Re Group Ltd.	5,876	5,876
10	Partner Re Ltd.	5,548	4,277
11	Korean Reinsurance Company	5,443	4,812
12	Great West Lifeco.	4,173	N/A
13	Transatlantic Holdings, Inc	3,662	3,662
14	General Insurance Corporation of India	2,786	2,751
15	XL Group plc	2,583	2,273
16	MAPFRE RE, Compania de Reaseguros S.A.	2,289	1,724
17	R+V Verischerung AG	2,164	2,136
18	The Toa Reinsurance Company Ltd	2,067	2,067
19	Axis Capital Holdings Ltd	2,021	2,021
20	RenaissanceRe Holdings Ltd.	2,011	2,011

N/A: Not available
Source: © A.M. Best – used with permission and as extracted from the CRISIL Report

Global Market Size, Environment and Outlook

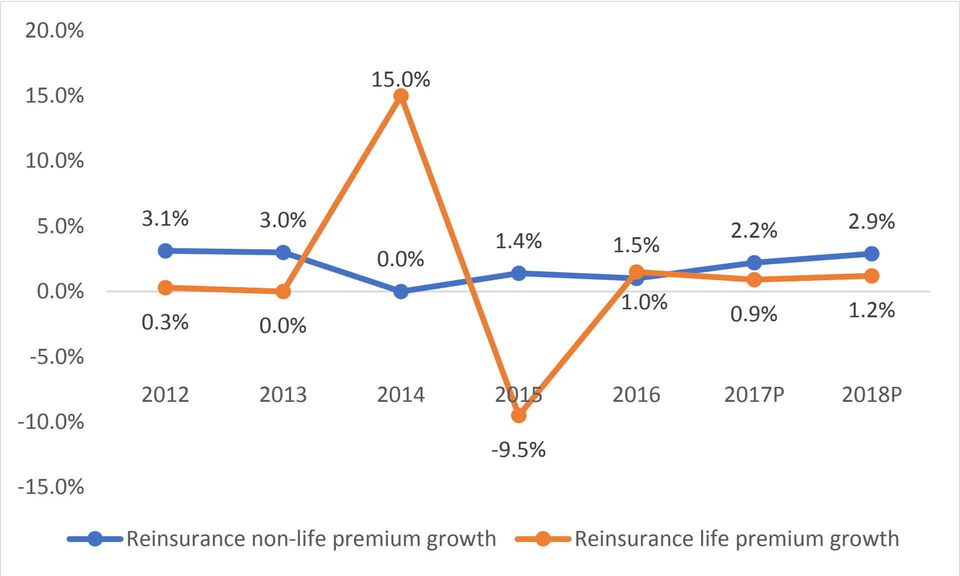
The size of the global reinsurance market is estimated to be around USD 230 billion in 2016, with the non-life segment accounting for 70% of the market. (Source: CRISIL Report) According to CRISIL Research, the reinsurance industry is in a deep soft market cycle which began in 2013. The troika of weak underlying demand growth, low interest rates and the expansion of alternative capital has impacted the global reinsurance market over the past few years. With the supply of capital far exceeding the demand, the market has been extremely soft. (Source: CRISIL Report)

To generate returns, reinsurance companies, in conjunction with alternative capital sources, have been writing coverage over riskier assets, thus bringing down prices. (Source: CRISIL Report) The lower-than-anticipated incidence of large natural catastrophes has helped companies post good underwriting profits. (Source: CRISIL Report) This lower incidence, coupled with the release of redundant reserves for earlier years' claims, has supported the industry's profitability. (Source: CRISIL Report)

In addition, global reinsurers have been managing capital, supported by unrealized gains from investments in a declining interest-rate scenario, such that capital growth reflected the premium growth and excess capital has been returned to investors in the form of either dividends or share buybacks. (Source: CRISIL Report) This has helped many global players maintain their return ratios. Due to high competition, global reinsurers have also tried to diversify their business mix by entering the specialty insurance business; however, competition is increasing even within this space. (Source: CRISIL Report)

In real terms (adjusted for inflation), the global non-life reinsurance market is estimated to have grown by 1% in 2016. (Source: CRISIL Report) Going forward, Swiss Re projects non-life reinsurance premiums to grow at a faster rate, led by rising cessions from emerging markets and strengthening of solvency regulations in Europe increasing the attractiveness of reinsurance. Furthermore, the erosion in players' profitability over the past few years is expected to bring some sanity to the market and the pressure on rates is expected to ease. (Source: Swiss Re as extracted from the CRISIL Report)

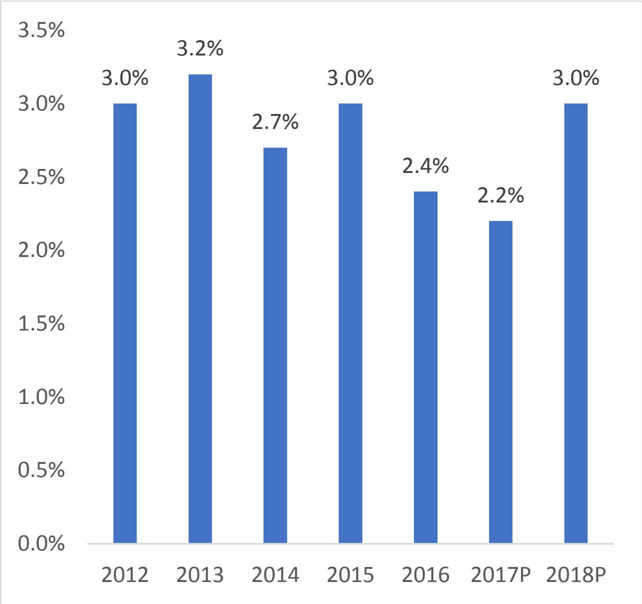
The following graph shows global reinsurance non-life and life insurance premium growth over the past five years and projected growth for 2017 and 2018.



Note: The growth rates are in real USD terms; P: Projected
Source: Swiss Re Global insurance review and outlook Nov 2016, Nov 2015, Nov 2014, Nov 2013, Dec 2012 as extracted from the CRISIL Report

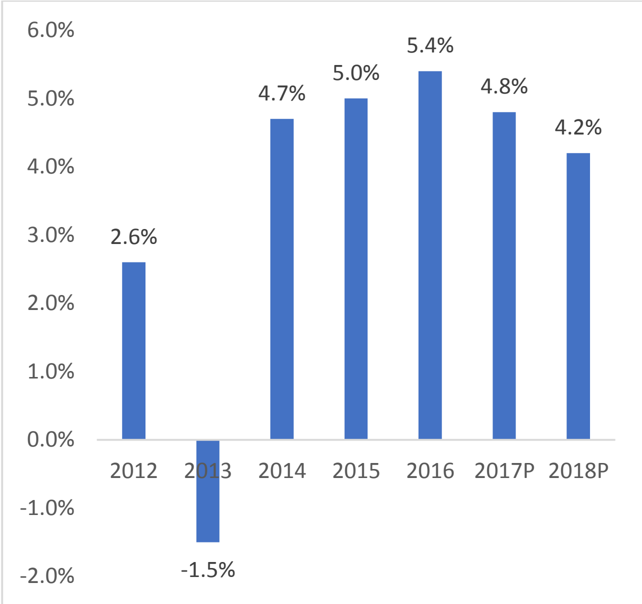
The following charts shows primary non-life insurance and life insurance premium growth over the past five years and projected growth for 2017 and 2018.

Global primary non-life insurance premium growth **Global primary life insurance premium growth**



Note: The growth rates are in real USD terms; P: Projected

Source: Swiss Re Global insurance review and outlook Nov 2016, Nov 2015, Nov 2014, Nov 2013, Dec 2012 as extracted from the CRISIL Report



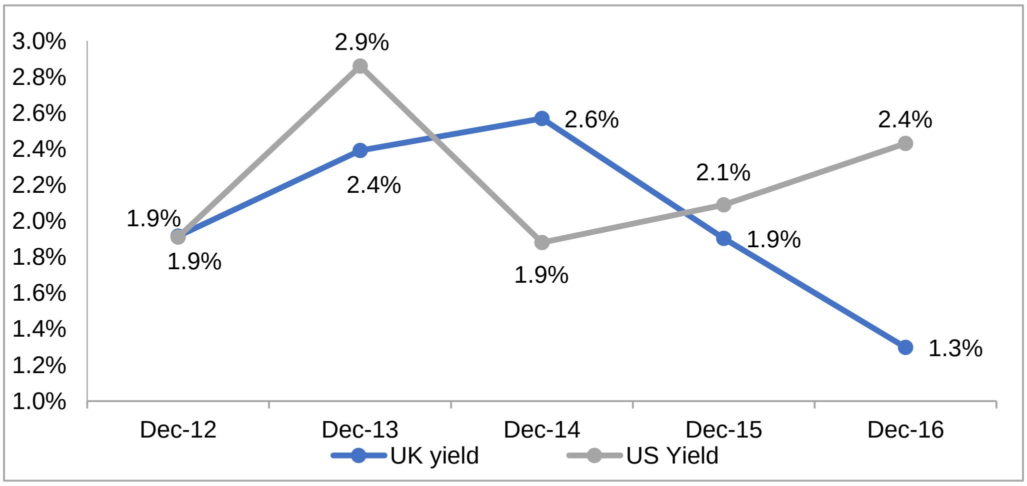
Note: The growth rates are in real USD terms; P: Projected

Source: Swiss Re Global insurance review and outlook Nov 2016, Nov 2015, Nov 2014, Nov 2013, Dec 2012 as extracted from the CRISIL Report

Growth in the global life reinsurance space has been volatile, largely due to significant fluctuations in the Chinese market. (Source: CRISIL Report) Large facultative reinsurance arrangements by some life insurers in China led to a surge in growth in 2014; business returned to normal levels in 2015. (Source: CRISIL Report) According to Swiss Re, life reinsurance premiums are likely to increase marginally in the next two years, driven largely by emerging markets, especially China. (Source: Swiss Re as extracted from CRISIL Report)

Global interest rate environment to remain subdued

Since the 2008 financial crisis, the interest rate environment has continued to stay soft. The declining interest rates have pinched the investment returns of insurance and reinsurance companies; however, they have helped in increasing the capital base due to unrealized gains in their investment portfolios. In the view of CRISIL Research, no significant increase in global interest rates is expected and the investment income of insurance and reinsurance companies is therefore unlikely to recover in the near-term.



Government securities yields in the US and UK (10-year Gsec)

Source: CRISIL Report

Expansion of alternative capital in the reinsurance market

The historic low level of interest rates after the financial crisis and the opportunity to diversify assets by taking on catastrophe risk have attracted many investors, such as pension funds and hedge funds, to the reinsurance market. These players mainly operate in the high-risk (and high-margin) global natural catastrophe reinsurance markets, where the entry barriers are low. According to Swiss Re, until mid-2016, approximately USD 61 billion worth of alternative capital had flown into the reinsurance market. (Source: Swiss Re as extracted from the CRISIL Report)

Slow growth leading to market consolidation

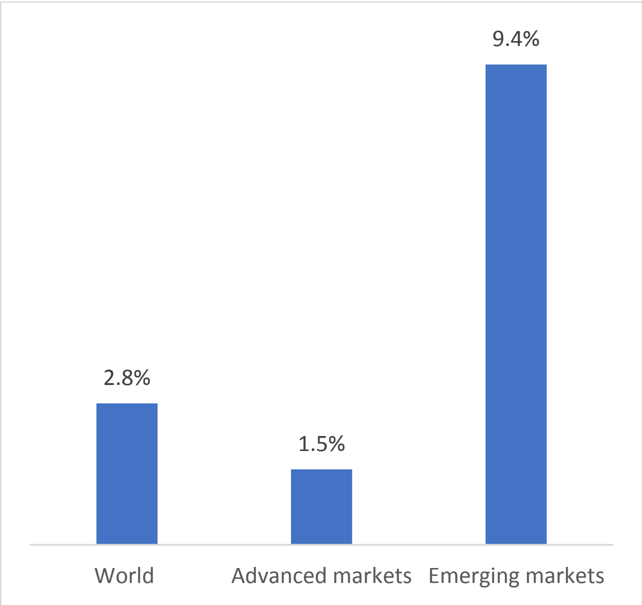
The slowdown in organic business growth has led players to look for acquisitions for growing their top lines and deploying excess capital. (Source: CRISIL Report) Further, the growing pressure on profitability has led players seeking this route to exploit synergies and save costs. Investments in or acquisition of agents has also been adopted to lower the acquisition costs and get stable business. The primary insurers are further forcing reinsurers down this route, as they want to deal with those who have large reinsurance capacity, low probability of going under, and can offer customized solutions to complex risks. Thus, it is important to be among the top global players to attract more business. (Source: CRISIL Report)

Emerging Markets Growth

Primary insurance premiums in emerging markets are growing faster than in advanced economies, providing opportunities for global reinsurance players. The share of emerging markets in the life reinsurance segment is expected to increase from the current 14%. (Source: CRISIL Report) In non-life reinsurance, the share of business from the emerging markets is higher than that in the life segment at about 26%. (Source: CRISIL Report)

The following charts show the five year CAGR for life and non-life insurance business worldwide and in advanced and emerging markets.

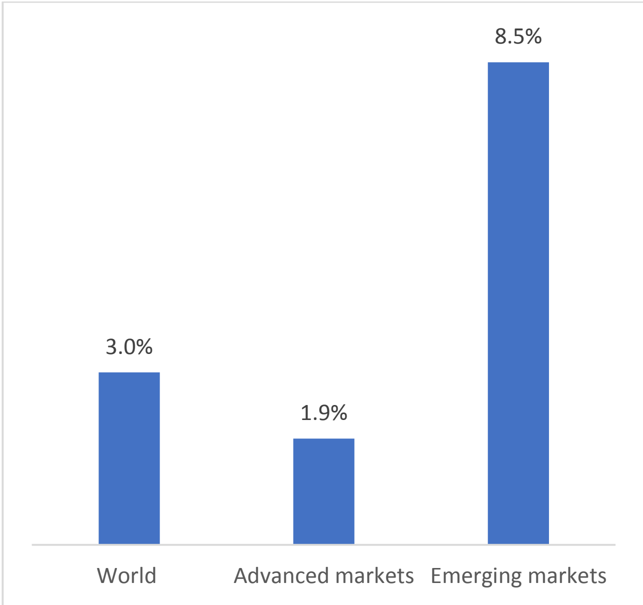
Life business growth in the real USD terms



Note: 5 year CAGR for primary life insurance premium

Source: Swiss Re World insurance reports Sigma No 3/2017, No 3/2016, No 4/2015, No 3/2014, No 3/2013 as extracted from the CRISIL Report

Non-life business growth in the real USD terms

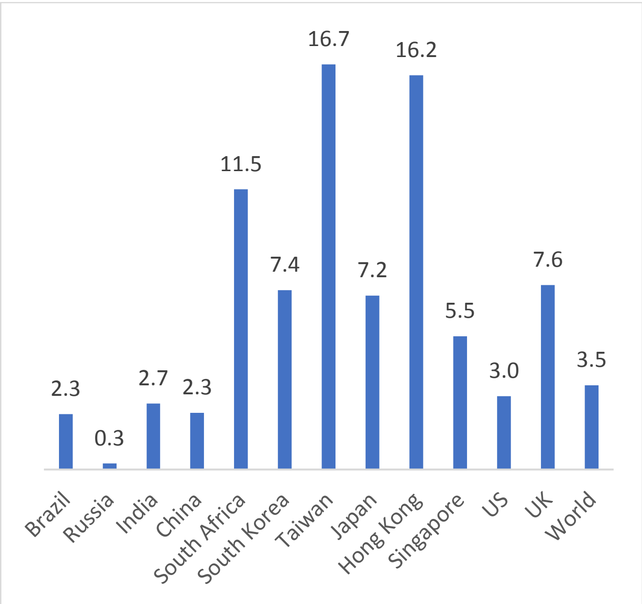


Note: 5 year CAGR for primary non-life insurance premium

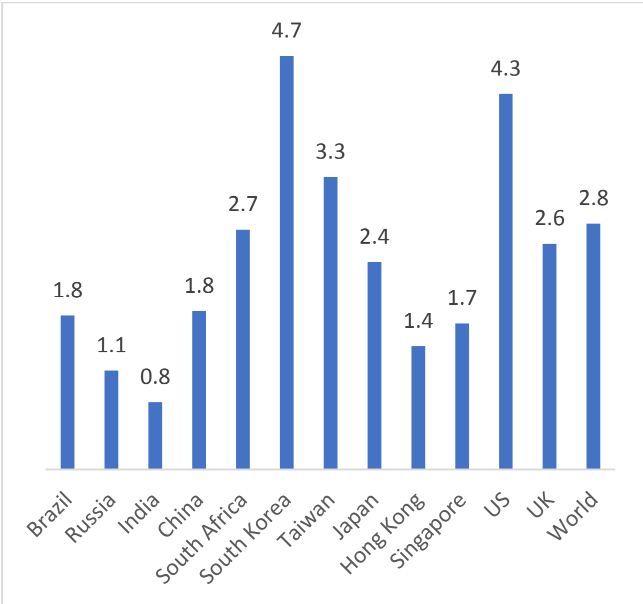
Source: Swiss Re World insurance reports Sigma No 3/2017, No 3/2016, No 4/2015, No 3/2014, No 3/2013 as extracted from the CRISIL Report

The following charts show the penetration for life and non-life insurance business in 2016 in Brazil, Russia, India, China, South Africa, South Korea, Taiwan, Japan, Hong Kong, Singapore, the United States, the United Kingdom and worldwide.

Penetration in life insurance in 2016 (%)



Penetration in non-life insurance in 2016 (%)



Source: Swiss Re World insurance reports Sigma No 3/2017 as extracted from the CRISIL Report

Source: Swiss Re World insurance reports Sigma No 3/2017 as extracted from the CRISIL Report

Brazil – The proportion of primary life and non-life insurance premium is well balanced for Brazil, with the life segment contributing a slightly higher proportion of 54%. (Source: CRISIL Report)

Russia – Russia is completely different compared with other BRICS countries, as the proportion of non-life insurance is far higher at 87%. (Source: CRISIL Report) However, the life segment's share has been increasing over the past five years, as it has grown at a very high pace, while non-life premiums have been growing at a subdued pace. (Source: CRISIL Report)

India – India is the second largest market among the BRICS nations, behind only China. India has a far higher domination of life insurance, which contributes to about 79% of the total premium collected. (Source: CRISIL Report) However, over the past five years ended 2015, India has grown at a subdued pace compared to the rate of growth in non-life insurance premiums. Penetration levels (defined as premiums as a percentage of GDP), were at 0.8% in 2016, which is the lowest amongst BRICS and other Asian economies, reflecting the significant growth potential of the Indian non-life insurance market.

China – The Chinese market is similar to the Brazilian market, with the contribution of life insurance at 56% in 2016. (Source: CRISIL Report) However, the share of non-life has been increasing, as it has grown at a much faster pace than life insurance premium over the past five years. (Source: CRISIL Report)

Indian Reinsurance Industry – History and Regulation

Introduction

In life insurance, India is the tenth largest market in the world in terms of total premium. (Source: CRISIL Report) In non-life insurance, India is the fifteenth largest insurance market in the world in terms of gross premiums. (Source: CRISIL Report)

Total premiums in the Indian life and non-life insurance markets were around ₹4.18 trillion and ₹1.28 trillion respectively in Fiscal 2017. According to CRISIL Research, the size of the Indian reinsurance market was estimated to be approximately ₹ 388 billion in Fiscal 2017. Reinsurance of non-life insurance business accounted for approximately 95% of the total premium ceded in Fiscal 2017. (Source: CRISIL Report) Currently, our Corporation is the only publicly owned reinsurance company in India, and there is one privately-owned reinsurance company which has been registered by the IRDAI, ITI Reinsurance Limited. (Source: CRISIL Research)

The insurance and reinsurance industries in India have been liberalized and are regulated by the IRDAI.

Subject to IRDAI regulation, foreign reinsurance companies are permitted to sell reinsurance coverage in India. In addition, as of June 30, 2017, eight foreign reinsurance companies and Lloyds of London have been registered by the IRDAI, which allows them to operate branches in India. (Source: CRISIL Research)

History

The reinsurance industry in India has developed in three phases: pre-nationalization, post-nationalization and post-liberalization.

Pre-nationalization phase

The 1950s saw a rapid growth of the Indian insurance industry because of large scale post-independence economic development. This economic growth created demand for reinsurance protection, which was initially arranged outside of India, primarily the United Kingdom and continental Europe.

In 1956, a professional reinsurance company named Indian Reinsurance Corporation was formed by general insurers operating in India, and voluntary quota share cessions were contributed by the member companies. In 1961, the Government of India made it statutory for every insurer to cede 20% in fire, 10% marine cargo, 10% in marine hull and miscellaneous insurance and 5% in credit and solvency business to the two approved Indian reinsurers, the Indian Reinsurance Corporation and the Indian Guarantee and General Company. These percentages were to be equally distributed between the two companies. In addition, in 1966, the Indian Insurance Companies Association formed reinsurance pools in the fire and marine hull sectors to help grow the domestic reinsurance business.

By 1971, according to CRISIL Research, there were 63 domestic insurers and 44 foreign insurers operating in India and each one had its own reinsurance arrangements.

Post-nationalisation phase

The general insurance industry in India was nationalized in 1972 by the Government of India under the General Insurance Business (Nationalization) Act, 1972 ("GIBNA"). Under the GIBNA, the Government of India took public ownership of the shares of 55 Indian insurance companies and the undertakings of 52 insurers carrying on the general insurance business. Our Corporation was formed in accordance with Section 9(1) of the GIBNA to control and operate the domestic general insurance business. We were incorporated on November 22, 1972, under the Companies Act, 1956, as a private company limited by shares.

The Government of India transferred all the assets and operations of the nationalized general insurance companies to our Corporation and other public sector insurance companies. After mergers and consolidation, we were reorganized with four fully owned subsidiary companies:

- National Insurance Company Limited,
- New India Assurance Company Limited,
- Oriental Insurance Company Limited, and
- United India Insurance Company Limited.

Our Corporation and our four subsidiaries had a state-owned monopoly of the general insurance business in India until liberalization of the industry in 1999.

Post-liberalization phase

In 1999, the Government of India liberalized the Indian insurance industry and constituted the IRDAI pursuant to the terms of the IRDA Act. The IRDAI was charged with regulating and controlling the conduct of the insurance and reinsurance business in India.

As part of the liberalization, private insurance companies were allowed to engage in the insurance business after obtaining an IRDAI license. Amendments to GIBNA and the Insurance Act, 1938 removed the exclusive privilege of our Corporation and our four subsidiaries to perform the general insurance business. In the area of reinsurance, each licensed Indian insurer (public and private) was now free to determine its own reinsurance need and purchase reinsurance with the approval by the IRDAI.

In November 2000, the Government of India directed that our Corporation would become the sole reinsurer in the domestic market and, through administrative instruction, our supervisory role over our four insurance subsidiaries was ended. Under the General Insurance Business (Nationalization) Amendment Act, 2002, which came into force on March 21, 2003, we ceased to be a holding company of our four subsidiaries, and their ownership was divested directly to the Government of India.

Post liberalization, the general insurance sector has grown at a fast pace with premiums rising at 17% CAGR during Fiscal 2001 to Fiscal 2017 and number of private players (including standalone insurers) to 24 by Fiscal 2017. This has resulted in business for reinsurance too. (Source: CRISIL Research)

IRDAI Regulations

The Insurance Regulatory and Development Authority (General Insurance – Reinsurance) Regulations, 2016 ("**General Insurance Regulations**") have been issued by the IRDAI in respect of reinsurance of general insurance risks. Pursuant to the General Insurance Regulations, the reinsurance program of every Indian insurer, Indian reinsurer and foreign reinsurer is required to be guided by the following objectives: (i) maximize retention within the country; (ii) develop adequate capacity; (iii) secure best possible reinsurance protection or coverage required to protect the interest of the policy holder or insurer at a reasonable cost; and (iv) simplify the administration of business. The IRDAI has also issued the Insurance Regulatory and Development Authority (Life insurance-reinsurance) Regulations ("**Life Insurance Regulations**"), 2013 in respect of reinsurance of life insurance risks. Pursuant to the Life Insurance Regulations, the reinsurance program of every insurer or reinsurer is required to be guided by the following objectives: (i) maximize retention within the country; (ii) develop adequate capacity; (iii) secure best possible reinsurance protection or coverage required to protect the interest of the policy holder or insurer at a reasonable cost; (iv) ensure that the reinsurance policy does not lead to fronting of insurance business and (v) simplify the administration of business.

Compulsory ceding by general insurers to Indian reinsurer

Under the IRDA (General Insurance-Reinsurance) Regulations, 2016, general insurers are required to make a minimum level of cessions to Indian reinsurers. Previously, the IRDAI had prescribed that all general insurers should compulsorily cede 20% of their gross premium to Indian reinsurers (presently only our Corporation). As the size of the general insurance industry increased, this limit has been progressively reduced to 15% in 2007, 10% in 2008 and 5% in 2013. Pursuant to an IRDAI notification (reference: F. No IRDAI/R1/18/130/2016) dated 13 July 2016, the IRDAI maintained 5% for the period between 1 April 2016 and 31 March 2017.

Submission of reinsurance programs to IRDAI

Every Indian insurer, Indian reinsurer, and foreign reinsurer branch is required to submit its board-approved reinsurance program along with retention policy to IRDAI for a financial year, 45 days before the financial year's commencement. If any amendment is made in the reinsurance program, subsequent to it being filed with the regulator, the amendment should be filed with IRDAI along with the board's approval within 30 days of the commencement of the financial year. The reinsurance program is required to include certain prescribed matters including the proposed retention limits on every product of each insurance segments along with corresponding retention limits in the previous year and structure of reinsurance program with details of proportional arrangement for each insurance segment and non-proportional arrangements. The IRDAI is empowered to call for further information or explanations in respect of the reinsurance program. It may also, if necessary, direct the Indian insurer, Indian reinsurer, and foreign reinsurer branch to carry out changes to the reinsurance program filed with the IRDAI.

Eligibility criteria for cross-border reinsurers

The IRDAI has also laid down eligibility criteria for cross-border reinsurers ("CBR") with whom an Indian insurer or Indian reinsurer or foreign reinsurer branch can carry on reinsurance business outside India including the following:

1. The financial strength, quality of management, and adequacy of technical reserving methodologies of the CBR should be monitored by its supervising authority in the home country.

2. The CBR should have a credit rating of at least BBB or equivalent through an international rating agency for preceding three years.

3. The CBR should be registered with its home regulator of the country with which Government of India has signed double taxation avoidance agreement.

Order of preference for cessions by Indian insurers

Regulation 28(9) of the Insurance Regulatory and Development Authority of India (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015, *inter-alia*, sets out the order of preference for cessions by Indian insurers.

Indian insurers are required to obtain best terms for their facultative and treaty surpluses from Indian reinsurers with a minimum credit rating, denoting good financial strength, from any of the internationally renowned credit rating agencies for the previous three years and from at least three foreign branch offices required to have minimum retention of 50% of the Indian reinsurance business. Indian insurers should offer the best terms for participation in the following order of preference:

- Indian reinsurers with minimum credit rating as described above;

- Branch offices of foreign reinsurers which are required to maintain minimum retention of 50% of the Indian reinsurance business;

- Other Indian reinsurers or branch offices of foreign reinsurers which are required to maintain minimum retention of 30% of the Indian reinsurance business;

- Branch offices of foreign reinsurers set up in special economic zones, only after having offered to all three sets of entities detailed above; and

- The balance, if any, may then be offered to Indian insurers and overseas reinsurers.

Insurance Regulatory and Development Authority of India (Lloyd's India) Regulations, 2016 contains regulations pertaining to Lloyd's India, which has been granted a license to establish a market and associated structures for conduct of reinsurance business in India and outside India in the manner set out in these regulations. Under this regulation, the constituents of Lloyd's India include members of Lloyd's, formed collectively as syndicates who delegate authority to service companies, located within Lloyd's India.

Lloyd's India, being a market, is required to ensure that the market and its constituents are housed within an office location of Lloyd's India for the conduct of reinsurance business. The syndicates and service companies of Lloyd's India are also required to obtain licenses from IRDAI in accordance with these regulations. With respect to order of preference, Indian insurers are required to treat Lloyd's India on par with branch offices of foreign reinsurers.

IRDAI Investment Requirements

The IRDAI mandates certain investment parameters for Indian reinsurance companies. These IRDAI investment requirements are prescribed under the IRDAI (Investment) Regulations 2016 and are summarized in the section entitled "*Business-Composition of Investment Funds - IRDAI Investment Regulations*" on page 143.

Regulatory Outlook

On May 5, 2017, IRDAI announced the constitution of a reinsurance expert committee with the objective of carrying out a comprehensive review of the existing framework for reinsurance activities, including reporting requirements.

The terms of reference of the committee are:

- review the current regulatory framework for reinsurance and make suitable recommendations;
- study international regulatory framework and practices relating to reinsurance pools, alternative risk transfer (ART), and such other mechanisms, and make appropriate recommendations for India;
- study the existing guidelines for special economic zones and make necessary recommendations in the context of various reinsurance activities; and
- make specific recommendations and devise formats for reports and returns required to be submitted to IRDAI.

The committee is expected to interact with all relevant stakeholders including cedents, reinsurers, retrocessionaires, brokers, and customers, among others, and make their recommendations. The committee has been asked to submit its report by August 31, 2017.

Additional Information on Indian Insurance and Reinsurance Regulations

For additional information on the regulation of the insurance and reinsurance regulations applicable to our Corporation, see "*Regulations and Policies*" on page 155.

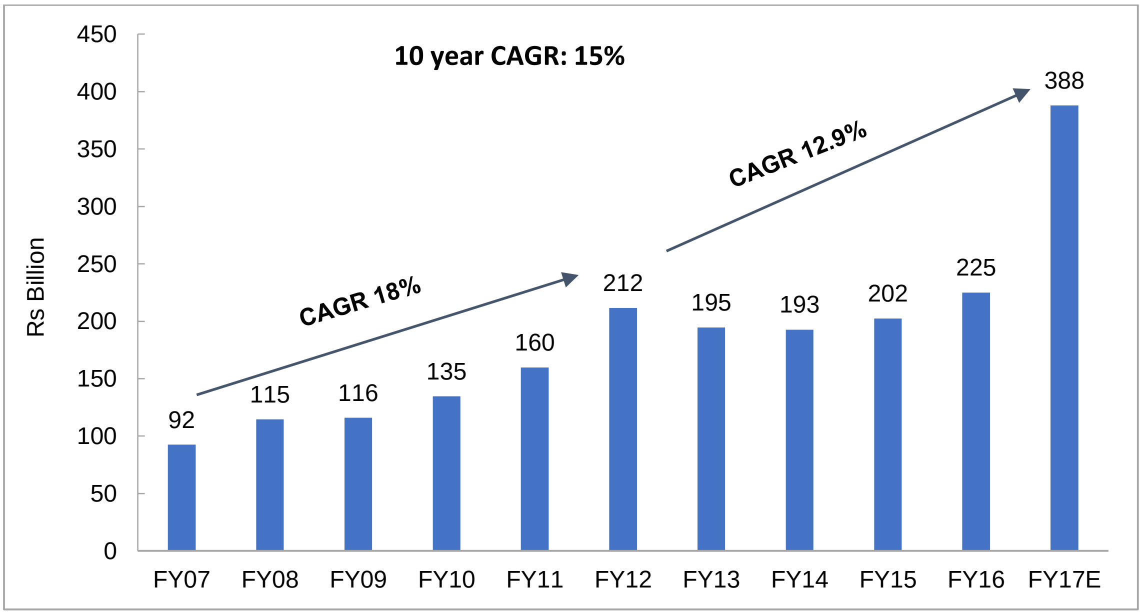
Indian Reinsurance Industry – Market and Outlook

Reinsurance Market Size

According to CRISIL Research, the size of the Indian reinsurance market was estimated to be approximately ₹ 388 billion in Fiscal 2017. The reinsurance market in India grew at a healthy 15% CAGR in the ten fiscal years ending Fiscal 2017. In Fiscal 2017, premiums ceded to reinsurers increased by 73%, as non-life insurance premiums grew by 32% on-year and retention ratios declined close to 9%. (Source: CRISIL Report)

The growth of the Indian reinsurance market over the past ten fiscal years and estimated market size in Fiscal 2017 is shown in the following graph.

Indian Market Size Growth



Source: IRDAI, General Insurance Council Year Book 2016, CRISIL Report

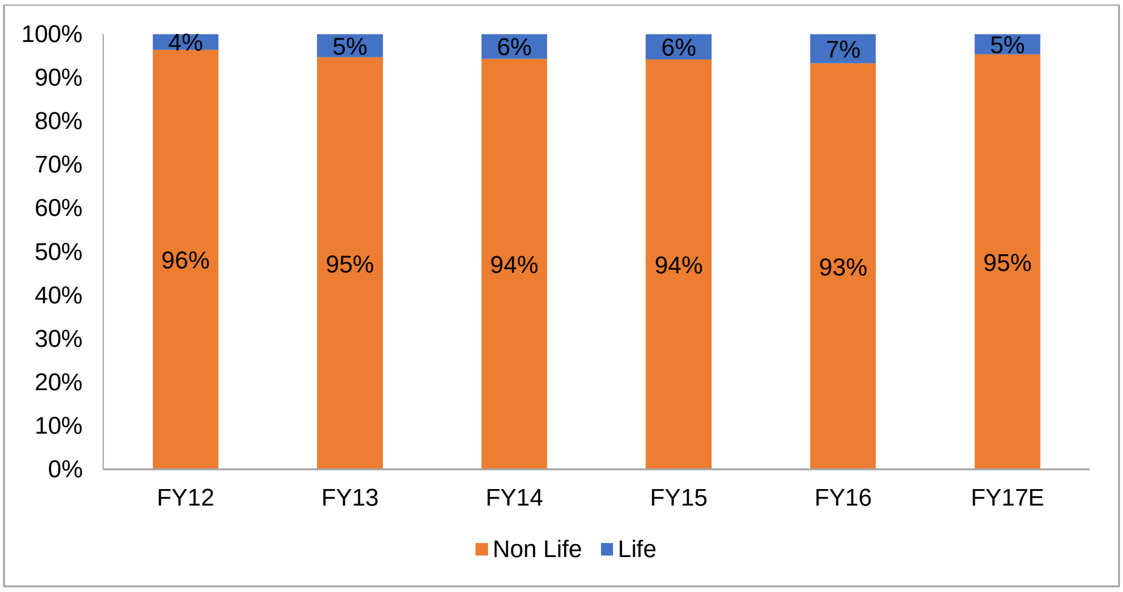
The sharp jump in non-life premiums in Fiscal 2017 was driven by a four-fold increase in crop insurance premiums to ₹206 billion (16% of gross non-life premiums). (Source: CRISIL Report) According to CRISIL Research, even after excluding crop insurance, premium growth in Fiscal 2017 remained healthy at 18%. The sharp jump in premiums and relatively faster growth of private insurance players in India, who typically cede a higher proportion of their premium to reinsurers, were large contributors to reinsurance industry growth in Fiscal 2017.

Non-Life Risk Dominates the Indian Reinsurance Market

Reinsurance of non-life insurance business accounted for approximately 95% of the total premium ceded in Fiscal 2017. (Source: CRISIL Report) The dominance of non-life in the reinsurance pie can be attributed to the better geographical spread of life policies compared to non-life and because the insured amounts are typically smaller in comparison, reinsurance need is correspondingly lower. In addition, life insurance is viewed as a protection-cum-savings product in India. Therefore, the uptake of pure life protection policies (term insurance) is on the lower side.

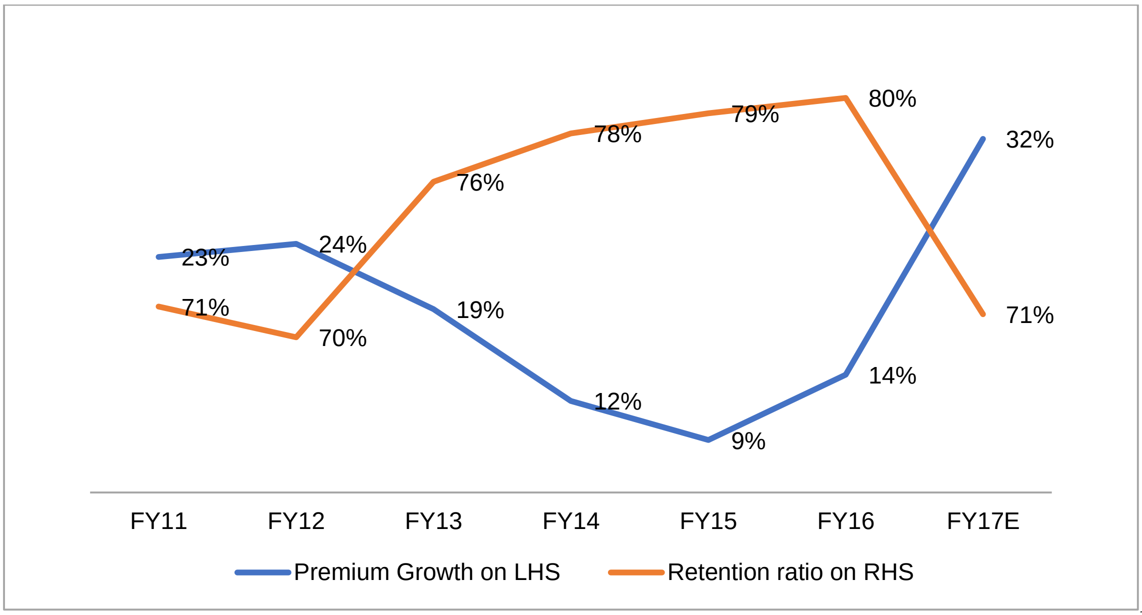
The composition of the Indian reinsurance market between life and non-life insurance over the past five fiscal years and estimate for Fiscal 2017 is shown in the following chart.

Largely non-life risk ceded to reinsurers



Source: IRDAI, General Insurance Council Year Book 2016, CRISIL Report

The movement of non-life premium growth and retention ratios over the past five fiscal years and estimates for Fiscal 2017 are shown in the following graph.



Non-life premium growth and retention ratios key factors determining premium growth

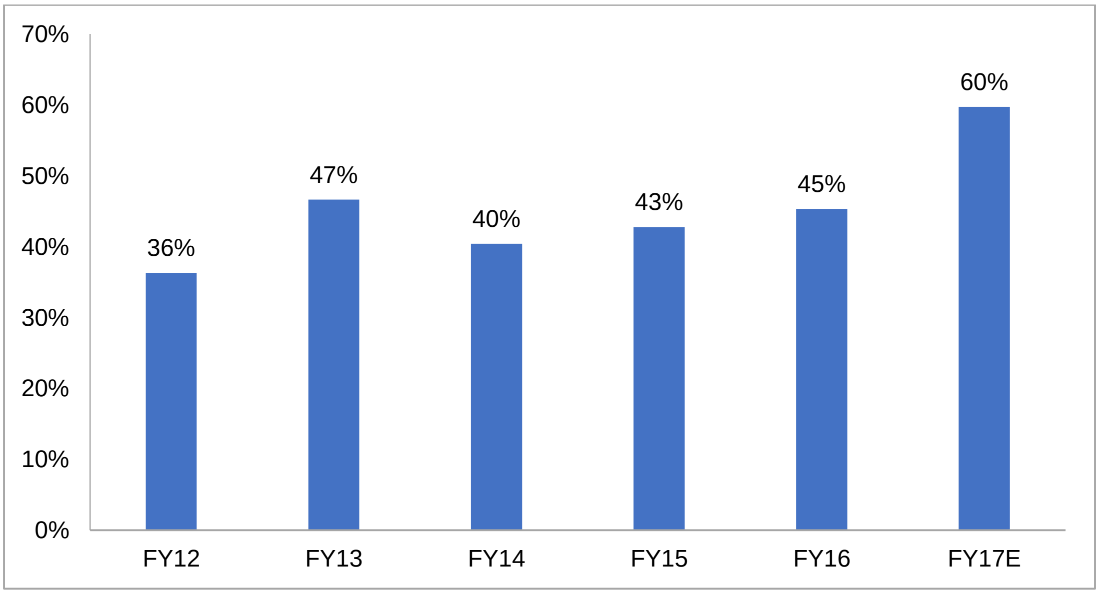
Note: Includes all private as well as public players
Source: General Insurance Council Year Book 2016, CRISIL Report

GIC Re Market Share

We are the largest reinsurance company in India in terms of gross premiums accepted in Fiscal 2017, and we accounted for close to 60% of the premiums ceded by Indian insurers to reinsurers during Fiscal 2017, according to CRISIL Research. The sharp jump in non-life premium growth particularly crop insurance in Fiscal 2017 resulted in a change in market shares in the view of CRISIL Research.

The following chart shows the market share of our Corporation in terms of gross premiums ceded to reinsurers in India over the past five fiscal years and estimated for Fiscal 2017.

Market share of GIC Re in India insurance premium ceded to reinsurers



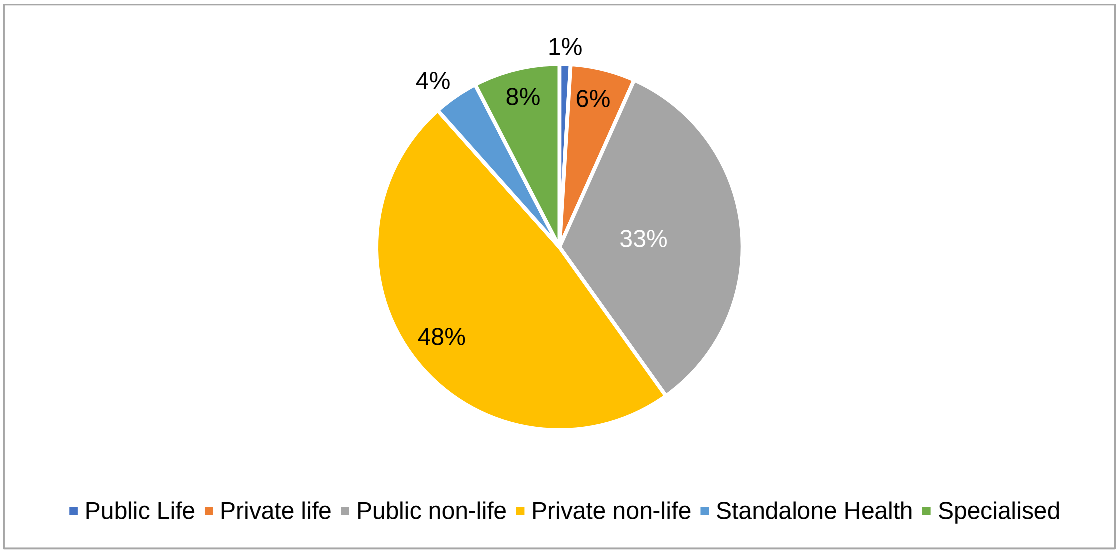
Source: CRISIL Report

Composition of Reinsurance Market in India

Among the various types of insurers, private non-life insurers account for the highest portion of insurance ceded to reinsurers, contributing nearly half of the premium ceded in Fiscal 2016, according to CRISIL Research. Public non-life insurers comprise one-third of premium ceded, while life insurance companies and standalone health insurance providers contribute 7-8% each in Fiscal 2016. (Source: CRISIL Report)

The following pie chart shows the composition of premium ceded to reinsurers in India by type of insurer in Fiscal 2016.

Composition of premium ceded to reinsurers (FY16)



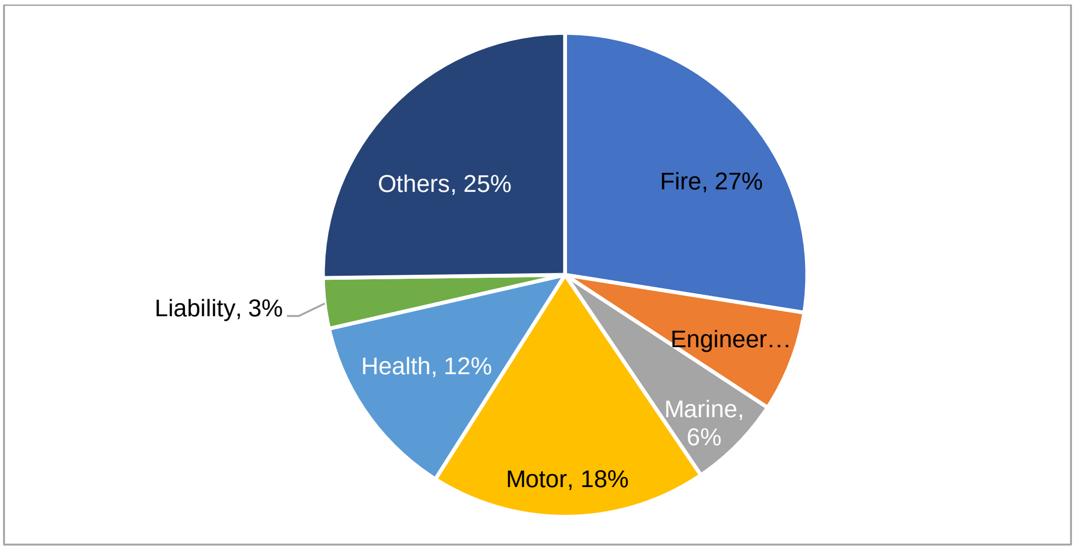
Source: General Insurance Council year book 2016

Largest Market Segments

According to CRISIL Research, fire (property), motor, health were the largest market segments in terms of non-life gross premiums ceded in Fiscal 2016, and these segments combined contributed approximately 60% of non-life gross premium ceded in Fiscal 2016. However, according to CRISIL, crop insurance premiums ceded to reinsurers quadrupled in Fiscal 2017, and, typically, a large portion of premiums from crop reinsurance tends to be ceded to reinsurers.

The following pie chart shows the composition of premium ceded to reinsurers in India by segment in Fiscal 2016.

Non-life premium ceded to reinsurers segment-wise (FY16)



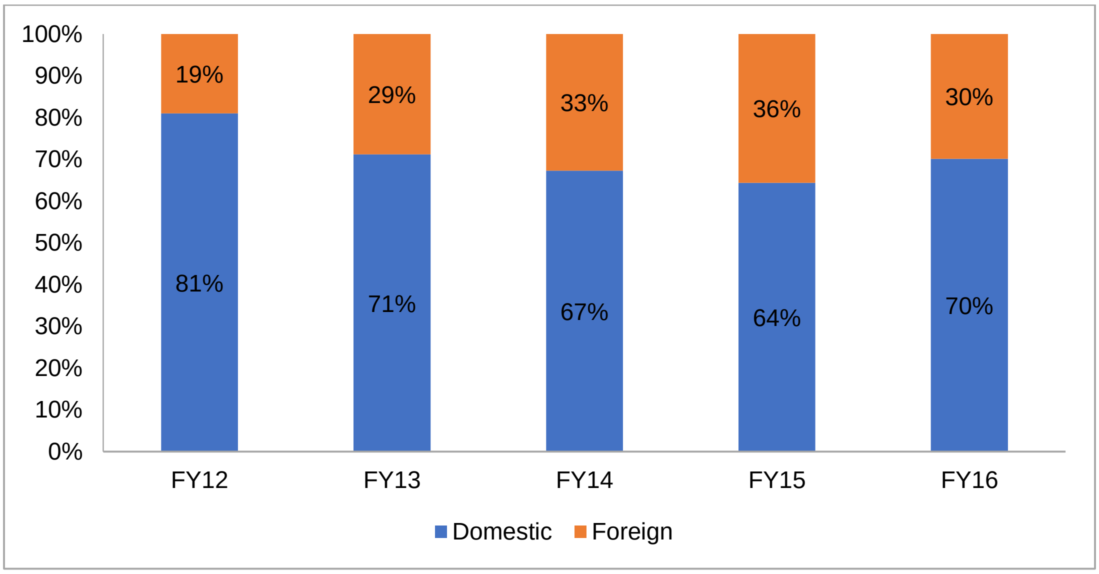
Note: Others include personal accident, aviation, agriculture and other miscellaneous
Source: General Insurance Council Year Book 2016; CRISIL Report

Domestic and Foreign Reinsurance Mix

Approximately 30% of the reinsurance ceded by Indian non-life insurance companies in Fiscal 2016 was ceded to foreign reinsurance companies.

The following chart shows the composition of gross premium ceded to Indian and foreign reinsurers over the past five fiscal years.

Domestic vs foreign reinsurance mix in India



Source: General Insurance Council year book 2016, CRISIL Report

Indian Reinsurance Industry – Outlook

The outlook and drivers for the domestic insurance industry are described below.

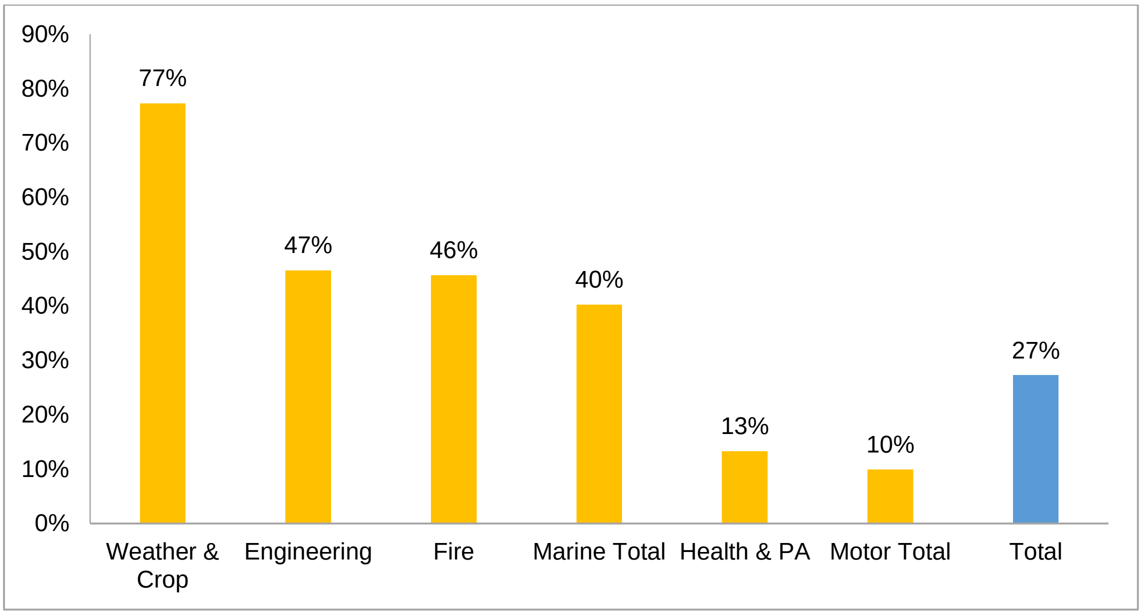
Reinsurance Market Estimates Fiscal 2017

According to CRISIL Research estimates, reinsurance premiums in India grew approximately 73% in Fiscal 2017, driven by strong growth in non-life insurance premiums and by the high proportion of premium ceded, particularly in both cases in the crop insurance business line.

An estimated 77% of domestic crop insurance premiums were ceded to reinsurers in Fiscal 2017. (Source: CRISIL Report) The agriculture segment contributed 16% of gross non-life premium written during Fiscal 2017. (Source: CRISIL Report) In contrast, the proportion of premium ceded to reinsurers in Fiscal 2017 was much lower in the motor and health segments, at 10% and 13%, respectively. (Source: CRISIL Report) If one excludes the crop insurance premiums ceded to reinsurers, reinsurance premium growth would have been much lower, at an estimated 20-25%, in Fiscal 2017, as per CRISIL Research estimates.

The following chart shows the proportion of gross premium ceded across segments in Fiscal 2017.

Proportion of premium ceded to reinsurers across select segments



Note: Data for the entire Fiscal 2017 has been used wherever available; else data for the nine months ended December 2016 has been used

Source: CRISIL Report

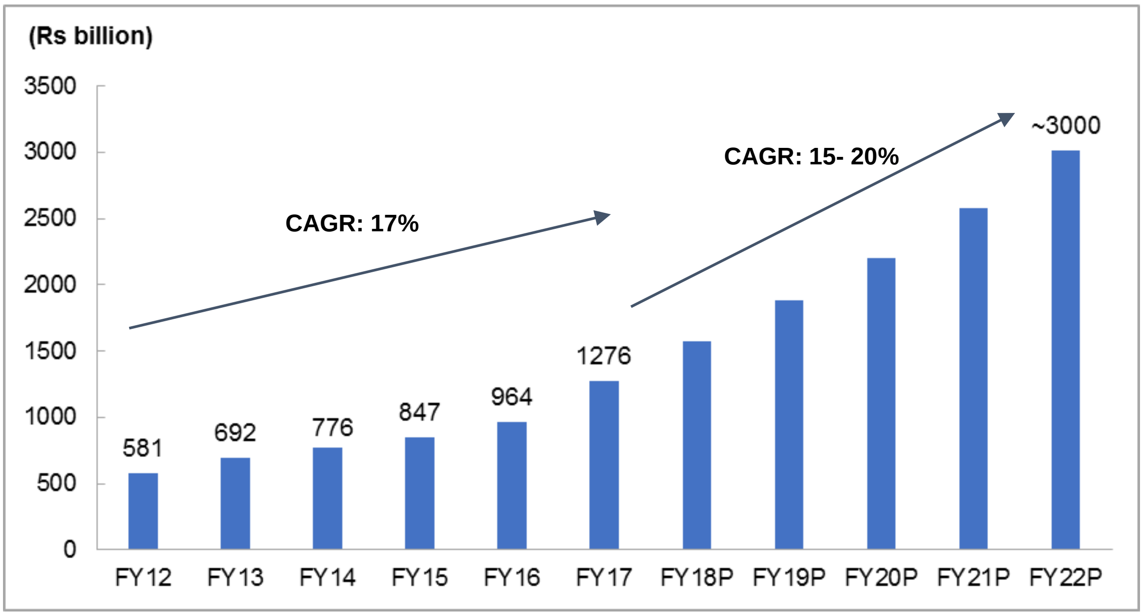
Growth of Domestic Non-Life Insurance Business

Given that most reinsurance premiums written in India come from the non-life segment (an average 95% in the past five years ending Fiscal 2017), future growth in reinsurance premiums will be driven by growth in the non-life insurance segment as well as percentage of non-life premiums to reinsurers. (Source: CRISIL Report)

According to CRISIL Research forecasts, the gross direct premium for non-life insurers is expected to grow at 15-20% CAGR between Fiscal 2017 and Fiscal 2022. Increasing rates of economic growth, rising in disposable incomes, continuing growth in crop insurance, and rising awareness of insurance will be the key facilitators of non-life insurance growth in the view of CRISIL Research.

The following graph shows the growth projected by CRISIL Research of non-life insurance premiums over the next five years.

Projected growth in non-life gross direct premium over the next five years



P: Projected;

Source: IRDAI, CRISIL Report

The following table sets forth the growth drivers of the domestic non-life insurance business according to CRISIL Research.

Growth drivers for select segments of non-life insurance

Segment	Growth drivers
Motor insurance	• Increase in automobile sales fueled by benign fuel prices and interest rates, improvement in road infrastructure, and focus on financiers on pushing retail credit • Gradual increase in third-party premiums
Health insurance	• Increased healthcare costs and high proportion of out-of-pocket private spending on healthcare propelling the need for insurance • Increase in pricing of group health insurance schemes • Increasing awareness of the product amongst citizens
Crop insurance	• Favorable structure of the Pradhan Mantri Fasal Bima Yojana (PMFBY) scheme • Increasing instances of weather-related risks • Increase awareness amongst farmers
Fire insurance	• Improvement in industrial GDP • Increasing awareness amongst corporates

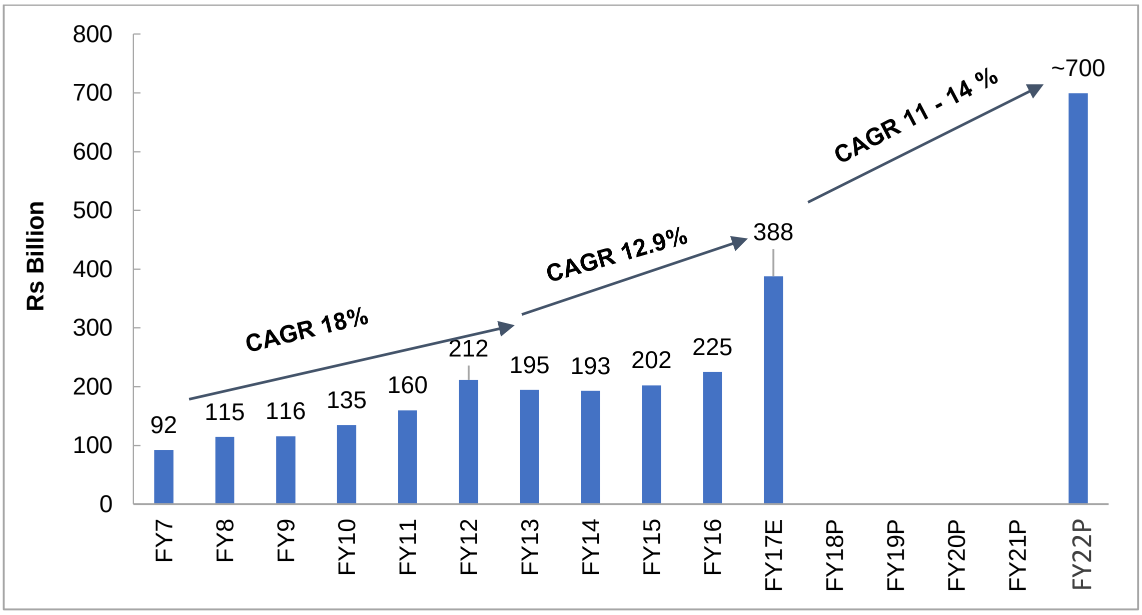
Source: CRISIL Report

Growth of Domestic Reinsurance Business

The strong growth in the domestic non-life insurance business is expected to have a positive impact on insurance premium ceded to reinsurers, and retention ratios could also increase from the levels of Fiscal 2017. (Source: CRISIL Report) According to CRISIL Research, reinsurance premiums in India are projected to increase at 11-14% CAGR over the next five fiscal years to touch ₹ 700 billion by Fiscal 2022. New business opportunities may also emerge in areas such as cyber security, big data and smart city infrastructure. (Source: CRISIL Report) These new business's contribution to overall premiums, however, would be insignificant.

The following graph shows the growth projected by CRISIL Research for reinsurance premiums over the next five years to Fiscal 2022.

Projected growth in reinsurance premiums in India



Source: IRDAI Annual Report 2016, General Insurance Council year book 2016, CRISIL Report

Drivers of Reinsurance Growth

The drivers of growth for domestic reinsurance premiums over the next five years are expected to be

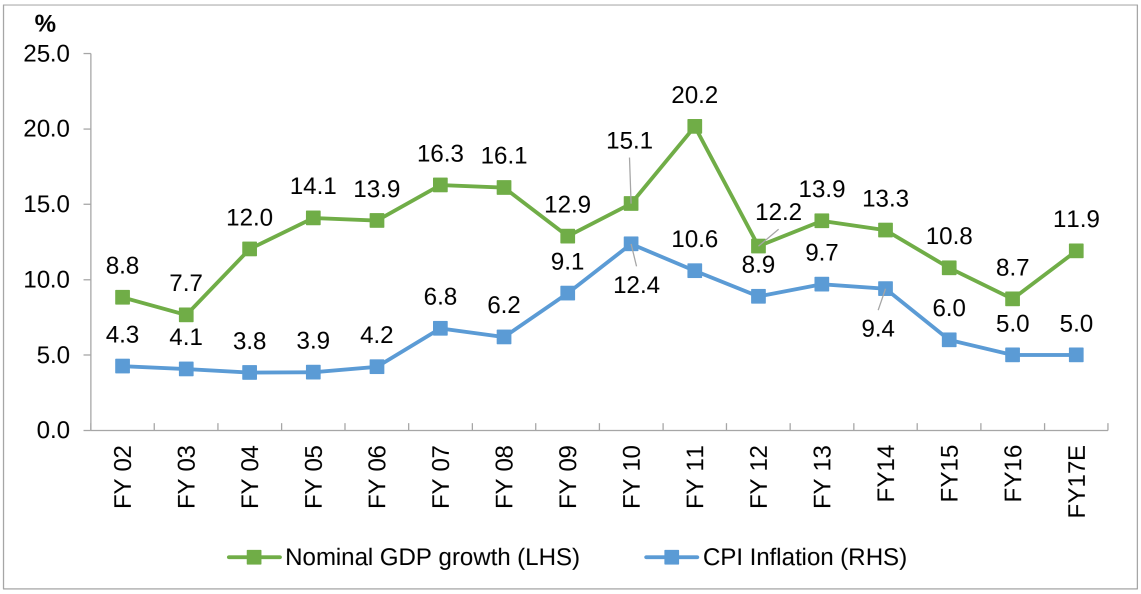
- Health Indian GDP growth and rising incomes;
- Low domestic insurance penetration;
- Large catastrophic events increasing need for insurance;
- Rainfall irregularities and change in weather patterns necessitating crop insurance; and
- Impact of entry of more players. (Source: CRISIL Report)

Healthy GDP growth and rising incomes

India's economy is forecasted by CRISIL research to grow at 7.4% (in real terms) in Fiscal 2018, up from 7.1% in Fiscal 2017. According to CRISIL Research, normal monsoon, softer interest rates and inflation, and pent-up demand after demonetization will support consumption growth in Fiscal 2017. The International Monetary Fund forecasts (published in April 2017) India to be the fastest growing Asian economy, with GDP increasing at 10% CAGR in the five years until 2022 (dollar terns, current prices). Improvement in economic growth, rising incomes, and a rise in working age population are likely to spur demand for insurance products, according to CRISIL Research.

The following graph shows nominal GDP growth and CPI inflation in India from Fiscal 2002 to Fiscal 2016 and estimates for Fiscal 2017.

CPI inflation and nominal GDP



Source: CRISIL Report, Reserve Bank of India

Low insurance penetration indicates significant growth potential

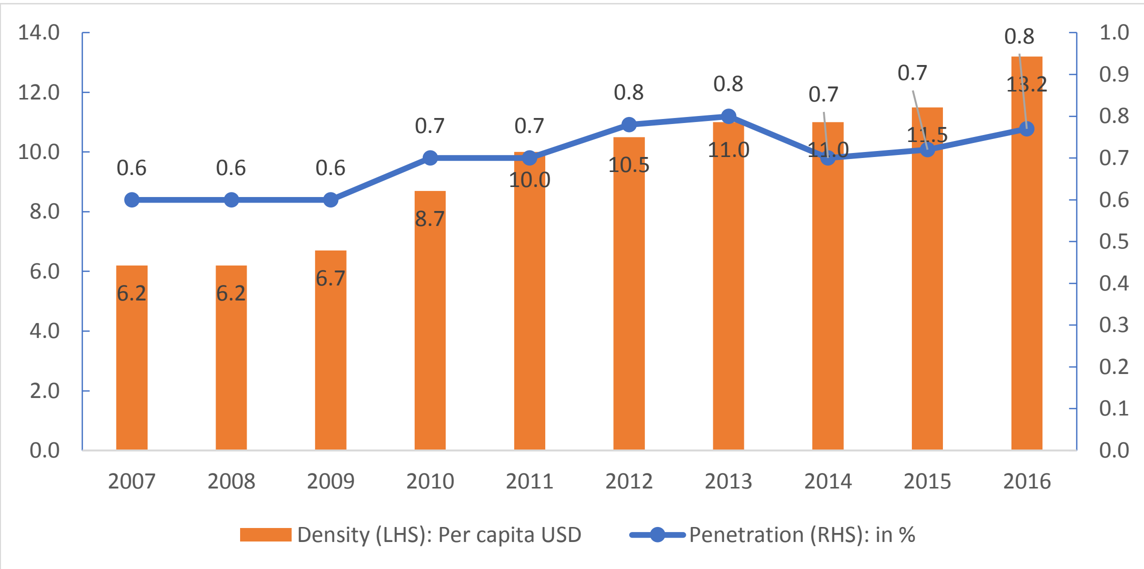
India's non-life insurance penetration has been approximately 0.70-0.80% in the last six years ending 2016, much lower than the global average of 2.8% in 2016 and penetration of between 1.60-1.80% in the Asian economies of China, Malaysia and Thailand. (Source: CRISIL Report)

Insurance density (defined as insurance premium per capita) in India was U.S.$13.20 in Fiscal 2016, which is much lower than the global average of U.S.$285. (Source: CRISIL Report)

The low penetration levels indicate the ample growth opportunity. Thus, it is imperative the industry increases customer awareness and designs products that meet customer needs.

The following chart shows the penetration and density of the Indian non-life insurance industry from Fiscal 2007 to Fiscal 2016.

Penetration and density for Indian non-life insurance industry

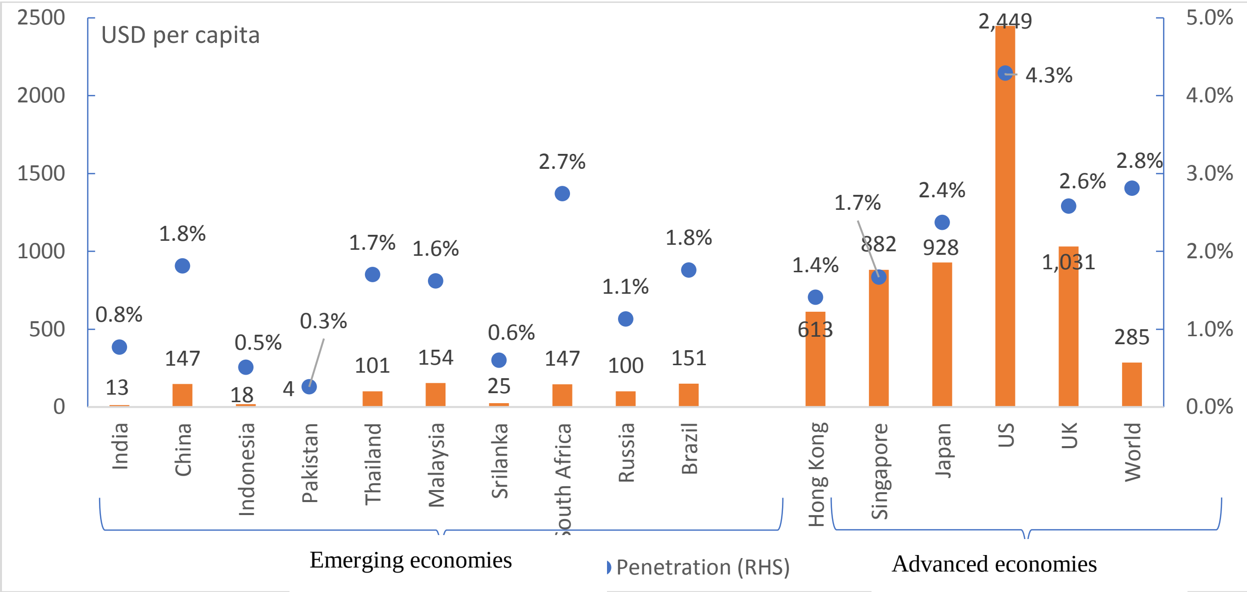


Note: Density is in per capita in USD; Penetration is in percentages

Source: IRDAI, Swiss Re: Sigma No 3/2017 and CRISIL Research as extracted from the CRISIL Report

The following chart shows the penetration and density for various non-Indian economies as of the end of 2016.

Non-life insurance industry penetration and density for different economies (as of 2016)



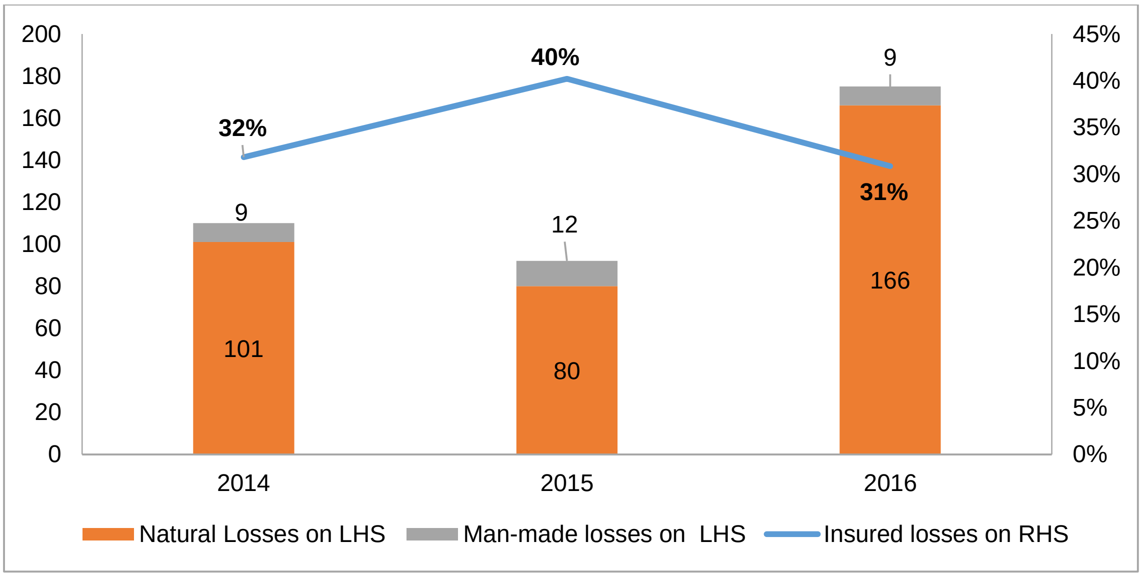
Source: CRISIL Report

High economic losses uninsured for large catastrophic events

According to Swiss Re data, global natural disasters in 2016 caused economic losses of approximatelyUSD166 billion. When combined with man-made disasters, total losses were USD175 billion, of which only USD54 billion, or 31%, was insured. (Source: Swiss Re as extracted from the CRISIL Report) Frequency of natural catastrophes such as cyclones and floods has increased in India. CRISIL Research suggests that only a small portion of economic losses in India are insured, making the increasing need for insurance apparent.

The following chart shows global economic losses and insured losses in 2014, 2015 and 2016.

Trends in global economic losses and insured losses



Source: Swiss Re news releases 2015, 2016, 2017 as extracted from the CRISIL Report

The following table shows large and catastrophic events in India in the past 25 years.

Some of the large and recent catastrophe events in India in terms of un-insured losses

Date	Event	Place of event	Economic losses (USD billion)	Insured losses (USD billion)	Un-Insured losses as percentage of total losses
November-December 2015	Floods	Tamil Nadu and Andhra Pradesh	2.23	0.76	66%
October 2014	Cyclone hudhud	Orissa and Andhra Pradesh	7.1	0.64	91%
September 2014	Severe monsoon floods	Assam, Bihar, Meghalaya, Uttar Pradesh and West Bengal	6.06	0.24	96%
September 2014	Severe Monsoon Floods	Jammu and Kashmir	5.97	0.24	96%
June 2013	**Floods**	**Uttarakhand**	**1.13**	**0.52**	**54%**
September 2009	Floods	Andhra Pradesh and Karnataka	5.29	0.06	99%
July-August 2015	Severe Monsoon Floods	Mumbai, Gujarat, Madhya Pradesh	3.33	0.84	75%
January 2001	Gujarat earthquake	Gujarat	6.1	0.14	98%

Source: Swiss Re-sigma world insurance database and CRISIL Research as extracted from CRISIL Research

Rainfall irregularities and change in weather patterns necessitating crop insurance

In last few years, there has been a lot of variation in climatic conditions, which has increased Indian farmers' risks. To illustrate, in 2016, 32% of the districts in India saw deficient or scanty rainfall. (Source: CRISIL Report) Furthermore, there has been an uptick in frequency of unseasonal weather patterns (such as hailstorms during rabi season). For example, around 18% of area with rabi (winter) crops in different parts of the country was damaged due to unseasonal rains and hailstorms in first week of March 2015. (Source: CRISIL Report)

The four-fold jump in crop insurance premium collections in Fiscal 2017 due to the implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) scheme, points to a possible latent demand amongst farmers in India to protect themselves from probable loss in incomes due to vagaries of weather. (Source: CRISIL Report)

Under this scheme, farmers must pay a uniform premium of 2% for kharif (summer) crops, 1.5% for rabi (winter) crops, and 5% for commercial and horticulture crops; the difference between actuarial premium and premium paid by farmers is borne equally by central and state governments. The sum assured is not capped, which in earlier schemes resulted in low claims being paid to farmers. Moreover, localized risks and post-harvest losses are also taken into account. Issues like slow claim processing and frauds are expected to be tackled through technology. In case of crop loss, an immediate relief payment of 25% must be made to farmers.

The growth of our India's agriculture insurance business is reflected in the Government of India's goal of increasing crop insurance from 26.11% of the gross cropped area in Fiscal 2016 to 50% of the gross cropped area by Fiscal 2019. (Source: CRISIL Report)

Impact of entry of more players

Subsequent to the decision to allow foreign reinsurers to set up branch offices in India, IRDAI has granted certificates of registration to open Indian branches to eight foreign reinsurers including Munich Re, Swiss Re, SCOR, Hannover Re, RGA Life Reinsurance Company of Canada, Gen Re, XL Catlin and Axa Re. In addition, global specialist insurance and reinsurance market, Lloyd's has also been granted a license. Prior to being allowed to set up branches in India, these players sourced business from India without domestic branches. Setting up a branch will bring them closer to their customers and help build stronger relationships, but these branches also entail that these companies commit capital to their Indian business. All nine companies are currently recruiting professional teams to run their India operations.

In addition to foreign players, IRDAI has also granted a certificate of registration to ITI Reinsurance Limited (ITI) so that it can function as a domestic reinsurer alongside our Corporation.

CRISIL Research believes that the Indian insurance industry will be benefitted by international reinsurers' experience, their capabilities to develop new products, and global pricing and marketing experience.

The following table shows the large foreign reinsurers currently registered in India.

Foreign reinsurers registered in India

S. No	Name	Year of incorporation		Headquarters
1	Swiss Re	1863		Zurich, Switzerland
2	SCOR	1970		Paris, France
3	Hannover Re	1966		Hannover, Germany
4	Munich Re	1880		Munich, Germany
5	RGA	1973		Chesterfield, USA
6	Lloyd's	1686		London, UK
7	Gen Re	1846		Connecticut, USA
8	XL Catlin	1986		Hamilton, Bermuda
9	Axa	1817		Paris, France

Source: CRISIL Report

Challenges faced by reinsurance industry in India

According to CRISIL Research, the reinsurance industry in India faces the following challenges.

Lower risk awareness among retail and business customers

Despite increasing occurrence of natural catastrophes and greater risks faced by businesses and individuals, risk awareness and the need to mitigate the same remain low. To illustrate, retail home loans worth approximately ₹14.3 trillion were outstanding in India as of March 2017, whereas retail property insurance premiums were not even a fraction of this amount. (Source: CRISIL Report) In the case of the corporate sector, insurance penetration is at less than 1% of industrial GDP. (Source: CRISIL Report) Moreover, as per IRDAI, just around 12% of non-life premiums in Fiscal 2016 accrues from rural India, where majority of the population resides. (Source: CRISIL Report)

Pricing discipline

Combined ratios in the Indian market were 116% in aggregate for non-life insurers in Fiscal 2017. (Source: CRISIL Report) According to CRISIL Research, insurance company profitability is primarily supported by investment income in India. The high combined ratios are largely because of high loss ratios in two segments: health insurance (primarily group health) where premiums are not controlled and motor third-party insurance where premiums are regulated. In the view of CRISIL Research, for long-term sustainability, the Indian insurance industry has to see greater pricing discipline. In the near term, fixed income investment yields are likely to come under pressure with interest rates staying soft. (Source: CRISIL Report)

Competition from foreign reinsurers

With eight foreign reinsurers and Lloyd's being allowed to set up branch offices in India, the focus of these players on the Indian market is likely to increase. Although these reinsurers previously sourced business in India from overseas, setting up branch offices will bring them closer to their customers. Any increase in price competition from these foreign reinsurers would hurt the industry. (Source: CRISIL Report)

Restrictions on reinsurance

Reinsurance of Government-sponsored health schemes is not allowed in India. In Fiscal 2016, these schemes accounted for approximately 10% of total health insurance premiums of non-life insurers in India. (Source: CRISIL Report) Further, in the life insurance space, growth has been limited because of better geographical distribution of policies and smaller insured amounts in comparison to non-life insurance, which reduces the reinsurance need. Additionally, only the risk portion of life insurance can be reinsured and most life insurance policies sold in India are protection-cum-investment products. (Source: CRISIL Report)

Large part of crop insurance premiums being reinsured

A substantial proportion of crop insurance premiums collected in Fiscal 2017 (77% as per CRISIL Research estimates) was ceded to reinsurers. Crop insurance accounted for 35-40% of reinsurance premiums in India in Fiscal 2017, as per CRISIL Research estimates. Given the high amount of crop insurance being reinsured and its substantial contribution to the industry, any increase in underwriting losses in crop insurance would adversely impact the Indian insurance and reinsurance industry. (Source: CRISIL Report)

Practice of co-insurance

The prevalence of co-insurance in India may reduce demand for reinsurance in India. (Source: CRISIL Report)

Comparison of Global Reinsurance Companies

The table below sets forth a comparison of our Corporation with some of our global peers.

Comparison of GIC Re with other reinsurers globally

Parameter	GIC Re	Everest Re Group Ltd	Partner Re Ltd	MAPFRE	China Reinsurance (Group) Corporation	Renaissance Re
Headquarters	India	Bermuda	Bermuda	Spain	China	Bermuda
Market cap $ billion as on 5/7/2017	N/A	10.8	N/A	11.0	9.3	5.7
Non-life gross reinsurance premium earned (USD million)	4,946	4,247	4,189	3,979	3,682	2,375
Share of non-life gross reinsurance premium (as % of total gross premium)	98.9%	70.4%	78.2%	84.7%	28.2%	100%
Three-year CAGR growth (USD) – Non-life gross reinsurance premium	27.1%	2.6%	-3.0%	2.1%	n.a.	13.9%
Three-year CAGR growth (local currency) - Non-life gross reinsurance premium	31.7%	2.6%	-3.0%	8.2%	n.a.	13.9%
Net retention ratio for non-life reinsurance business	89.8%	91.5%	91.6%	61.1%	97.7%	64.7%
Management expense ratio (Non-life reinsurance business)	0.8%	3.1%	9.3%(3)	0.8%	1.6%	16.8%(3)
Commission ratio (Non-life reinsurance business)	20.4%	24.4%	27.4%	28.5%	36.2%	20.6%
Net expense ratio (Non-life reinsurance business)	21.3%	27.5%	36.7%(3)	29.3%	37.8%	37.4%(3)
Loss/claims ratio (Non-life reinsurance business)	80.4%	50.0%	60.2%	65.0%	62.0%	37.8%
Combined ratio (Non-life reinsurance business)	101.7%	77.6%	97.0%	94.2%	99.8%	75.2%
Net investment yield based on book value	7.8%(2)	2.8%	2.7%	5.0%	5.1%	3.4%
Return on equity	17.4%	12.7%	6.6%	15.2%	7.4%	10.0%

Notes:

(1) Financial data for GIC Re is for Fiscal 2017, and 2016 for other companies

(2) For Indian investment portfolio only

(3) Includes corporate expenses

(4) n.a. means not available. N/A means not applicable

Source: CRISIL Report

Formulae for calculation of ratios in chart above

Ratio	*Details*
Management expense ratio	Operating expenses excluding acquisiton/commission expense divided by net earned premium
Commission expense ratio	Acquisition/commission expense divided by net earned premium
Net expense ratio	Operating expenses plus commission/acquistion costs divided by net earned premium
Loss / claims ratio	Claims and claims-related expenses divided by net earned premium
Combined ratio	Summation of expense and loss ratio
Net investment yield	Interest, dividend and rent income plus profit from sale of investments divided by average investments on book
Return on equity	Profit after tax divided by average shareholders equity (excluding fair value change)

Source: CRISIL Report

OUR BUSINESS

Overview

We are the largest reinsurance company in India in terms of gross premiums accepted in Fiscal 2017, and we accounted for approximately 60% of the premiums ceded by Indian insurers to reinsurers during Fiscal 2017, according to CRISIL Research. We are also an international reinsurer that underwrote business from 162 countries as at March 31, 2017. According to CRISIL Research, we ranked as the 12th largest global reinsurer in 2016 and the 3rd largest Asian reinsurer in 2015, in terms of gross premiums accepted. We provide reinsurance across many key business lines including fire (property), marine, motor, engineering, agriculture, aviation/space, health, liability, credit and financial and life insurance. Through our more than 44 years of experience in, and commitment to, providing reinsurance products and services, we believe that we have become a trusted brand to our insurance and reinsurance customers in India and overseas.

We have diversified our business geographically to grow our underwriting business and profitability as well as to maintain a balanced portfolio of risks. Our gross premiums on a restated consolidated basis from our international business in Fiscal 2017, Fiscal 2016 and Fiscal 2015 were ₹103,004.52 million, ₹83,396.92 million and ₹66,094.53 million, respectively, and our gross premiums have grown at a CAGR of 24.84% from Fiscal 2015 to Fiscal 2017. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums for risks outside of India were 30.53%, 45.00% and 43.28%, respectively, of our total gross premiums. We develop our overseas business through our home office in Mumbai, branch offices in London, Dubai and Kuala Lumpur, a representative office in Moscow, a subsidiary in the United Kingdom that is a member of Lloyd's of London and a subsidiary in South Africa.

We have a senior team of underwriters and actuaries to develop and manage our reinsurance business. We use our experience and long-standing relationships to tailor our portfolio to specific market segments. Our approach to underwriting allows us to deploy our capital across a variety of lines of business and to capitalize on opportunities that we believe offer favorable returns. In addition, we believe that our strong balance sheet allows us to underwrite risks across the Indian insurance market including large policies. In Fiscal 2017, we led 74.79% of the reinsurance treaties in which we participate in the Indian non-life market. We also administer three domestic reinsurance pools and one African-Asian reinsurance pool that allow us to manage reinsurance economics and strengthen relationships with our customers.

We maintain a diversified investment portfolio to generate investment returns to support our liabilities for the reinsurance we underwrite and to create shareholder value. We have an Indian investment portfolio, which includes fixed income debt securities including Government securities, equity securities including exchange traded funds, and other investments, but does not include fixed term deposits for our business written outside of India at our branches. As at March 31, 2017, our Indian investment assets on a standalone restated basis had a carrying value of ₹391,262.72 million and a fair value of ₹691,625.84 million. Our investment income from our Indian investment assets on a restated standalone basis in Fiscal 2017, Fiscal 2016 and Fiscal 2015 was ₹45,156.11 million, ₹41,749.92 million and ₹41,760.64 million, respectively, and has grown at a CAGR of 3.99% from Fiscal 2015 to Fiscal 2017. Our yields (without unrealized gains) from our Indian investment assets on a standalone restated basis in Fiscal 2017, Fiscal 2016 and Fiscal 2015 were 12.35%, 12.91% and 14.08%, respectively. In addition to our Indian investment assets, we hold fixed term deposits at banks outside of India for our overseas business (written outside of India at our branches) from which we earned ₹997.61 million in interest income in Fiscal 2017.

Our gross premiums on a restated consolidated basis in Fiscal 2017, Fiscal 2016 and Fiscal 2015 were ₹337,407.91 million, ₹185,342.45 million and ₹152,701.56 million, respectively, and have grown at a CAGR of 48.65% from Fiscal 2015 to Fiscal 2017. In the same fiscal years, our profit after tax on a restated consolidated basis was ₹31,406.23 million, ₹28,234.15 million and ₹28,909.75 million, respectively, and has grown at a CAGR of 4.23% from Fiscal 2015 to 2017. Our productivity, as measured by profit after tax per employee on a restated consolidated basis, improved to ₹55.78 million per employee in Fiscal 2017 from ₹55.07 million in Fiscal 2015.

Further, as at March 31, 2017, 2016 and 2015, we had a restated consolidated net worth (including fair value change account) of ₹495,508.46 million, ₹408,702.58 million and ₹433,842.92 million, respectively. Our total assets on a restated consolidated basis as at March 31, 2017, 2016 and 2015 amounted to ₹970,794.39 million, ₹761,027.46 million and ₹749,164.34 million, respectively. We had a solvency ratio of 2.41%, 3.80% and 3.32%, calculated on a restated standalone basis as at March 31, 2017, 2016 and 2015, respectively, against minimum statutory requirement of 1.50%. We have been rated "A-" (Excellent) with a stable outlook by AM Best for 10 consecutive years. In addition, we have paid successive annual dividends in the past five fiscal years (including a proposed dividend in Fiscal 2017) to the Government of India as our shareholder, and our dividends during last five fiscal years were an aggregate of ₹33,200.50 million.

Competitive Strengths

We believe that the following competitive strengths contribute to our success and position us well for future growth and robust financial performance.

Leader in Indian reinsurance industry with a trusted brand and 44 years of experience

We are the largest reinsurance company in India in terms of gross premiums accepted in Fiscal 2017, and we accounted for approximately 60% of the premiums ceded by Indian insurers to reinsurers during Fiscal 2017, according to CRISIL Research. Reinsurance premiums in India are projected by CRISIL Research to increase at a CAGR of 11-14% over the next five years to reach ₹700,000 million by Fiscal 2022. As a trusted brand in the Indian market with 44 years of experience, we believe that we are well placed to take advantage of this industry growth.

We write reinsurance for every non-life and over half of the life insurance companies in India and have long-term business relationships with almost all of these domestic insurance companies.

Our competitive advantages in the domestic reinsurance market include:

- our experienced underwriting and actuarial team;
- our strong customer service focus including the settlement of claims quickly and professionally;
- our strong balance sheet which allows us to underwrite risks across the Indian insurance market including large policies covering industrial and large infrastructure projects; and
- our underwriting and actuarial capabilities that we use to evaluate and accept domestic business.

Significant global player with growing international presence

We are an international reinsurer that underwrote business from India and 162 countries as at March 31, 2017. According to CRISIL Research, we ranked as the 12th largest global reinsurer in 2016 and the 3rd largest Asian reinsurer in 2015, in terms of gross premiums accepted. We believe that our geographic diversity has been important to the growth of our underwriting business and profitability and has also allowed us to maintain a geographically balanced portfolio of risks. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums on a restated consolidated basis from our international business (which is reinsurance written for risks outside of India) were ₹103,004.52 million, ₹83,396.92 million and ₹66,094.53 million, respectively, and have grown at a CAGR of 24.84% from Fiscal 2015 to 2017.

We have developed our business by establishing relationships with insurers and reinsurers globally and have a network of brokers which assist us in sourcing business. We write our overseas business through our home office in Mumbai, branch offices in London, Dubai and Kuala Lumpur, a representative office in Moscow, a subsidiary in South Africa and a subsidiary in the United Kingdom that is a member of Lloyd's of London. In addition, we recently established an International Financial Services Centre (IFSC) Insurance Office in Gujarat International Finance Tec-City ("**GIFT**") which has begun accepting reinsurance from international clients in India from Fiscal 2018. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premium for risks outside of India represented 30.53%, 45.00% and 43.28%, respectively, of our total gross premiums.

Diversified product portfolio and revenue streams

We have diversified our reinsurance businesses and risks by covering many key business lines including reinsurance of fire (property), marine, motor, engineering, agriculture, aviation/space, health, liability, credit and financial liability, and life insurance.

Our business model enables us to benefit from the expected growth of both the primary insurance and reinsurance markets in India as well as other large and fast growing markets like SAARC, South East Asia, Latin America, Africa and China. We believe our diversified reinsurance products also allow us to better manage our exposures by limiting and mitigating risks.

The following table shows the percentage of our gross premiums on a restated consolidated basis by business segment and line of business in and outside India for the past three Fiscal Years.

Business Segment	Fiscal 2017		Fiscal 2016		Fiscal 2015	
	India	Outside India	India	Outside India	India	Outside India
Fire (Property)	7.95%	16.31%	11.42%	23.70%	10.98%	20.11%
Marine	1.25%	2.11%	2.04%	3.48%	2.70%	4.55%
Miscellaneous						
Motor	15.24%	4.40%	17.80%	6.41%	19.75%	5.48%
Engineering	1.33%	1.27%	2.60%	2.20%	2.88%	2.33%
Agriculture	28.39%	0.52%	6.82%	0.15%	4.03%	0.19%
Aviation	0.25%	1.72%	0.05%	2.40%	0.98%	3.51%
Health	9.46%	2.90%	8.88%	4.63%	8.61%	5.17%

Business Segment	Fiscal 2017		Fiscal 2016		Fiscal 2015	
	India	Outside India	India	Outside India	India	Outside India
Liability	0.49%	0.21%	0.50%	0.31%	0.60%	0.16%
Credit	0.55%	0.05%	0.88%	0.07%	0.89%	0.07%
Others (1)	3.50%	1.04%	3.00%	1.36%	4.43%	1.47%
Life	1.08%	0.01%	1.00%	0.29%	0.86%	0.25%
Total	**69.49%**	**30.54%**	**54.99%**	**45.00%**	**56.71%**	**43.29%**

(1) *Others include workmen's compensation, personal accident and other miscellaneous risks.*

Robust and comprehensive risk management framework

We believe that our ability to analyze and quantify risk accurately, to understand volatility and how risks aggregate or correlate, and to establish the appropriate capital requirements and limits for the risks we accept, has contributed largely to our success. We believe that our experience of over 44 years in the reinsurance business has allowed us to establish an integrated framework of policies and processes to assist evaluating and valuing risk, and to ultimately provide an appropriate return.

We have invested in IT platforms and software to process data and model and evaluate risk. For example, we have our own customized Governance, Risk and Compliance (GRC) software called GICRiskPro that enables integrated risk evaluation through aggregation across business units to ensure automated and regulatory compliant reporting at regular intervals for better risk monitoring.

We also have a clearly defined governance structure for risk management. Our Board and its risk management committee are responsible for setting our overall vision and goals, which include our risk appetite and return expectations. While keeping in view a return goal, we start with a capital-based risk appetite and then look for risks that meet our return targets within that framework. We believe that this approach helps us to balance our insurance and reinsurance company clients' need for certainty of claims payment with our shareholders need for an adequate return.

Diversification of risks is at the core of our risk management strategy. As mentioned above, we have diversified our reinsurance business both geographically and by business line.

Diversified investment portfolio generating strong growth and attractive yields

We maintain a diversified Indian investment portfolio to generate investment returns to support our liabilities for the reinsurance we underwrite and to create shareholder value. Our capital allocation has sought for a balance between stability and yield, and we diversify investments by type of security, industry sector and, in the case of fixed income securities, maturity.

Our Indian investment portfolio includes fixed income debt securities, equity securities including exchange traded funds, and other investments. We are governed by the prudential norms set by the IRDAI which we believe has helped us to reduce the risks with respect to our Indian investment portfolio because of the requirement to invest in Government and high-rated fixed income securities.

As at March 31, 2017, our Indian investment assets on a standalone restated basis had a carrying value of ₹391,262.72 million and a fair value of ₹691,625.84 million. In addition, as at March 31, 2017, we had fixed term deposits for our non-Indian business (written outside of India at our branches) of ₹76,109.93 million held at various overseas financial institutions. As at March 31, 2017, investment assets outside India of our Subsidiaries amounted to ₹1,521.37 million and our accounted portion of investments in our associate companies amounted to ₹1,320.34 million.

We manage our Indian investment assets centrally, using appropriate risk management and investment parameters to guide our team within prescribed regulatory guidelines. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our investment income from our Indian investment assets on a restated standalone basis was ₹45,156.11 million, ₹41,749.92 million and ₹41,760.64 million, respectively, with a CAGR of 3.99% from Fiscal 2015 to 2017. Our yields (without unrealized gains) from our Indian investment assets on a restated standalone basis were 12.35%, 12.91% and 14.08% in Fiscal 2017, Fiscal 2016 and Fiscal 2015, respectively. In addition to investment income on Indian investment portfolio, in Fiscal 2017, we had interest income of ₹997.61 million on foreign short term deposits for our overseas business (written outside of India at our branches) on a restated standalone basis.

Strong financial track record and a strong balance sheet

We have an established track record of delivering results. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums on a restated consolidated basis were ₹337,407.91 million, ₹185,342.45 million and ₹152,701.56 million, respectively, and have grown at a CAGR of 48.65% from Fiscal 2015 to 2017. In the same Fiscal Years, our profit after tax on a restated consolidated basis was ₹31,406.23 million, ₹28,234.15 million and ₹28,909.75 million, respectively, and have grown at a CAGR of 4.23%

from Fiscal 2015 to 2017. In addition, we have kept our operating expenses low. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our operating expenses related to insurance business as a percentage of net premiums earned were 0.83%, 1.15% and 1.18%, respectively. Our productivity as measured by profit after tax per employee on a restated consolidated basis was improved to ₹55.78 million per employee in Fiscal 2017 from ₹55.07 million in Fiscal 2015.

We have maintained a strong balance sheet. As at March 31, 2017, 2016 and 2015, we had a restated consolidated net worth (including fair value change account) of ₹495,508.46 million, ₹408,702.58 million and ₹433,842.92 million, respectively. Our total assets on a restated consolidated basis as at March 31, 2017, 2016 and 2015 amounted to ₹970,794.39 million, ₹761,027.46 million and ₹749,164.34 million, respectively. We had a solvency ratio of 2.41%, 3.80% and 3.32%, calculated on a restated standalone basis as at March 31, 2017, 2016 and 2015, respectively, against minimum statutory requirement of 1.50%. In addition, we have paid successive annual dividends in the past five fiscal years (including proposed dividends in Fiscal 2017) to the Government of India as our shareholder, and our dividends during last five fiscal years amounted to an aggregate of ₹ 33,200.50 million.

We were rated "A-" (Excellent) with a stable outlook by A.M. Best for 10 consecutive years from 2007 to 2016. We also have been consistently rated "AAA" with a stable outlook for our claims paying ability by CARE Ratings since 2004. We believe that such ratings reflect our strong balance sheet coupled with our comprehensive risk management framework and capabilities.

Experienced management team

We have a management team with extensive experience and know-how in the Indian reinsurance industry. We believe the quality of our management team has been critical in achieving our business results. All members of our senior management team bring with them substantial experience and in-depth knowledge. Our Corporation's Chairman cum Managing Director, Alice Vaidyan, has over 34 years of insurance industry experience. Having joined our Corporation in 2008, she was also the Chief Financial Officer from Fiscal 2015 to Fiscal 2016.

Our management team is responsible for formulating our strategy, managing our business segments, diversifying the business and geographic mix, putting in place a strong operating and technology platform, expanding our client and broker relationships, managing our investment portfolio and managing our risks and losses. We believe that our management's capabilities, strong reputation, extensive network of industry relationships and considerable experience in reinsurance will help us continue to grow our reinsurance business both in India and internationally.

Strategy

Our business goal is to be a leading global reinsurance and risk solution provider. To fulfil this goal, we plan to pursue the strategies set forth below.

Expand and leverage our leadership position in the domestic reinsurance industry and continue our strong business growth

Our position as the leading reinsurer in the domestic market is based on our 44 years of commitment to the Indian insurance industry. Building upon our competitive strengths, we seek to enhance the competitiveness and solidify our position as a leader in the domestic reinsurance market and maintain our strong and trusted brand. In particular, we seek to:

Continue to employ and sophisticated models, processes and capabilities. As an international reinsurer, we employ sophisticated underwriting, actuarial and risk management processes, models and technical capabilities in the domestic market. We believe our continued willingness to share our international know-how and expertise with our Indian clients helps us strengthen our business relationships.

Continue to lead Indian treaty underwriting and manage pools. We will continue to lead Indian reinsurance treaties and manage domestic pools. We believe that reinsurers that lead treaties and manage pools are generally solicited for a broader range of business and have greater access to attractive business.

Continue to lead reinsurance of large policies. We will continue to leverage our strong balance sheet to underwrite risks across the Indian insurance market including large policies covering industrial and large infrastructure projects.

Continue to deliver outstanding customer service. We aim to continue to deliver customer service and settle claims in a quick and efficient manner and with a high degree of professionalism.

Expand our presence internationally and grow our overseas business

In Fiscal 2017, our reinsurance written for risks outside of India represented 30.53% of our total gross premiums on a restated consolidated basis. We intend to expand our presence in select overseas geographies and markets to continue to grow our reinsurance business written for risks outside of India. Our goal is to achieve a balance of international and India business in terms of premiums.

In particular, our overseas business expansion plans include:

- Establishing a syndicate at Lloyds of London which will write a variety of classes of business from different parts of the world;
- Expanding our relationships with insurers in the United States (the largest market globally) and accepting more U.S. insurance related risks;
- Establishing representative offices in China and expanding our reinsurance business written in China;
- Establishing a representative office in Brazil to expand our Latin American business;
- Converting our Moscow representative office into a wholly owned subsidiary and expanding our reinsurance business in Russia and CIS countries from Moscow; and
- Establishing a strategic relationship for reinsurance business in Myanmar and establishing a representative office in Bangladesh.

Focus on improving profitability through reduction in combined ratio

A primary focus of our business is to accept and manage risks profitability to create shareholder value. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our combined ratio on a restated consolidated basis was 100.16%, 107.03% and 108.86% respectively. To achieve a greater operational level of profitability and to further reduce our combined ratios, we intend to

- Optimize our business mix by expanding our business lines and product offerings where we see better premium rate opportunities and better margin business;
- Grow our premium income in higher margin geographic regions like the United States, China, Japan, Israel and Turkey;
- Expand our proportional business where competitive pressure on premiums has been less severe;
- Continue to improve our risk management processes, data bases and technology; and
- Continue to maintain our high productivity per employee (as measured by profit after tax per employee) and keep our expenses of management low.

Grow our life reinsurance and other business lines in India and overseas markets

In life insurance, India is the tenth largest market in the world in terms of total premium. (Source: CRISIL Report) In non-life insurance, India is the fifteenth largest insurance market in the world in terms of gross premiums. (Source: CRISIL Report) We believe that the Indian life insurance market offers a growth opportunity for us due to its high growth rate primarily driven by low penetration levels.

We intend to market reinsurance of life products to all participants in Indian life insurance market. In particular, we are looking to create customized products for domestic life insurance companies to expand our business. We also intend to expand our international life reinsurance business by building our relationships overseas in SAARC, South East Asia, Latin America, Africa and China.

In addition to life insurance, we intend to grow our domestic health and liability insurance businesses and our overseas fire (property), space and cyber security business lines.

Our Reinsurance Business

Introduction

Reinsurance is the insurance of insurance companies, whereby one insurance company (reinsurer) agrees to indemnify the other insurance company (the cedent or ceding company or reinsured) for all or part of the loss that the other insurance company sustains under an insurance policy or policies that it has issued. For this service and indemnity, the ceding company pays the reinsurer a premium

Certain of our key financial indicators as at and for the years ended March 31, 2017, 2016 and 2015 on a restated consolidated basis are set forth below:

(amounts in ₹ millions except ratios)

Certain Key Financial Indicators	As at, or for the year ended, March 31, 2017	As at, or for the year ended, March 31, 2016	As at, or for the year ended, March 31, 2015
Gross Premiums	337,407.91	185,342.45	152,701.56
Net Premiums	303,003.27	164,704.05	139,388.95
Earned Premiums	263,746.88	153,382.36	135,947.77
Incurred Claims	215,293.13	129,659.12	119,113.25
Net Commission	53,642.83	35,145.42	27,955.67
Underwriting Profit (loss)	(8,065.89)	(11,213.33)	(13,925.98)
Expenses of Management	2,513.83	1,900.08	1,651.53
Combined Ratio	100.16%	107.03%	108.86%
Incurred Claims Ratio	81.63%	84.53%	87.62%
Net Commission Ratio	17.70%	21.34%	20.06%
Profit after Tax	31,406.23	28,234.15	28,909.75
Net Worth	195,136.94	174,135.26	152,367.01
Solvency Ratio (1)	2.41	3.80	3.32
Return on Equity	16.09%	16.21%	18.97%

(1) *Calculated on a standalone restated basis.*

Types of Reinsurance

We offer two types of reinsurance contracts: treaty reinsurance and facultative reinsurance.

Treaty Reinsurance. In a treaty reinsurance agreement, we provide reinsurance coverage for all or a portion of a specified group or class of risks ceded by the direct insurer or by another reinsurer.

Facultative Reinsurance. In a facultative reinsurance agreement, we assume individual risks. We separately rate and underwrite each risk rather than assuming all or a portion of a class of risks as in the case of treaty reinsurance.

Both treaty and facultative reinsurance contracts may be entered on either a proportional or non-proportional basis.

Proportional. Under proportional reinsurance, our Corporation, as the reinsurer, shares proportionally in the original premiums and losses of the direct insurer or reinsurer. We pay the ceding company a commission, which is generally based on the ceding company's cost of acquiring the business being reinsured (including commissions, premium taxes, assessments and miscellaneous administrative expenses) and may also include a share of the underwriting profit.

The two types of proportional treaty contracts are:

- **Quota Share Treaty** – In quota share treaty contracts, a risk or business line is shared between the reinsurer and the cedent in an agreed predetermined manner such as a 50% -50% basis or 40% -60% basis. In quota share treaties, premiums, claims and claim expenses are also shared in the agreed proportions.

- **Surplus Treaty** - In surplus treaty contracts, the ceding company determines the maximum amount that it can retain for each risk in the portfolio. This amount is defined as "a line". In the industry, treaty capacity is expressed as a number of times the line. The total amount of risk that the reinsurance treaty covers, called the capacity, is typically expressed in terms of a multiple of the insurer's lines. The reinsurer's share of the premiums and losses is the proportion that the amount ceded bears to the total.

Non-proportional (excess). Under non-proportional reinsurance, we indemnify the direct insurer or reinsurer for all or a portion of a loss in excess of an agreed upon amount or "retention." Non-proportional business is written in layers and a reinsurer or group of reinsurers accepts a band of coverage up to a specified amount. The total coverage purchased by the cedent is referred to as a program and is typically placed with predetermined reinsurers in pre-negotiated layers. Any liability exceeding the upper limit of the program reverts to the ceding company.

Stop loss. Stop loss is an excess reinsurance contract that protects against catastrophic losses or large shock claims by protecting reserves after a certain threshold is reached.

The following table sets forth our gross premiums on a consolidated basis for the past three fiscal years by type of reinsurance written.

(amounts in ₹ millions)

Type of Reinsurance	Fiscal 2017	% of Total	Fiscal 2016	% of Total	Fiscal 2015	% of Total
Treaty (proportional)	279,388.04	82.80%	141,063.39	76.11%	116,078.30	76.02%

Type of Reinsurance	Fiscal 2017	% of Total	Fiscal 2016	% of Total	Fiscal 2015	% of Total
Treaty (non-proportional)	32,793.85	9.72%	23,041.27	12.44%	17,876.62	11.71%
Facultative (proportional)	21,077.25	6.25%	17,008.65	9.18%	16,384.08	10.73%
Facultative (non-proportional)	4,148.77	1.23%	4,229.15	2.28%	2,362.56	1.55%
Total	**337,407.91**	100.00%	**185,342.45**	100.00%	**152,701.56**	100.00%

Customers

Our top ten clients (direct insurers and reinsurers) in terms of gross premiums on a restated consolidated basis in Fiscal 2017 are set forth below:

(amounts in ₹ millions)

Name of Company	Gross Premiums
Agriculture Insurance Company of India Limited*	41,454.81
National Insurance Company Limited	29,505.89
ICICI Lombard General Insurance Co. Limited	26,152.85
United India Insurance Company Limited	22,333.53
The New India Assurance Company Limited	17,780.28
HDFC ERGO General Insurance Company Limited	15,645.98
Reliance General Insurance Co Limited	12,080.63
The Oriental Insurance Company Limited	8,831.67
Iffco-Tokio General Insurance Company Limited	8,358.42
Bajaj Allianz General Insurance Company Limited	7,906.63

* *A 35% associate of our Corporation*

Our top ten clients accounted for 56.33% of our gross premiums on a restated consolidated basis in Fiscal 2017, and our largest client accounted for 12.29% of our gross premiums on a restated consolidated basis in Fiscal 2017.

All direct insurers in India are required to make a 5% cession (subject to certain limits) of every non-life policy to domestic reinsurers (which through Fiscal 2017 has only included our Corporation). The rate of obligatory cessions was decreased from 20% in Fiscal 2006, to 10% in Fiscal 2012 to 5% in Fiscal 2013, where it remains currently. For more information, see "*Industry Overview – Indian Reinsurance Industry: History and Regulation – IRDAI Regulations – Compulsory ceding by general insurers to Indian reinsurer*" on page 105.

Geographic Mix of Business

We provide reinsurance in India and in 162 countries around the world. We develop our overseas business through our home office in Mumbai, branch offices in London, Dubai and Kuala Lumpur, a representative office in Moscow, a subsidiary in South Africa and a subsidiary in the United Kingdom.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums on a restated consolidated basis from our international business (which is reinsurance written for risks outside of India) were ₹103,004.52 million, ₹83,396.92 million and ₹66,094.53 million, respectively, and have grown at a CAGR of 24.84% from Fiscal 2015 to 2017. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our reinsurance for risks outside of India represented 30.53%, 45.00% and 43.28%, respectively, of our total gross premiums.

In Fiscal 2017, our top five countries in terms of gross premiums written for risks outside of India were the United Kingdom, Oman, UAE, Turkey and the United States.

Business Segments and Business Lines

Our business is organized in four segments based on the types of risk insured: fire (property), marine, miscellaneous (comprising motor, engineering, agriculture, aviation/space, health, liability, credit and financial liability and other miscellaneous) and life insurance. We manage our business by major business lines, each of which is described in following sections.

Fire (Property) Reinsurance Segment

Our fire (property) segment includes our reinsurance of risks to non-marine property from damage due to fire, lightning, explosion, implosion, landslides, subsidence, water damage and other property related risks. In addition, we write reinsurance for catastrophic events such as earthquakes, tsunamis, storms, floods, cyclones, hurricanes, and other acts of nature. Our fire (property) segment also includes reinsurance of business interruption due to property related risks.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums in our fire (property) reinsurance segment represented 24.26%, 35.12% and 31.09%, respectively, of our total gross premiums on a restated consolidated basis.

The following table sets forth the primary performance indicators and ratios of our fire (property) reinsurance segment on a restated consolidated basis for the past three fiscal years.

(amounts in ₹ millions except ratios)

Fire (Property)	Fiscal 2017	Fiscal 2016	Fiscal 2015
Gross Premiums	81,845.66	65,095.82	47,478.13
Net Premiums	61,321.74	52,148.63	39,861.47
Earned Premiums	55,958.89	46,372.06	39,817.41
Incurred Claims	42,532.76	35,070.45	26,635.63
Net Commission	16,239.17	12,613.72	9,718.85
Expenses of Management	709.20	737.11	746.32
Profit/(Loss) on Foreign Exchange	(137.40)	480.53	(202.94)
Underwriting Profit (loss)	(3,659.64)	(1,568.69)	2,513.67
Incurred Claims Ratio	76.01%	75.63%	66.89%
Net Commission Ratio	26.48%	24.19%	24.38%
Combined Ratio	103.65%	101.23%	93.15%

In Fiscal 2017, 74.52% of our gross premiums on a restated consolidated basis in our fire (property) segment were from direct insurers and 25.48% were from reinsurers.

We paid premiums of ₹20,523.92 million for retrocessional coverage to mitigate the effect of potential large sized risks and catastrophes in the fire (property) segment in Fiscal 2017.

We offer reinsurance in our fire (property) segment on a proportional or non-proportional basis and by treaty and facultative contracts. The following table sets forth our gross premiums on a restated consolidated basis for the past three fiscal years by type of reinsurance written in the fire (property) segment.

(amounts in ₹ millions)

Type of Reinsurance in Fire Segment	Fiscal 2017	Fiscal 2016	Fiscal 2015
Treaty (proportional)	45,645.44	36,737.44	27,331.08
Treaty (non-proportional)	23,856.44	16,839.18	12,322.53
Facultative (proportional)	9,845.02	8,608.91	6,544.60
Facultative (non-proportional)	2,498.75	2,910.28	1,279.92
Total	**81,845.66**	**65,095.82**	**47,478.13**

In Fiscal 2017, 67.24% of our gross premiums on a restated consolidated basis from our fire (property) segment was for reinsurance outside of India, of which 74.44% was sourced from our head office in Mumbai and 25.56% was sourced from our overseas branches, representative office and GIC Re South Africa.

We provide fire (property) reinsurance in the Middle East, Asian, African, European and North American markets. Our largest markets outside of India for fire (property) reinsurance are the UK, Oman, UAE, United States, Malaysia, China and Turkey.

The following table shows the percentage of our gross premiums on a restated consolidated basis in the fire (property) reinsurance segment provided in and outside India for the past three fiscal years.

(amounts in ₹ millions except %)

Fire (Property) Gross Premiums	Fiscal 2017	Fiscal 2016	Fiscal 2015
Indian	26,813.01	21,162.03	16,763.12
% of total Fire premiums	32.76%	32.51%	35.31%
% of total premiums	*7.95%*	*11.42%*	*10.98%*
Non-Indian	55,032.65	43,933.79	30,715.01
% of total Fire premiums	67.24%	67.49%	64.69%
% of total premiums	*16.31%*	*23.70%*	*20.11%*
Total Fire	81,845.66	65,095.82	47,478.13

Marine Reinsurance Segment

Our marine segment includes our reinsurance of risks relating to marine hull, marine cargo and upstream oil and gas activities.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums in our marine reinsurance segment represented 3.35%, 5.52% and 7.26%, respectively, of our total gross premiums on a restated consolidated basis.

The following table sets forth the primary performance indicators and ratios of our marine reinsurance segment on a restated consolidated basis for the past three fiscal years.

(amounts in ₹ millions except ratios)

Marine Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Gross Premiums	11,317.92	10,226.40	11,080.15
Net Premiums	8,911.86	8,539.72	9,520.77
Earned Premiums	9,103.90	9,189.16	9,248.95
Incurred Claims	7,569.45	6,330.22	9,933.67
Net Commission	1,574.01	1,828.83	1,997.49
Expenses of Management	67.79	79.25	105.74
Profit/(Loss) on Foreign Exchange	(25.87)	139.42	(51.95)
Premium Deficiency	0	(584.60)	584.60
Underwriting Profit (loss)	(133.22)	1,674.88	(3,424.50)
Incurred Claims Ratio	83.15%	68.89%	107.40%
Net Commission Ratio	17.66%	21.42%	20.98%
Combined Ratio	101.57%	91.23%	129.49%

The following table sets forth our gross premiums on a restated consolidated basis for each of the marine hull, marine cargo and upstream oil and gas reinsurance businesses in our marine segment for the past three fiscal years.

(amounts in ₹ millions except percentages)

Gross Premiums	Fiscal 2017	Fiscal 2016	Fiscal 2015
Marine Hull	2,649.37	3,385.85	4,182.31
% of total	23.41%	33.11%	37.75%
Marine Cargo	4,590.75	3,470.18	3,863.11
% of total	40.56%	33.93%	34.87%
Upstream Oil & Gas	4,077.80	3,370.37	3,034.73
% of total	36.03%	32.96%	27.39%
Total Marine	11,317.92	10,226.40	11,080.15

In Fiscal 2017, 82.88% of our gross premiums on a restated consolidated basis in our marine segment were from direct insurers and 17.12% were from reinsurers.

We paid premiums of ₹2,406.06 million for retrocessional coverage to mitigate the effect of potential large sized risks and catastrophes in the marine segment in Fiscal 2017.

We provide non-proportional treaty and surplus treaty reinsurance to insurers in the domestic marine insurance market. We also reinsure port package policies and protection and indemnity coverage for inland and coastal vessels. In addition, we offer Indian flag, registered and managed vessels reinsurance coverage under our hull war risks scheme, claims under which are limited to US$60 million per policy.

The following table sets forth gross premiums on a restated consolidated basis for the past three fiscal years by type of reinsurance written in the marine segment.

(amounts in ₹ millions)

Type of Reinsurance in Marine Segment	Fiscal 2017	Fiscal 2016	Fiscal 2015
Treaty (proportional)	5,531.82	4,851.91	5,374.93
Treaty (non-proportional)	1,398.80	1,426.54	1,247.43
Facultative (proportional)	2,910.54	2,896.57	3,655.22
Facultative (non-proportional)	1,476.77	1,051.39	802.57
Total	**11,317.92**	**10,226.40**	**11,080.15**

In Fiscal 2017, 62.86% of our gross premiums on a restated consolidated basis for our marine business was for reinsurance outside of India, of which 72.03 % was sourced from our head office in Mumbai and 27.97% was sourced from our overseas branches, representative office and GIC Re South Africa. Our marine reinsurance business is worldwide and our largest markets outside of India for marine reinsurance are Indonesia, China, Saudi Arabia and the United Kingdom. We are also a member of the International Union of Marine Insurance.

The following table shows the percentage of our gross premiums on a restated consolidated basis for marine reinsurance provided in and outside India for the past three fiscal years.

(amounts in ₹ millions except %)

Marine Gross Premiums	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Indian	4,203.80	3,778.14	4,125.92
% of total Marine premiums	37.14%	36.94%	37.24%
% of total premiums	*1.25%*	*2.04%*	*2.70%*
Non-Indian	7,114.12	6,448.26	6,954.23
% of total Marine premiums	62.86%	63.06%	62.76%
% of total premiums	*2.11%*	*3.48%*	*4.55%*
Total Marine	**11,317.92**	**10,226.40**	**11,080.15**

Miscellaneous Reinsurance Segment

Our miscellaneous reinsurance segment includes our motor, agriculture, engineering, aviation/space, health, liability, credit and financial and other miscellaneous reinsurance lines of businesses which are discussed below. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums in our miscellaneous reinsurance segment represented 71.30%, 58.07% and 60.55%, respectively, of our total gross premiums on a restated consolidated basis.

Motor Reinsurance

Our motor line of business (which is part our miscellaneous segment) includes reinsurance for motor own damage and motor third party damage. We provide cover to all forms of motor vehicles including two wheelers, four wheelers, special and miscellaneous vehicles and high value vehicles under both treaty and facultative arrangements. We have customized reinsurance solutions for special cover requirements. We are expanding in niche market segments and are currently building our reinsurance business in line with market demand like self-drive hire, extended warranties, and special covers.

In India, motor third party insurance is mandatory for all vehicles on Indian roads and covers liability arising from third-party claims due to accidents. Third party insurance premiums for cedents are tariff based and prescribed by IRDAI.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums in our motor reinsurance line of business represented 19.63%, 24.22% and 25.23%, respectively, of our total gross premiums on a restated consolidated basis.

The following table sets forth the primary performance indicators and ratios of our motor reinsurance business on a restated consolidated basis for the past three fiscal years.

(amounts in ₹ millions except ratios)

Motor Reinsurance	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Gross Premiums	66,243.95	44,882.91	38,522.95
Net Premiums	66,243.95	44,882.91	38,522.95
Earned Premiums	55,920.60	41,468.78	36,490.66
Incurred Claims	53,886.74	38,991.68	38,874.41
Net Commission	11,257.44	8,218.64	6,499.18
Expenses of Management	466.14	416.47	376.75
Profit/(Loss) on Foreign Exchange	(86.59)	403.54	(177.27)
Underwriting Profit (loss)	(9,776.31)	(5,754.47)	(9,436.95)
Incurred Claims Ratio	96.36%	94.03%	106.53%
Net Commission Ratio	16.99%	18.31%	16.87%
Combined Ratio	114.06%	113.27%	124.38%

The following table sets forth gross premiums on a restated consolidated basis of our motor reinsurance business for own damage and third party damage for the past three fiscal years.

(amounts in ₹ millions except percentages)

Gross Premiums	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Own Damage	41,199.30	25,013.69	21,766.72
% of total motor	62.19%	55.73%	56.50%
Third Party Damage	25,044.65	19,869.22	16,756.23
% of total motor	37.81%	44.27%	43.50%
Total Motor	66,243.95	44,882.91	38,522.95

In Fiscal 2017, 99.99% of our gross premiums on a restated consolidated basis in our motor reinsurance business were from direct insurers and 0.01% were from reinsurers.

We do not purchase retrocessional coverage in our motor reinsurance business line as it is not available at a viable cost. We provide both proportional and non-proportional treaty reinsurance in our motor reinsurance business line as well as specific coverage for high value vehicles and miscellaneous vehicles on a facultative basis.

The following table sets forth our gross premiums on a restated consolidated basis for the past three fiscal years by type of reinsurance written in the motor business line.

(amounts in ₹ millions)

Type of Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Treaty (proportional)	63,993.57	42,914.04	36,701.56
Treaty (non-proportional)	1,952.19	1,900.31	1,763.80
Facultative (proportional)	298.19	68.56	57.59
Facultative (non-proportional)	-	-	-
Total	**66,243.95**	**44,882.91**	**38,522.95**

In Fiscal 2017, 22.39% of our gross premiums on a restated consolidated basis from our motor business line was for reinsurance outside of India, of which 34.25% was sourced from our head office in Mumbai and 65.75% was sourced from our overseas branches, representative office and GIC Re South Africa. Our largest markets outside of India for motor reinsurance are the UAE, Turkey, Saudi Arabia, Malaysia, Denmark and Thailand.

The following table shows the percentage of our gross premiums on a restated consolidated basis for motor reinsurance provided in and outside India for the past three fiscal years.

(amounts in ₹ millions except %s)

Motor Reinsurance Gross Premiums	Fiscal 2017	Fiscal 2016	Fiscal 2015
India	51,410.94	32,996.26	30,161.36
% of total Motor premiums	77.61%	73.52%	78.29%
% of total premiums	*15.24%*	*17.80%*	*19.75%*
Outside India	14,833.01	11,886.65	8,361.59
% of total Motor premiums	22.39%	26.48%	21.71%
% of total premiums	*4.40%*	*6.41%*	*5.48%*
Total Motor	**66,243.95**	**44,882.91**	**38,522.95**

Engineering Reinsurance

Our engineering line of business (which is part our miscellaneous segment) includes reinsurance of construction and project risks.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums in our engineering reinsurance line of business represented 2.60%, 4.81% and 5.21%, respectively, of our total gross premiums on a restated consolidated basis.

The following table sets forth the primary performance indicators and ratios of our engineering reinsurance business on a restated consolidated basis for the past three fiscal years.

(amounts in ₹ millions except ratios)

Engineering Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Gross Premiums	8,781.60	8,906.02	7,958.22
Net Premiums	8,499.69	7,660.56	7,103.82
Earned Premiums	8,174.15	7,349.43	7,377.00
Incurred Claims	3,695.51	2,342.70	4,506.54
Net Commission	2,018.44	2,028.38	1,964.17
Expenses of Management	65.94	84.64	82.21
Profit/(Loss) on Foreign Exchange	(8.26)	125.11	(53.58)
Underwriting Profit (loss)	2,386.00	3,018.82	770.51
Incurred Claims Ratio	45.21%	31.88%	61.09%
Net Commission Ratio	23.75%	26.48%	27.65%
Combined Ratio	69.73%	59.46%	89.90%

In Fiscal 2017, 96.73% of our gross premiums on a restated consolidated basis in our engineering line of business were from direct insurers and 3.27% were from reinsurers.

We paid premiums of ₹281.91 million for retrocessional coverage to mitigate the effect of potential large sized risks in our engineering business line in Fiscal 2017.

We offer reinsurance in our engineering business line on either a proportional or non-proportional basis through treaty and on a proportional basis for facultative reinsurance. The following table sets forth our gross premiums for the past three fiscal years by type of reinsurance written in the engineering business line.

(amounts in ₹ millions)

Type of Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Treaty (proportional)	6,553.38	6,803.06	6,058.02
Treaty (non-proportional)	1,016.70	964.83	794.19
Facultative (proportional)	1,195.40	1,122.03	1,096.69
Facultative (non-proportional)	16.12	16.11	9.31
Total	8,781.60	8,906.02	7,958.22

In Fiscal 2017, 48.73% of our gross premiums on a restated consolidated basis from our engineering business line was for reinsurance outside of India, of which 46.49% was sourced from our head office in Mumbai and approximately 53.51% was sourced from our overseas branches, representative office and GIC Re South Africa. Our largest markets outside of India for engineering reinsurance include China and countries from South-East Asia and the Middle East.

The following table shows the percentage of our gross premiums on a restated consolidated basis for engineering reinsurance provided in and outside India for the past three fiscal years.

(amounts in ₹ millions except %s)

Engineering Reinsurance Gross Premiums	Fiscal 2017	Fiscal 2016	Fiscal 2015
Indian	4,502.41	4,821.27	4,404.59
% of total Engineering premiums	51.27%	54.13%	55.35%
% of total premiums	*1.33%*	*2.60%*	*2.88%*
Non-Indian	4,279.19	4,084.75	3,553.63
% of total Engineering premiums	48.73%	45.87%	44.65%
% of total premiums	*1.27%*	*2.20%*	*2.33%*
Total Engineering	8,781.60	8,906.02	7,958.22

Agriculture Reinsurance

Our agriculture line of business (which is part of our miscellaneous segment) includes reinsurance of risks to crops, livestock, aquaculture and forestry. The coverage can be either for single peril or multi-peril events as well as weather and yield index based insurance schemes. Our agriculture reinsurance covers the Government of India's Pradhan Mantri Fasal Bima Yojana ("**PMFBY**"), and a restructured Weather Based Crop Insurance Scheme, as well as other Government of India sponsored insurance schemes for crops and agriculture business.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums in our agriculture business line represented 28.90%, 6.97% and 4.22%, respectively, of our total gross premiums on a restated consolidated basis.

The Government of India's goal is to increase crop insurance from 26.11% of India's gross cropped area in Fiscal 2016 to 50% of the gross cropped area by Fiscal 2019. Our gross premiums from agriculture reinsurance have grown substantially in Fiscal 2016 and Fiscal 2017 and are expected to continue to grow in Fiscal 2018 as crop insurance premiums grow in line with the Government's goal.

According to data published by General Insurance Council of India, we had a 47.00% share of the Indian market in terms of gross premiums for reinsurance of agriculture related risks in Fiscal 2016. In Fiscal 2017 and Fiscal 2016, our agriculture reinsurance covered 30.00% and 26.11%, respectively, of the gross cropped area in India, according to the Government of India's Department of Agriculture.

The following table sets forth the primary performance indicators and ratios of our agriculture reinsurance business line on a restated consolidated basis for the past three fiscal years.

(amounts in ₹ millions except ratios)

Agriculture Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Gross Premiums	97,523.27	12,917.86	6,442.37
Net Premiums	90,734.56	12,001.17	5,447.98
Earned Premiums	82,498.14	9,147.42	6,578.58
Incurred Claims	66,796.68	14,145.50	6,255.30
Net Commission	9,552.01	1,732.18	897.46
Expenses of Management	660.00	91.50	72.40
Profit/(Loss) on Foreign Exchange	(16.50)	45.70	(19.70)
Underwriting Profit (loss)	5,472.95	(6,776.06)	(666.28)
Incurred Claims Ratio	80.97%	154.64%	95.09%
Net Commission Ratio	10.53%	14.43%	16.47%
Combined Ratio	92.22%	169.84%	112.89%

In Fiscal 2017, 99.98% of our gross premiums on a restated consolidated basis in our agriculture line of business were from direct insurers.

Our largest client in our agriculture business line accounted for 42.51% of our gross premiums on a restated consolidated basis in our agriculture reinsurance business in Fiscal 2017.

Agriculture reinsurance is written on a treaty basis. In the domestic market, business is predominantly written on a proportional treaty basis with non-proportional treaty acceptances as well. The following table sets forth our gross premiums on a restated consolidated basis for the past three fiscal years by type of reinsurance written in the agriculture business line.

(amounts in ₹ millions)

Type of Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Treaty (proportional)	95,311.56	12,713.70	6,308.32
Treaty (non-proportional)	2,211.71	204.16	134.05
Facultative (proportional)	-	-	-
Facultative (non-proportional)	-	-	-
Total	97,523.27	12,917.86	6,442.37

The Government of India is looking for us to provide technical support for PMFBY. The PMFBY scheme provides coverage for food crops (cereals, millets and pulses), oilseeds and annual commercial/ annual horticultural crops. The scheme offers three levels of indemnity: 70%, 80% and 90%, corresponding to high, moderate and low risk level of the cropped. While the premium rates in the PMFBY scheme are actuarially calculated, the farmers are required to pay a maximum (capped) premium at 1.5% and 2.0% for Rabi (summer) and Kharif (winter) seasons food crops, respectively, and 5% for annual commercial / horticultural crops. The gap between the actuarial premiums charged by the insurance company and premiums paid by the farmers will be shared equally by the Government of India and State Governments as a subsidy. Under PMFBY, the insurers will receive the subsidy directly from the Government of India and state governments.

In Fiscal 2017, 1.79% of our gross premiums on a restated consolidated basis for our agriculture business was for reinsurance outside of India, which was sourced from our head office in Mumbai. Our largest markets outside of India for agriculture reinsurance are China, Turkey, United States, Israel, Sri Lanka, Morocco and Nepal.

We paid premiums of ₹ 6,788.71 million for retrocessional coverage to mitigate the effect of potential large sized risks in our agriculture business line in Fiscal 2017. Our agriculture portfolio is covered under multiyear stop loss treaties with high rated reinsurers from international markets.

The following table shows the percentage of our gross premiums on a restated consolidated basis for agriculture reinsurance provided in and outside India for the past three fiscal years.

(amounts in ₹ millions except %s)

Agriculture Gross Premiums	Fiscal 2017	Fiscal 2016	Fiscal 2015
Indian	95,777.53	12,646.56	6,157.95
% of total Agriculture premiums	98.21%	97.90%	95.59%
% of total premiums	*28.39%*	*6.82%*	*4.03%*
Non-Indian	1,745.74	271.30	284.42
% of total Agriculture premiums	1.79%	2.10%	4.41%
% of total premiums	*0.52%*	*0.15%*	*0.19%*
Total Agriculture	97,523.27	12,917.86	6,442.37

Aviation Reinsurance

Our aviation line of business (which is part our miscellaneous segment) includes reinsurance of insurance policies written for aviation risks such as airline, general aviation, airports and other aerospace business. We have separate reinsurance arrangements for airline business risks, international general aviation business risks, SAARC general aviation business risks, and war perils. We recently have also begun to reinsure for risks related to space including launch and in-orbit risks.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums in our aviation reinsurance business line represented 1.96%, 2.45% and 4.50%, respectively, of our total gross premiums on a restated consolidated basis.

The following table sets forth the primary performance indicators and ratios of our aviation reinsurance business on a restated consolidated basis for the past three fiscal years.

(amounts in ₹ millions except ratios)

Aviation Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Gross Premiums	6,623.87	4,531.75	6,863.95
Net Premiums	5,764.52	3,557.62	5,902.06
Earned Premiums	4,686.72	4,726.55	4,716.19
Incurred Claims	4,344.87	3,303.99	4,087.88
Net Commission	897.15	697.20	873.24
Expenses of Management	54.51	48.65	75.41
Profit/(Loss) on Foreign Exchange	(9.28)	69.98	36.38
Underwriting Profit (loss)	(619.09)	746.69	(283.96)
Incurred Claims Ratio	92.71%	69.90%	86.68%
Net Commission Ratio	15.56%	19.60%	14.80%
Combined Ratio	109.21%	90.87%	102.75%

In Fiscal 2017, 94.69% of our gross premiums on a restated consolidated basis in our aviation line of business were from direct insurers and 5.31% were from reinsurers.

We paid premiums of ₹859.35 million for retrocessional coverage to mitigate the effect of potential large sized risks in our aviation business line in Fiscal 2017.

While the business is largely written on a proportional facultative basis, it also includes participation in proportional treaties, facilities, line-slips (which are agreements under which brokers are provided capacities to source targeted business and for ease of administration) and managing general agencies (who are professional entities that are provided capacities by reinsurers to write business under binding authorities).

The following table sets forth our gross premiums on a restated consolidated basis for the past three fiscal years by type of reinsurance written in our aviation business line.

(amounts in ₹ millions)

Type of Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Treaty (proportional)	1,897.42	503.50	1,830.92
Treaty (non-proportional)	331.05	258.20	233.88
Facultative (proportional)	4,382.22	3,736.72	4,756.64
Facultative (non-proportional)	13.17	33.34	42.50
Total	6,623.87	4,531.75	6,863.95

In Fiscal 2017, 87.43% of our gross premiums on a restated consolidated basis was for aviation reinsurance outside of India, of which 84.29% was sourced from our head office in Mumbai and 15.71% was sourced from our overseas branches, representative and GIC Re South Africa. Our largest markets outside of India for aviation reinsurance are the United Kingdom, Russia, United States, Germany, United Arab Emirates and Indonesia.

The following table shows the percentage of our gross premiums on a restated consolidated basis for aviation reinsurance provided in and outside India for the past three fiscal years.

(amounts in ₹ millions except %s)

Aviation Gross Premiums	Fiscal 2017	Fiscal 2016	Fiscal 2015
Indian	832.81	85.36	1,498.84
% of total Aviation premiums	12.57%	1.88%	21.84%
% of total premiums	0.25%	0.05%	0.98%

Aviation Gross Premiums	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Non-Indian	5,791.06	4,446.39	5,365.11
% of total Aviation premiums	87.43%	98.12%	78.16%
% of total premiums	1.72%	2.40%	3.51%
Total Aviation	6,623.87	4,531.75	6,863.95

We are a member of the International Union of Aerospace Insurers (IUAI) and participate in annual aviation underwriters' conferences. We partner with Altitude Risk Partners ("**ARP**") with respect to airline, general aviation and aerospace business to provide us with greater reach and spread in the business and help us build our aviation expertise.

We also provide reinsurance support to La Réunion Aérienne, which is a major player in the aviation insurance market, for its aviation portfolio and to Allianz Global Corporate Security on its world airline business. These endeavors help us widen portfolio and build our aviation business line relationships.

Health Reinsurance

Our health line of business (which is part our miscellaneous segment) includes reinsurance of insurance policies written for group health plans and retail health insurance. We reinsure basic health coverage as well as critical illness insurance, travel, medical insurance and loss of employment coverage. We also provide reinsurance support to Indian state government health schemes.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums in our health reinsurance business line represented 12.37%, 13.51% and 13.78%, respectively, of our total gross premiums on a restated consolidated basis.

The following table sets forth the primary performance indicators and ratios of our health reinsurance business line on a restated consolidated basis for the past three fiscal years.

(amounts in ₹ millions except ratios)

Health Reinsurance	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Gross Premiums	41,728.83	25,041.90	21,049.81
Net Premiums	40,616.57	25,041.90	21,049.81
Earned Premiums	33,049.12	23,051.87	18,665.99
Incurred Claims	29,604.44	21,271.97	21,291.18
Net Commission	8,116.27	5,150.06	3,699.44
Expenses of Management	327.63	253.12	230.74
Profit/(Loss) on Foreign Exchange	(25.87)	132.57	(43.09)
Underwriting Profit (loss)	(5,025.10)	(3,490.71)	(6,598.46)
Incurred Claims Ratio	89.58%	92.28%	114.06%
Net Commission Ratio	19.98%	20.57%	17.57%
Combined Ratio	110.37%	113.86%	132.73%

In Fiscal 2017, 100% of our gross premiums on a restated consolidated basis in our health business line were from direct insurers.

In Fiscal 2017, we paid premiums of ₹1,112.26 million for retrocessional coverage in our health reinsurance business line.

We offer reinsurance in our health business line on either a proportional or non-proportional basis through treaty and on a proportional basis for facultative reinsurance. The following table sets forth our gross premiums on a restated consolidated basis for the past three fiscal years by type of reinsurance written in the health business line.

(amounts in ₹ millions)

Type of Reinsurance	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Treaty (proportional)	39,842.69	24,795.43	20,865.84
Treaty (non-proportional)	178.67	246.32	178.67
Facultative (proportional)	1,707.47	0.14	5.30
Facultative(non-proportional)	-	-	-
Total	41,728.83	25,041.90	21,049.81

In Fiscal 2017, 23.48% of our total gross premiums on a restated consolidated basis was for our health business reinsurance outside of India, of which 99.54% was sourced from our overseas branches, representative and GIC Re South Africa. Our largest markets outside of India for health reinsurance are Nepal, Sri Lanka, Greece, Bangladesh, Tanzania and Malaysia.

The following table shows the percentage of our gross premiums on a restated consolidated basis for health reinsurance provided in and outside India for the past three fiscal years.

(amounts in ₹ millions except %s)

Health Gross Premiums	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Indian	31,929.86	16,466.51	13,148.25
% of total Health premiums	76.52%	65.76%	62.46%
% of total premiums	9.46%	8.88%	8.61%
Non-Indian	9,798.97	8,575.39	7,901.56
% of total Health premiums	23.48%	34.24%	37.54%
% of total premiums	2.90%	4.63%	5.17%
Total Health	41,728.83	25,041.90	21,049.81

Liability Reinsurance

Our liability line of business (which is part our miscellaneous segment) includes reinsurance of

- casualty insurance policies including public liability, product liability including product recalls, commercial general liability, employer liability, courier liability and other casualty insurance; and
- financial lines of insurance including directors' and officers' liability, professional indemnity, public offering securities insurance, stock brokers liability, cyber liability, financial institutions professional indemnity and other financial insurance.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, the gross premiums in our liability reinsurance business represented 0.69%, 0.81% and 0.76%, respectively, of our total gross premiums on a restated consolidated basis.

The following table sets forth the primary performance indicators and ratios of our liability reinsurance business line on a restated consolidated basis for the past three fiscal years.

(amounts in ₹ millions except ratios)

Liability Reinsurance	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Gross Premiums	2,334.04	1,505.30	1,153.48
Net Premiums	2,137.39	1,416.25	1,036.86
Earned Premiums	1,780.18	1,226.05	956.08
Incurred Claims	1,014.10	583.57	(57.49)
Net Commission	281.84	206.35	187.87
Expenses of Management	15.91	14.31	11.92
Profit/(Loss) on Foreign Exchange	(2.51)	18.83	(5.74)
Underwriting Profit (loss)	465.82	440.65	808.04
Incurred Claims Ratio	56.97%	47.60%	(6.01%)
Net Commission Ratio	13.19%	14.57%	18.12%
Combined Ratio	70.90%	63.18%	13.26%

Our liability reinsurance is offered on a, proportional and non-proportional basis. Our largest markets outside of India for liability reinsurance are South Korea, Israel, Canada, Bermuda, China and Turkey.

Credit and Financial Liability Reinsurance

Our credit and financial liability line of business (which is part our miscellaneous segment) includes reinsurance of trade credit insurance (nonpayment of receivables due to insolvency or protracted payment default), political risk insurance for exporters, financial guarantee insurance and surety bond insurance.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums in our credit and financial liability reinsurance business represented 0.60%, 0.95% and 0.95%, respectively, of our total gross premiums on a restated consolidated basis.

The following table sets forth the primary performance indicators and ratios of our credit and financial liability reinsurance business line on a restated consolidated basis for the past three fiscal years.

(amounts in ₹ millions except ratios)

Credit Reinsurance	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Gross Premiums	2,010.09	1,766.69	1,455.35

Credit Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Net Premiums	1,564.09	1,316.69	1,455.35
Earned Premiums	1,441.15	1,385.25	2,000.43
Incurred Claims	171.13	2,220.07	1,988.75
Net Commission	291.07	304.74	255.21
Expenses of Management	13.12	16.49	14.68
Profit/(Loss) on Foreign Exchange	(7.79)	41.98	(17.76)
Underwriting Profit (loss)	958.05	(1,114.07)	(257.97)
Incurred Claims Ratio	11.87%	160.26%	99.42%
Net Commission Ratio	18.61%	23.14%	17.54%
Combined Ratio	31.32%	184.66%	117.96%

We offer reinsurance in our credit and financial liability reinsurance business line on either a proportional or non-proportional basis through treaty or facultative reinsurance.

Our largest markets outside of India for credit and financial liability reinsurance are Malaysia, Egypt, Singapore, Panama, France, Lebanon and Jordan.

Other Miscellaneous Reinsurance

Our other miscellaneous reinsurance includes our reinsurance of insurance for workmen's compensation, personal accident and other miscellaneous risks like films, burglary, event cancellation and others. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums from other miscellaneous reinsurance represented 4.55%, 4.36% and 5.90%, respectively, of our total gross premiums on a restated consolidated basis.

Life Reinsurance Segment

In our life reinsurance segment, the major benefits we underwrite are death, critical illness and disability.

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums in our life reinsurance business represented 1.09%, 1.29% and 1.10%, respectively, of our total gross premiums on a restated consolidated basis.

The following table sets forth the primary performance indicators and ratios of our life reinsurance segment on a restated consolidated basis for the past three fiscal years.

(amounts in ₹ millions except ratios)

Life Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Gross Premiums	3,662.01	2,383.76	1,684.46
Net Premiums	3,400.94	1,951.73	1,265.06
Earned Premiums	2,391.44	2,411.27	1,394.51
Incurred Claims	3,490.57	1,750.28	986.03
Net Commission	59.35	74.36	78.38
Expenses of Management	24.94	25.96	64.30
Profit/(Loss) on Foreign Exchange	(19.02)	11.11	(2.79)
Underwriting Profit (loss)	(1,202.43)	571.78	263.01
Incurred Claims Ratio	145.96%	72.59%	70.71%
Net Commission Ratio	1.74%	3.81%	6.20%
Combined Ratio	148.44%	77.73%	81.99%

In Fiscal 2017, 88.61% of our gross premiums on a restated consolidated basis in our life insurance segment were from direct insurers and 11.39% were from reinsurers.

As of March 31, 2017, we provided reinsurance to 19 of the 24 life insurance companies providing coverage in India. In Fiscal 2016, the Government of India launched the Pradhan Mantri Jeevan Jyoti Bima Yojana ("**PMJJBY**") to provide life insurance coverage. We have supported this initiative by extending our reinsurance support to the various life insurance companies in the PMJJBY.

We offer life reinsurance primarily through treaty reinsurance on a proportional or non-proportional basis. The following table sets forth our gross premiums on a restated consolidated basis for the past three fiscal years by type of reinsurance written in the life segment.

(amounts in ₹ millions)

Type of Reinsurance	Fiscal 2017	Fiscal 2016	Fiscal 2015
Treaty (proportional)	3,577.14	2,340.89	1,621.93
Treaty (non-proportional)	84.87	42.86	62.58
Facultative (proportional)	-	0.01	0.05
Facultative (non-proportional)	-	-	-
Total	3,662.01	2,383.76	1,684.46

In Fiscal 2017, 0.50% of our gross premiums on a restated consolidated basis was for life reinsurance outside of India, of which all was sourced from our overseas branches, representative office GIC Re South Africa. Our largest markets outside of India for life reinsurance are SAARC, France and Middle East countries. Our strategy is to expand our life reinsurance portfolio overseas and in India. See "*Strategy - Grow our life reinsurance and other business lines in India and overseas markets"* on page 124.

The following table shows the percentage of our total gross premiums on a restated consolidated basis for life reinsurance provided in and outside India for the past three fiscal years.

(amounts in ₹ millions except %s)

Life Gross Premiums	Fiscal 2017	Fiscal 2016	Fiscal 2015
Indian	3,643.55	1,846.19	1,308.63
% of total life premiums	99.50%	77.45%	77.69%
% of total premiums	1.08%	1.00%	0.86%
Non-Indian	18.46	537.57	375.83
% of total life premiums	0.50%	22.55%	22.31%
% of total premiums	0.01%	0.29%	0.25%
Total Life	**3,662.01**	**2,383.76**	**1,684.46**

Underwriting, Pricing and Commissions

We have a senior team of underwriters and actuaries to develop and manage our reinsurance business. We use our experience and long-standing relationships to tailor our portfolio to specific market segments. Our approach to underwriting allows us to deploy our capital across a variety of lines of business and to capitalize on opportunities that we believe offer favorable returns over the long term. Our underwriters and actuaries have expertise across our business lines, and we will also look to consultants to help us with their areas of expertise when we deem it appropriate.

Team Approach

Each submission is assigned to an underwriter. If the program meets our underwriting criteria, if required, the actuarial team is invited into the analysis process. The underwriter and actuary work in concert to evaluate the opportunity, determine the optimal structure and pricing.

We have a team of qualified and experienced underwriters comprising of civil, aeronautical, mechanical, marine engineering, computer science engineers and medical professionals as well as our team of actuarial professionals.

Actuarial and Technical Pricing

We deploy sophisticated models to evaluate risks and to assist in pricing our business. Our analysis considers the data and information provided by the potential cedent as well as relevant industry data, where appropriate. We use this cedent specific and industry data to develop our own point estimate of the expected losses under each potential contract. We also use a stochastic model to simulate a distribution of potential loss outcomes and the impact of any contractual features that may exist such as sliding scale ceding commissions or profit commissions.

One of the key metrics that we consider is the expected combined ratio for a particular transaction. Wherever required, we also consider the projected outcomes at various percentiles.

Act as Lead Underwriter

Typically, one or two reinsurers will act as the lead or co-lead underwriter to develop and negotiate pricing and terms and conditions of reinsurance contracts. We act as the lead underwriter for the majority of reinsurance contracts that we accept in the domestic market. We believe that lead underwriting is a critically important factor in achieving long-term success, as lead underwriters have greater control of overall economics of their programs. In addition, we believe that reinsurers that lead policies are generally solicited for a broader range of business and have greater access to attractive risks.

Detailed Underwriting Diligence

We employ selective underwriting criteria in the contracts we choose to underwrite and spend a significant amount of time with our clients and brokers to understand the risks and appropriately structure the contracts. We usually obtain significant amounts of data from our clients to conduct a modelling analysis. As part of our pricing and underwriting process, we assess among other factors:

- the client's and industry historical loss data and current market conditions;
- the client's pricing and underwriting strategies;
- the expected duration for claims to fully develop;
- the geographic areas in which the client is doing business and its market share;
- the reputation and financial strength of the client;
- the reputation and expertise of the broker;
- proposed contract terms and conditions; and
- reports provided by independent industry specialists.

Commissions

In proportional reinsurance, we pay the ceding company a commission, which is generally based on the ceding company's cost of acquiring the business being reinsured (including commissions, premium taxes, assessments and miscellaneous administrative expenses) and may also include a portion of underwriting profit.

We pay an overriding commission over and above the basic commission on certain retrocession agreements.

In certain proportional treaty reinsurance contracts, we pay a profit commission to the cedent when the underwriting results of the treaty show a profit.

In other proportional reinsurance contracts, we pay a sliding commission which fluctuates with a tabulated increase in loss ratios.

For more information on commissions, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 408.

Retrocessional Coverage

Retrocessional coverage consists of reinsurance purchased to cover a portion of the risks that we reinsure. We consider purchases of retrocessional coverage for one or more of the following reasons: to manage our overall exposure, to reduce our net liability on individual risks, to obtain additional underwriting capacity and to balance our underwriting portfolio. Additionally, retrocession can be used as a mechanism to share the risks and rewards of business written and therefore can be used as a tool to align our interests with those of our counterparties. Retrocession contracts do not relieve us from our obligations to the insureds. We regularly evaluate the financial condition of our retrocessionaires to assess the ability of the retrocessionaires to honor their obligations.

Due to purchase of retrocession, our overall exposure is limited to ₹1,000 million for each and every risk loss and to ₹2,500 million for each catastrophic loss in the case of our non-marine domestic property, engineering and each of the miscellaneous business lines. For our foreign fire (property) and engineering business lines, our overall exposure is limited to US$15 million for all territories for each catastrophic loss. Also, our exposures on catastrophic events are limited up to US$ 200 million for the United States and Canada and up to US$250 million for Asia (excluding Japan) and the Middle-East (including Turkey).

In Fiscal 2017, we paid premiums of ₹ 34,404.64 million for retrocessional coverage to mitigate the effect of potential large sized risks and catastrophes. Our largest retrocessional reinsurer accounted for 20.47% of our retrocessional coverage purchased on a restated consolidated basis in Fiscal 2017.

Our top nine retrocession clients in terms of gross premiums on a restated consolidated basis in Fiscal 2017 are set forth below:

(a) Swiss Re

(b) National Indemnity Company, Omaha, a subsidiary of Berkshire Hathaway Inc.

(c) Hannover Ruck, Germany

(d) Allianz Risk Transfer AG

(e) Hannover Re Malaysia

(f) Liberty Syndicate 4472

(g) Munich Reinsurance Company

(h) Lloyd's Syndicate 0626 (Hiscox)

(i) Partner Reinsurance Asia Private Limited

Distribution and International Operations

We conduct our reinsurance business through our home office in Mumbai, domestic liaison offices in Chennai, Delhi and Kolkata, international branch offices in London, England; Dubai, United Arab Emirates; and Kuala Lumpur, Malaysia and our representative office in Moscow, Russia. We also have a South African subsidiary, GIC Re South Africa Limited ("**GIC Re South Africa**"), based in Johannesburg, and a subsidiary in the United Kingdom, which is a member of Lloyd's of London.

In Fiscal 2017, 87.75% of our gross insurance premiums on a restated consolidated basis was sourced from our home office and 2.22%, 7.06%, 2.51% and 0.46% of our gross insurance premiums on a restated consolidated basis were sourced from our London, Dubai, Kuala Lumpur branch offices and subsidiary companies, respectively.

Each international branch office offers all our business lines as relevant to the local markets and each has specifically designated territories from which it can write business, thus avoiding accumulation of exposures with our other international offices and our head office. Our London branch handles Europe, Caribbean, Mexico, Argentina and Brazil. Our Dubai branch handles the middle east and north Africa region (MENA), and our Kuala Lumpur branch handles the ASEAN region. The branch offices have independent underwriting capacity and financial authority up to specified limits.

Direct Client Relationships and Brokers

We source our reinsurance business through direct relationships with our insurance and reinsurance company clients and through brokers. In India, all direct non-life insurers are required by IRDAI regulations to make a 5% obligatory cession (subject to certain limits) of every non-life insurance policy to us. In Fiscal 2017, 90.77% of our gross premiums in India were sourced directly from our insurance company clients. Outside of India, 86.27% of our gross premiums were sourced through brokers. In Fiscal 2017, GIC Re used 51 brokers in India and 354 brokers internationally. GIC Re sourced 8.21% of our proportional business and 24.24% of our non- proportional business through brokers in Fiscal 2017.

In addition to helping us source our business, brokers also add value by suggesting of alternative methods of packaging a particular risk or the treaty. They also suggest suitable structures for our retrocession programs.

Brokerage arrangements vary from product to product and from country to country, but are generally between 2.5% and 10% of the reinsurance premiums accepted.

The following table shows for the past three fiscal years the gross premiums on a restated consolidated basis sourced directly and by brokers in and outside India.

(amounts in ₹ millions except %s)

Source of Gross Premiums	Fiscal 2017	Fiscal 2016	Fiscal 2015
Indian			
Sourced Directly	212,757.01	94,165.64	79,982.16
% of total Indian Gross Premiums	90.77%	92.37%	92.35%
Sourced by Brokers	21,646.40	7,779.89	6,624.86
% of total Indian Gross Premiums	9.23%	7.63%	7.65%
Total Indian premiums	**234,403.39**	**101,945.53**	**86,607.02**
International			
Sourced Directly	14,147.43	9,840.00	9,091.03
% of total International Gross Premiums	13.73%	11.80%	13.75%
Sourced by Brokers	88,857.08	73,556.94	57,003.51
% of total International Gross Premiums	86.27%	88.20%	86.25%
Total International premiums	**103,004.50**	**83,396.94**	**66,094.54**
Total	**337,407.91**	**185,342.47**	**152,701.56**

GIC Re South Africa

GIC Re South Africa is our 100% owned subsidiary in South Africa. We acquired SaXum Reinsurance Limited, a Johannesburg based composite reinsurer, in April 2014, and we changed its name to GIC Re South Africa Limited Through GIC Re South Africa, we hold a composite license and currently are offering short-term reinsurance in the fire (property), aviation, marine, agriculture and liability segments. At June 30, 2017, GIC Re South Africa had 21 employees. For further information, see "*History and Certain Corporate Matters*" on page 162.

Lloyds of London and GIC Re India Corporate Member Ltd.

With the objective of expanding our global footprint, we entered Lloyd's of London by offering reinsurance capacity to Lloyd's syndicates through quota share capital gearing treaties since 2011. As a capacity provider, we are required to have our own corporate membership at Lloyd's, and we acquired I-CAT CCM TEN Ltd, an existing corporate member company, in December 2013 and renamed it as GIC Re, India, Corporate Member Ltd ("**GIC Re Membe**r"), registered as a private limited company in the UK. GIC Re Member commenced reinsurance operations through Lloyds in 2014. For further information, see "*History and Certain Corporate Matters*" on page 162.

Gujarat International Financial Centre Office

We established our International Financial Services Centre (IFSC) Insurance Office in Gujarat International Finance Tec-City ("**GIFT**"), Gandhinagar on April 21, 2017. Our GIFT office functions similar to our foreign branches with independent underwriting capacity and financial authority up to specified limits. Specific territories for writing business have been allotted to the GIFT office with targets for growth from the assigned territories. Business conducted through our GIFT office may receive Indian tax benefits in the form of reduction in the Minimum Alternate Tax rate. We started to accept reinsurance from our GIFT office in April, 2017.

Claims and Losses

We have a centralized claims department in our Mumbai home office which handles claims and losses pertaining to all our reinsurance segments except agriculture, credit and financial and life reinsurance which are handled by the respective underwriting departments. Claims pertaining to specific territories are processed by our branch offices with the oversight of the claims department. Our claims settlement team had 36 officers as of March 31, 2017 headed by a general manager and a deputy general manager.

The following table sets forth for the past five fiscal years our claims paid, claims outstanding at the beginning of a fiscal year, claims outstanding at the end of a fiscal year and total incurred claims on a restated consolidated basis as well as our claim settlement ratio.

(amounts in ₹ millions except ratios)

Claims	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014
Claims Paid (net)	130,024.24	115,755.33	122,593.85	107,534.67
Claims Outstanding at beginning of Fiscal year	209,111.66	195,207.88	198,849.76	185,230.60
Claims Outstanding at end of Fiscal year	294,380.55	209,111.67	195,369.16	198,768.87
Incurred Claims (1)	215,293.13	129,659.12	119,113.25	121,072.94
Claim Settlement Ratio (2)	93.65%	80.07%	78.88%	69.08%

(1) *Our incurred claims in a fiscal year are the claims paid during that fiscal year plus the outstanding claims at the end of that fiscal year less outstanding claims at the beginning of the fiscal year.*
(2) *Claims settlement ratio is calculated based on the number of losses paid divided by number of losses received.*

As a reinsurer, we do not settle claims directly with the insureds. Our cedents after settling the claims with their insureds recover the claims from us as per our reinsurance obligations with them. Such recoveries are settled with our clients through periodic account statements. In addition to such recoveries, we also receive cash call requests for larges losses above certain monetary limits. These cash calls include advances by us to the cedent.

We believe that claim settlement is essential to maintaining a good relationship with our direct insurance and reinsurance clients and plays a pivotal role in our brand recognition and customer service. We endeavour to be easily accessible and settle claims in a relatively quick and efficient manner. Our claims settlement ratio for Fiscal 2017, Fiscal 2016 and Fiscal 2015 was 93.65%, 80.07% and 78.88%, respectively.

For a discussion of our reserves and provisioning for claims and losses, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations - "Provisions" and "Reserves*" on pages 440 and 411 respectively.

Catastrophic Losses

The following table sets forth our five largest catastrophic losses on a gross basis during the past five fiscal years, the date and the amount of loss incurred.

	Description of Catastrophic Loss	Date of Loss/Period	Amount of Loss (gross) (in ₹ millions)
1	Chennai Floods Event 2	December 2015	10,852.81
2	Hudhud Cyclone	October 2014	7,976.22
3	Jammu & Kashmir floods	September 2014	5,983.39
4	Cyclone Vardah	December 2016	4,948.15
5	Uttarakhand Floods	June 2013	4,079.23

The following table sets forth our five largest catastrophic losses, net of retrocessional reinsurance during the past five fiscal years, the date and the amount of net loss incurred.

Description of Catastrophic Loss		Date of Loss/Period	Amount of Loss (net) (in ₹ millions)
1	Chennai Floods Event 2	December 2015	1,452.09
2	Cyclone Vardah	December 2016	1,259.40
3	Hudhud Cyclone	October 2014	1,259.40
4	Chennai Floods Event 1	November 2015	1,030.75
5	Jammu & Kashmir floods	September 2014	1,000.00

Risk Losses

The following table sets forth our five largest risk losses on a gross basis during the past five fiscal years, the date and the amount of loss incurred.

Description of Risk Loss		Date of Loss/Period	Amount of Loss (gross) (in ₹ millions)
1	Loss 1 (Property loss due to fire)	June 2014	4,947.80
2	Loss 2 (loss under financial lines)	November 2013	2,886.00
3	Loss 3 (Property loss due to fire)	May 2016	2,263.92
4	Loss 4 (loss under financial lines)	January 2013	2,261.00
5	Loss 5 (Property loss due to fire)	August 2013	1,834.42

The following table sets forth our five largest risk losses net of retrocessional reinsurance during the past five fiscal years, the date and the amount of loss incurred.

Description of Risk Loss		Date of Loss/Period	Amount of Loss (net) (in ₹ millions)
1	Loss 1 (Loss under financial lines)	November 2013	2,887.00
2	Loss 2 (Loss under financial lines)	January 2013	2,261.00
3	Loss 3 (Property loss due to fire)	May 2016	1,005.87
4	Loss 4 (Property loss due to fire)	June 2014	1,000.00
5	Loss 5 (Property loss due to fire)	May 2016	1,000.00

Reinsurance Pools

For certain catastrophic, large risks and/or hard-to-place risks, reinsurance and insurance companies come together to form a pool, which provide protection to direct insurers against catastrophic risks such as floods, earthquakes etc. The insurer cedes risk to the pool under a treaty reinsurance agreement.

We manage and participate in the Indian Market Terrorism Risk Insurance Pool ("**IMTRIP**"), the FAIR Natural Catastrophe Reinsurance Pool (FNCRIP) and, a newly formed pool, the Indian Nuclear Insurance Pool ("**INIP**").

Indian Market Terrorism Risk Insurance Pool (IMTRIP)

IMTRIP was established in 2002 as response to the difficulty faced by the market in garnering support for reinsurance of terrorism cover post the 9/11 terrorist attacks in New York and Washington D.C. Most non-life insurance companies operating in India, as well as the Gujarat Insurance Fund of the Government of Gujarat currently participate in the pool, and we manage the IMTRIP pool. With effect from April 1, 2017, our share of the pool is 16.80%. The maximum limit of liability under the pool is ₹20,000 million per location. The overall claim paid ratio of the pool from inception is 8.67%, and the protection ratio for Fiscal 2017 was 14.83%. The investment fund position of the pool as of March 31, 2017 was ₹63,097.55 million. In Fiscal 2017, the pool had written premiums of ₹5,036.76 million and had incurred claims of ₹383.68 million.

FAIR Natural Catastrophe Reinsurance Pool (FNCRIP)

FNCRIP was established in 2013 by the Federation of Afro-Asian Insurers and Reinsurers (FAIR) to cater to the growing catastrophe exposure of the Afro-Asian region. FNCRIP provides non-Proportional excess of loss coverage for catastrophes (excluding terrorism). There are currently 12 FAIR members in the pool including our Corporation, and we manage the FNCRIP pool. Our share of the pool is 24.51%. The maximum limit of liability per treaty is US$10 million and per country is US$40.8 million. The loss ratio of the pool from inception is 0%, and the protection ratio for the year ended December 31, 2016 was nil (as no protection was arranged). The investment fund position of the pool as of December 31, 2016 was US$832,047. In 2016, the pool had written premiums of US$218,546 and had no incurred claims.

Indian Nuclear Insurance Pool (INIP)

INIP was established in 2016 to underwrite exposures arising out of the passage of the Civil Liability of Nuclear Damage Act 2010. There are currently 12 members in the pool including our Corporation, and we manage the INIP pool. Our share of the pool is 40%. The maximum limit of liability under the pool is ₹15,000 million. The loss ratio of the pool from inception is 0%, and the protection ratio for Fiscal 2017 was nil (as no protection arranged). The investment fund position of the pool as of March 31, 2017 was ₹1,050.61 million. In Fiscal 2017, the pool had written premiums of ₹1,000 million and had no incurred claims.

Investments

We manage our investments with the objective of increasing our reserves to support our liabilities for the reinsurance we underwrite and enhancing shareholder value.

Our investment funds derived from premiums written in India form our Indian investment portfolio. We also have fixed term deposits for our non-Indian business (written outside of India at our branches) held at various overseas financial institutions. In addition, our subsidiary GIC Re South Africa also has its own investment portfolio maintained in accordance with insurance regulations of South Africa. GIC Re Member does not have an investment portfolio as our Lloyd's member company.

In this "Investment" section, the discussion pertains to our Indian investment portfolio or Indian investment assets on a standalone restated basis unless otherwise stated.

Investment Strategy

Our investment management and strategy is governed by the corporate investment policies guided by IRDAI regulations and approved by our Board of Directors. The responsibility of implementing the said policy rests with the investment committee of the Board. Our investment is also guided by risk management policies (see "—*Risk Management*" on page 149 for more details on our risk management process), regulatory guidelines (see "*Regulations and Policies*" on page 155) and our investment strategy.

Applicable regulations set the exposure limits of funds that can be allocated to specified types of investments. We make investments based on the characteristics/duration of our future liabilities. In addition, we seek to augment earnings in the mid- to long-term by investing in assets such as equity and fixed income securities which we believe have a favorable risk return trade-off.

We follow the IRDAI investment regulations (described below) with regard to investment of our funds and also the prudential norms set by our board of directors. The following general objectives apply to all product groups:

- To adhere to all regulatory provisions;
- To allocate investible fund among the various asset classes in tune with the market dynamics;
- To acquire and maintain quality assets;
- To ensure safety and security of capital and diversification of portfolio;
- To maintain liquidity commensurate with business requirements; and
- To achieve consistent return.

We consider the allocation between debt assets and other assets and the maturity profile of debt assets to be important factors in the determination of our strategic asset allocation. We also monitor liquidity risk, market risk, credit risk, and, when necessary, establish appropriate limits to maintain a balance between safety and returns.

Composition of Investment Funds

As at March 31, 2017, our investment assets on a restated consolidated basis had a fair value of ₹782,460.52 million, and such fair value comprised ₹415,810.43 million in our policyholders' fund and ₹246,309.48 million in our shareholders' fund and the balance of ₹120,340.61 million were loans and short term deposits.

We maintain a diversified investment portfolio to generate investment returns to support our liabilities for the reinsurance we underwrite. Additionally, we take necessary steps to obtain reasonable return for our policyholders' fund, and create shareholder value for our shareholders' fund. Our portfolio includes equity including exchange traded funds, fixed income debt securities including Government securities, loans and other investments.

As at March 31, 2017, our Indian investment assets on a standalone restated basis had a carrying value of ₹391,262.72 million and a fair value of ₹691,625.84 million, and such fair value comprised ₹414,305.95 million in our policyholders' fund and ₹233,143.26 million in our shareholders' fund and balance being loans and short term deposits.

The following table sets forth the carrying value of our Indian investment assets in our policyholders' fund and shareholders' fund on a restated standalone basis as at March 31, 2017, 2016, 2015, 2014 and 2013.

Investment Funds by Carrying Value	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
	(in ₹ millions, except percentages)				
Policyholders' Fund	221,243.33	200,894.13	189,968.00	179,484.81	166,920.86
Shareholders' Fund	170,019.39	139,608.36	116,975.76	107,426.30	94,399.57
Total	391,262.72	340,502.49	306,943.76	286,911.11	261,320.43

IRDAI Investment Requirements

The IRDAI mandates certain investment parameters for Indian reinsurance companies. These IRDAI investment requirements are summarized as follows:

Investment Categories	IRDAI Mandated Requirement
Central Government Securities	Not less than 20%
State Government Securities and other approved securities including Central Government Securities	Not less than 30%
Housing and Infrastructure	Not less than 15%
Approved Investments (see below)	Not exceeding 70%
Other Investment (other than approved investments)	Not exceeding 15%

In accordance with the IRDA investment requirements, approved investments include secured debentures, preference shares, equity shares of any listed company, unencumbered immovable property in India, fixed deposits and such other investments as the IRDAI may approve. In addition, the following investments have been deemed to be Approved Investments: (i) rated debentures and bonds, (ii) equity shares, preference shares and debt instruments of financial institutions recognized by the RBI, (iii) bonds or debentures issued by companies, rated not less than AA or its equivalent and A1 or equivalent ratings for short term bonds, debentures, certificate of deposits and commercial papers, (iv) insurer's deposits with banks, (v) collateralized borrowing & lending obligations (CBLO) created by the Clearing Corporation of India Ltd and recognized by RBI, (vi) asset backed securities with underlying housing loans or having infrastructure assets, (vii) commercial paper issued by Indian financial institutions recognized as such by the RBI and having a credit rating of A1, and (viii) certain money market instruments.

Composition of our Investments

We maintain a diversified investment portfolio in accordance with the IRDAI investment regulations set forth above. As at March 31, 2017, the carrying value of our Indian investment portfolio on a standalone restated basis was ₹391,262.71 million, of which fixed income debt securities, equities, money market instruments accounted 63.06%, 20.37% and 15.23%, respectively. We have made investments in venture capital funds, preference shares and loans amounting to 1.34% of Indian investment portfolio on a standalone restated basis. Government securities comprised 33.68% of our Indian investment portfolio on a standalone restated basis.

Carrying Value of Investments

The following table sets forth the composition of our Indian investment assets by carrying value on a restated standalone basis at the dates indicated.

Investment	**As at March 31, 2017**		**As at March 31, 2016**		**As at March 31, 2015**		**As at March 31, 2014**		**As at March 31, 2013**	
	Carrying Value	**% of Total**	**Carrying Value**	**% of Total**	**Carrying Value**	**% of Total**	**Carrying Value**	**% of Total**	**Carrying Value**	**% of Total**
	(in ₹ millions, except percentages)									
Equity	79,704.13	20.37	78,246.64	22.98	73,401.24	23.91	70,653.49	24.63	65,662.64	25.13
Fixed Income Securities										
... Central Govt Securities	83,439.47	21.33	79,773.10	23.43	69,257.82	22.56	62,331.57	21.73	54,870.70	21.00
…State Govt Securities	48,310.08	12.35	43,379.41	12.74	37,061.11	12.07	30,941.88	10.78	27,340.89	10.46
…Other Approved Securities	3,381.71	0.86	3,977.11	1.17	4,405.30	1.44	4,684.45	1.63	4,982.42	1.91
...Debentures and Bonds	111,646.51	28.52	100,612.88	29.55	88,497.48	28.84	79,563.20	27.72	68,900.97	26.37
...Money Market Instruments	59,570.51	15.23	28,952.26	8.50	28,548.03	9.30	32,447.33	11.31	33,246.16	12.72
Loans	3,196.96	0.82	3,636.93	1.07	3,928.64	1.28	4,222.85	1.47	4,606.27	1.76
Venture Capital Funds	1,744.48	0.45	1,855.11	0.54	1,774.76	0.58	1,688.36	0.59	1,596.95	0.61
Preference Shares	68.86	0.02	69.06	0.02	69.38	0.02	100.42	0.04	113.43	0.04
Application Money	200.00	0.05	0.00	0.00	0.00	0.00	277.55	0.10	0.00	0.00
Total Investments	391,262.72	100.00	340,502.50	100.00	306,943.76	100.00	286,911.10	100.00	261,320.43	100.00

The following table sets forth the carrying value of our Indian investment assets on a restated standalone basis across different asset classes in our Indian policyholders' fund and shareholders' fund as at March 31, 2017.

	As at March 31, 2017			
	Policyholders' Fund	**% of Total**	**Shareholders' Fund**	**% of Total**
	(in ₹ millions, except percentages)			
Equity	49,404.64	22.33	30,299.50	17.82
Fixed Income Securities				
Central Government Securities	53,628.25	24.24	29,811.22	17.54
State Government Securities	31,049.87	14.03	17,260.21	10.15
Other Approved Securities	2,173.49	0.98	1,208.22	0.71
Debentures and Bonds	71,757.49	32.43	39,889.03	23.46
Money Market Instruments	12,077.25	5.46	47,493.26	27.94
Loans	0.00	-	3,196.96	1.88
Venture Capital Funds	1,121.21	0.51	623.27	0.37
Preference Shares	44.26	0.02	24.60	0.01
Application Money	0.00	-	200.00	0.12
Total Investments	221,256.46	100.00	170,006.26	100.00

Market Value of Investments

We determine market value of investments in accordance with our accounting policies. We have chosen NSE as the primary stock exchange and BSE as the secondary exchange for purposes of determining market value. Accordingly, the valuation of actively traded equity shares is made on the closing price of NSE. If such security is not listed or not traded on NSE on closing day, the closing price of BSE is considered. In case of thinly traded equity shares, investment in units of mutual funds is valued at fair value which is the last quoted net asset value (NAV) in the month of March. In case of Equity Exchange Traded Funds (ETFs), the investment is valued on the same basis as traded equity shares. For more information, see the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 408.

The following table sets forth the composition of our Indian investment assets on a restated standalone basis by market value as at the dates indicated.

	As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Market Value	% of Total	Market Value	% of Total	Market Value	% of Total	Market Value	% of Total	Market Value	% of Total
	(in ₹ millions, except percentages)									
Equity	379,311.32	54.84	311,886.78	54.24	354,359.76	60.22	275,972.85	56.07	241,648.30	55.26
Fixed Income Securities										
... Central Govt. Securities	83,439.47	12.06	79,773.10	13.87	69,257.82	11.77	62,331.58	12.66	54,870.70	12.55
…State Govt. Securities	48,310.08	6.99	43,379.41	7.54	37,061.11	6.30	30,941.88	6.29	27,340.89	6.25
…Other Approved Securities	3,381.71	0.49	3,977.11	0.69	4,405.30	0.75	4,684.45	0.95	4,982.42	1.14
...Debentures and Bonds	111,646.51	16.15	100,612.88	17.51	88,497.48	15.04	79,563.20	16.16	68,900.97	15.75
...Money Market Instruments	60,326.45	8.72	29,871.96	5.19	29,058.19	4.94	32,447.33	6.59	33,246.16	7.60
Loans	3,196.96	0.46	3,636.93	0.63	3,928.64	0.67	4,222.85	0.86	4,606.27	1.05
Venture Capital Funds	1,744.48	0.25	1,855.11	0.32	1,774.76	0.30	1,688.36	0.34	1,596.95	0.37
Preference Shares	68.86	0.01	69.06	0.01	69.38	0.01	100.42	0.02	113.43	0.03
Application Money	200.00	0.03	0.00	0.00	0.00	0.00	277.55	0.06	0.00	0.00
Total Investments	691,625.84	100.00	575,062.34	100.00	588,412.44	100.00	492,230.47	100.00	437,306.09	100.00

Equity (including exchange traded funds)

We invest in equity and exchange traded funds with the objective of long-term returns with a focus on value stocks. We own equity in companies in a wide range of industries, including financial and insurance services, information technology, auto and auto ancillaries, FMCG, metals & mining, infrastructure, energy and others. As at March 31, 2017, 54.22% of our equity investments were in companies forming part of the Nifty 50 Index and 86.21% of our equity investments were in companies forming part of Nifty 500 Index.

The following table sets forth the breakdown of equity investments by carrying value of the sectors that contribute to more than 5% of our total equity investments by carrying value as at March 31, 2017.

Sector of Equity Investment	Equity Investments	% of total equity investments
	(in ₹ millions, except percentages)	
Financial sector	22,411.22	28.89
Infrastructure	12,098.51	15.60
Mining and metals	8,592.70	11.08
Petrochemicals	7,110.78	9.17
Auto and auto Ancillary	4,250.12	5.48

Fixed Income Securities

Our fixed income portfolio consists of government securities, debentures and bonds, and money market instruments. We aim to maintain a fixed income portfolio of high asset quality. As at March 31, 2017, 85.22% of our total fixed income portfolio comprised domestic AAA-rated instruments, including sovereign instruments and AAA equivalent-rated instruments, and 100% of our money market instruments had sovereign/A1+ or equivalent rating. During the last five years, fixed income securities with a carrying value of ₹2,295.20 million have defaulted, and a provision of ₹1,232.36 million have been made as at March 31, 2017.

The following table sets forth the domestic rating mix of our fixed income portfolio by carrying value as at the dates indicated.

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
	(in ₹ millions)				
Sovereign	135,131.26	127,129.63	110,724.23	97,957.90	87,194.01
AAA	75,176.48	65,625.51	52,710.43	43,836.70	38,309.21
AA+	21,827.60	20,686.04	20,299.06	19,247.77	15,419.85
Others	14,642.44	14,301.32	15,487.98	16,478.73	15,171.91
Total	246,777.77	227,742.51	199,221.71	177,521.10	156,094.98

The following table sets forth the breakdown of corporate bonds by carrying value as at the dates indicated by the sectors that contribute to more than 5% of our total corporate bond portfolio in a particular year.

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
	(in ₹ millions, except percentages)				
Financial and insurance services	26,149.23	26,429.85	26,236.71	24,294.58	22,228.89
…as a percentage of total corporate bonds	23.42%	26.27%	29.65%	30.53%	32.26%
Housing	37,894.77	31,856.81	25,970.60	20,937.09	15,894.49
…as a percentage of total corporate bonds	33.94%	31.66%	29.35%	26.32%	23.07%
Infrastructure	38,582.76	33,815.91	26,561.68	24,543.20	21,355.90
…as a percentage of total corporate bonds	34.56%	33.61%	30.01%	30.85%	31.00%
Total	102,626.76	92,102.57	78,768.99	69,774.88	59,479.28

Loans

There have been no new disbursements of loans in the last five fiscal years. Loans were advanced on behalf of our four erstwhile subsidiary companies when we were a general insurance holding company and participated in consortium lending to corporate borrowers. Under later enacted IRDAI regulations on investments, loans are no longer categorized as approved investments.

Maturity and Interest Rate Sensitivity

The following table shows interest rate classification of fixed income securities and loans by maturity.

(in ₹ millions)

Interest rate classification of fixed income securities and loans by maturity	Due in one year or less	Due in one year to five years	Due after five years	Total
Variable rates	Nil	455.04	Nil	455.04
Fixed rates	17,682.54	97,521.13	131,098.92	246,302.60
Total	17,682.54	97,976.17	131,098.92	246,757.64
NPA	3,217.10	-	-	3,217.10
Total with NPA	20,899.64	97,976.17	131,098.92	249,974.74

Foreign Investment Balances in Fixed Term Deposits

As at March 31, 2017, we had fixed term deposits for our non-Indian business (written outside of India at our branches) of ₹76,109.93 million held at various overseas financial institutions. These deposits are not included in our Indian investment portfolio. The following table shows the total fixed term deposits in our overseas bank accounts for as at the dates indicated and the yields of such deposits.

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
	(in ₹ millions)				
Foreign Short Term Deposits with Banks	76,109.93	66,044.23	47,959.22	49,370.88	49,415.10
Interest on Foreign Deposits	997.61	842.05	720.91	900.77	1,164.59
Yield only on Interest on foreign bank deposits	1.40%	1.48%	1.48%	1.82%	2.46%
Net Other Interest Earned / (Paid)	(271.98)	(639.59)	75.91	724.08	(1,031.57)
Other Interest Earned	955.13	522.94	980.53	1,519.27	193.41
Other Interest Paid	(1,227.11)	(1,162.53)	(904.62)	(795.19)	(1,224.98)
Net Interest Income	725.63	202.46	796.82	1,624.85	133.02

Investments with GIC Re South Africa and our Associates

As at March 31, 2017, investment assets of GIC Re South Africa amounted to ₹1,521.37 million and our accounted for portion of investments in our associate companies amounted to ₹1,320.34 million.

Investment Performance

We have achieved strong investment performance in recent years. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our total investment income from our Indian investment assets in both our policyholder's fund and shareholders' fund on a restated standalone basis was ₹45,156.11 million, ₹41,749.92 million and ₹41,760.63 million, respectively.

Our yield is computed as income divided by average investments of opening and closing investments of the period. Unrealized gains and losses are arrived at by taking the fair value of equity shares as per the closing price on the NSE. If such securities are not listed/traded on NSE on the closing day, the closing price on the BSE is then used. The difference between the fair value and the book value of the shares is taken to "Fair Value Change Account (unrealized gain/loss)" line item either as Fair Value Gain or Fair Value Loss.

The following table sets forth the net investment income and yield on a standalone restated basis from our Indian investment assets in our policyholders' fund and shareholders' fund for the last fiscal five years with unrealized gains and losses and without unrealized gains and losses**.**

	Fiscal 2017		Fiscal 2016		Fiscal 2015		Fiscal 2014		Fiscal 2013	
	Investment Income	**Yield**	**Investment Income**	**Yield**	**Investment Income**	**Yield**	**Investment Income**	**Yield**	**Investment Income**	**Yield**
Without Unrealized Gains										
Policyholders' Fund	29,022.75	13.75%	27,257.78	13.95%	28,995.21	15.70%	23,818.70	13.75%	21,618.24	14.87%
Shareholders' Fund	16,133.36	10.42%	14,492.14	11.30%	12,765.42	11.38%	9,391.76	9.31%	7,226.62	7.52%
Total Investment Income	45,156.11	12.34%	41,749.92	12.90%	41,760.63	14.06%	33,210.46	12.12%	28,844.86	11.94%

The following table sets forth the net investment income and yield on a standalone restated basis of our Indian investment assets by category for the last five fiscal years with unrealized gains and losses and without unrealized gains and losses.

	Fiscal 2017		Fiscal 2016		Fiscal 2015		Fiscal 2014		Fiscal 2013	
	Investment Income	**Yield**	**Investment Income**	**Yield**	**Investment Income**	**Yield**	**Investment Income**	**Yield**	**Investment Income**	**Yield**
	(in ₹ millions, except percentages)									
Without Unrealized Gains										
Equity (incl. Dividend)	22,021.45	27.85%	20,458.73	26.98%	22,019.53	30.51%	15,082.41	22.08%	13,438.33	20.89%
Fixed Income Securities										
... Central Govt. Securities	6,607.68	8.10%	6,108.50%	8.18%	5,477.17	8.29%	4,950.05	8.40%	4,124.27	8.07%
…State Govt. Securities	3,910.57	8.53%	3,414.60	8.49%	2,920.87	8.59%	2,437.83	8.37%	2,103.74	8.19%
…Other Approved Securities	281.69	7.66 %	310.18	7.40%	349.11	7.68%	365.05	7.55%	421.52	8.21%
...Debentures and Bonds	9,647.71	9.09 %	8,666.07	9.17%	7,843.93	9.33%	6,955.44	9.37%	5,584.12	8.90%
...Money Market Instruments	2,225.62	5.03%	2,387.20	8.35%	2,681.06	8.88%	2,878.22	8.84%	2,680.23	10.29%
Loans	352.73	10.32%	394.52	10.43%	389.05	9.55%	491.29	11.13%	446.47	9.33%
Venture Capital Funds	104.42	5.80%	4.92	0.27%	83.92	4.85%	47.98	2.92%	40.86	2.63%
Preference Shares	4.23	6.13%	5.20	7.51%	-3.99	-4.71%	2.20%	2.06%	5.44%	4.70%
Total	45,156.10	12.34%	41,749.92	12.9%	41,760.63	14.06%	33,210.46	12.12%	28,844.97	11.94%
With Unrealized Gains										
Equity	321,628.65		254,098.87		302,978.04		220,401.78		189,423.99	
Fixed Income Securities										

	Fiscal 2017		Fiscal 2016		Fiscal 2015		Fiscal 2014		Fiscal 2013	
	Investment Income	Yield	Investment Income	Yield	Investment Income	Yield	Investment Income	Yield	Investment Income	Yield
	(in ₹ millions, except percentages)									
... Central Govt. Securities	6,607.68		6,108.50		5,477.17		4,950.05		4,124.27	
…State Govt. Securities	3,910.57		3,414.60		2,920.87		2,437.83		2,103.74	
…Other Approved Securities	281.69		310.18		349.11		365.05		421.52	
...Debentures & Bonds	9,647.71		8,666.07		7,843.93		6,955.44		5,584.12	
...Money Market Instruments	2,981.57		3,306.91		3,191.22		2,878.22		2,680.23	
Loans	352.73		394.52		389.05		491.29		446.47	
Venture Capital Funds	104.42		4.92		83.92		47.98		40.86	
Preference Shares	4.23		5.20		-3.99		2.20		5.44	
Total	345,519.59		276,309.77		323,229.32		238,529.83		204,830.63	

Non-Performing Assets

In respect of our loan and fixed debt portfolio, our gross NPAs as a percentage of our gross loans and debt securities as at March 31, 2017, March 31, 2016 and March 31, 2015 were 2.72%, 3.05% and 2.47%, respectively, and our net NPAs as a percentage of net loans and debt securities were 0.78%, 1.10% and 0.79% respectively. We define net NPAs as gross NPAs less our provision.

Once loan accounts are identified as non-performing, provisioning guidelines as prescribed by the IRDAI and RBI are followed.

The following table set forth, as at the dates or for the fiscal years indicated, information about our non-performing assets.

	As at, or for the year ended, March 31, 2017	As at, or for the year ended, March 31, 2016	As at, or for the year ended, March 31, 2015	As at, or for the year ended, March 31, 2014	As at, or for the year ended, March 31, 2013
	(in ₹ millions, except percentages)				
Opening balance of gross NPAs at the beginning of the period	3,300.84	2,401.30	2,093.65	1,476.86	1,328.83
Additions during the period	82.57	1,060.19	350.00	649.73	198.78
Less: Reductions during period on account of recovery and write-offs	166.31	160.65	42.35	32.94	50.75
Gross NPAs at the close of the Period	3,217.10	3,300.84	2,401.30	2,093.65	1,476.86
Net NPAs	921.04	1,163.59	685.09	747.93	282.39
Gross NPAs/gross loan advances	2.72%	3.05%	2.48%	2.37%	1.88%
Net NPAs/net loan advances	0.78%	1.10%	0.79%	0.86%	0.36%
Provision	2,756.10	2,556.96	2,093.94	1,691.22	1,502.52
Gross Loan Advances	118,225.19	108,226.92	96,831.42	88,470.50	78,489.67
Net Loan Advances	115,469.09	105,669.96	94,737.48	86,779.27	76,987.15

Investments with GIC Re South Africa and our Associates

Our subsidiary, GIC Re South Africa, had total investment income of ₹89.54 million in Fiscal 2017 (including profit on sale of investments of ₹13.70 million). Dividend income from our associate companies amounted to ₹46.93 million in Fiscal 2017, which is included in our Indian investment income.

Information Technology

The use of information technology is an integral part of our reinsurance business to provide professional interaction with our direct insurance company customers and our brokers as well as to ensure the efficient operation and performance of our business. We also rely upon information technology for underwriting and claims settlement, investment management, actuarial and financial management, business analytics and risk management. We strongly emphasize technology in our business as a means of improving the efficiency, reliability and competitiveness of our reinsurance operations.

Our information technology infrastructure is built on a robust architecture consisting of a primary data center in Mumbai and a disaster recovery set-up in Chennai that links our entire network of domestic liaison offices, international branches and GIFT center, which were serviced by our centralized core application system.

To leverage the power of cloud technology, we have been operating on a private cloud platform with a dedicated network operating centre in Mumbai. We are now moving to a private cloud platform with a dedicated network operation centre (NOC) and security operation centre (SOC) for monitoring our entire infrastructure from Chennai.

Electronic transaction processing with our clients is enabled through a portal and a messaging gateway, respectively. Our system allows for real-time capture of all transactions by each location operating in its own time zone, and allows us to seamlessly interact with clients on both underwriting and claims.

Our business operates on standard ERP software built on the latest SAP platform which is accessed by our entire network. Our SAP platform provides visibility of all transactions as well as underwriting activities and claims. This system helps us maintain quick, well-informed decision making processes and serves as a robust analysis tool with back-end customized reports. We began the adoption of our ERP system for our business requirements in 2005, and our ERP Implementation was cited among 'Best IT Implementations of the Year 2010' by PCQUEST in its June 2010 issue.

Our continued focus on the use of latest technology solutions has included the use and development of document management systems, risk management systems and business related modelling software over the years. For example, we have our own customized Governance, Risk and Compliance (GRC) software called GICRiskPro. GICRiskPro operates on our base IT network and enables integrated risk evaluation through aggregation across business units to ensure automated and regulatory compliant reporting at regular intervals for better monitoring. In addition, our risk register is maintained, updated and reviewed through GICRiskPro. Our GICRiskPro also generate risk heat maps, dashboards and risk matrices for our executive management. For more information on our risk management, see "—*Risk Management*" below on page 149.

We intend to continue to make investments in our IT systems, including our backup systems, to improve our operational efficiency, customer service and decision making process and to reduce the risk of system failures.

Risk Management

In the reinsurance industry, the core of the business model is the acceptance and management of risk. Successful risk management is the foundation of our value proposition, with diversification of risks at the core of our risk management strategy. We believe that a key challenge is to create value through the intelligent and optimal assumption and management of reinsurance and investment risks while limiting and mitigating those risks that can destroy tangible as well as intangible value, those risks for which the organization is not sufficiently compensated, and those risks that could threaten our ability to achieve our objectives.

We believe that our ability to succeed in risk acceptance and business management is dependent on our ability to accurately analyze and quantify risk, to understand volatility and how risks aggregate or correlate, and to establish the appropriate capital requirements and limits for the risks assumed. All risks, whether they are reinsurance-related risks or capital market risks, are managed by us within an integrated framework of policies and processes to ensure the intelligent and consistent evaluation and valuation of risk, and to ultimately provide an appropriate return to shareholders.

We have a clearly defined six level governance structure for risk management. Our Board and its risk management committee are responsible for setting our overall vision and goals, which include aligning our risk appetite with shareholders' expectations. Further, our Board is also tasked with reviewing the Corporation's risk management framework and internal audit coverage. Our risk framework, including key risk policies, is reviewed on a quarterly basis by the board level risk management committee, which also approves and expectations and deviations, and approved by the Board. Each of our risk policies relates to a specific risk and describes our approach to risk management, defines roles and responsibilities relating to the assumption, mitigation, and control processes for that risk, and an escalation process for exceptions. The enterprise risk management framework, including risk management policies, is developed by the Chief Risk Officer ("**CRO**") of the Corporation, and is thereafter reviewed by the Management Risk Management Committee and the Chairman cum Managing Director. The Risk and Mitigation Plan Owners ("**RMOs**") continually identify risks and carry out periodic risk assessment activities, and formulate and implement risk mitigation plans.

The risk management framework is coordinated by the CRO and internal audits are carried out as per the test plans recommended by the Enterprise Risk Management Department.

Strategic Risks

Strategic dimension of risks, inter alia, are discussed when Board or Board ERM Committee holds a meeting to discuss matters having wider business implications and ERM matters. This would include the direction and governance of our Corporation, as well as our response to key external factors faced by the reinsurance industry, such as changes in market conditions, regulation, competitive structure. We believe that we shall preserve our reputation through high professional and ethical standards and manage the impact of identified risks through the adoption and implementation of a sound and comprehensive risk framework.

Assumed Risks

Our risk appetite is a statement of how much and how often we will tolerate economic losses (means how much negative balances can be tolerated arising out of claims payable by our Corporation) during an annual period. Our risk appetite is expressed as the maximum economic loss that the Board is willing to incur per unit of business for various lines of business.

Natural Catastrophe Risk

Natural catastrophe risk is the aggregate losses from natural perils that materially exceed the net premiums received to cover such risks, which may result in operating and economic losses to our Corporation. We consider both catastrophe losses due to a single large event and catastrophe losses that would occur from multiple (but potentially smaller) events in any fiscal year.

Natural catastrophe risk is managed through the allocation of maximum capacity per contract for differed business lines, regular monitoring and purchase of appropriate protection annually.

Long Term Liability

Long Term Liability is a term used to describe certain types of third party liability exposures (eg. malpractice, products, errors and omissions etc.) where the incidence of loss and the determination of damage are frequently subject to delays which extend beyond the period the reinsurance was in force.

Market Risk

Market risk is the risk of a decline in the value of our investment assets from movement in market prices. Such investments assets comprise our equity and equity-like securities and certain fixed income asset classes that are not liquid. We limit our investments through exposure norms as provided by IRDAI.

We set strict limits on investments in any one name and any one industry, which creates a diversified portfolio and allows management to focus on the systemic effects of equity risks. Systemic risk is managed by asset allocation, subject to strict caps on risk investment assets as a percentage of our investment portfolio. Our fully integrated IT system provides up-to-date investment data, allowing for continuous monitoring and decision support. Each asset class is aligned with appropriate risk parameters.

Interest Rate Risk

Interest rate risk is mitigated through appropriate management of duration in the fixed income portfolio. Interest rate movement is monitored closely and investments are considered for higher rated debentures and Government of India securities.

Foreign Currency Risk

Our reporting currency is the Indian Rupee. Our reinsurance business written outside of India has a number of functional currencies, the principal exposures being the US dollar, Euro, British pound, United Arab Emirates Dirham and Malaysian Ringgit. As a significant portion of our Corporation's operations is transacted in foreign currencies, fluctuations in foreign exchange rates may affect year-over-year comparisons.

Default and Credit Spread Risk

Default and credit spread risk is the risk of a substantial increase in defaults in our Corporation's standard fixed income securities (which includes investment grade corporate bonds and asset-backed securities) leading to realized investment losses or a significant widening of credit spreads resulting in realized or unrealized investment losses, either of which may result in economic losses to us. Investment losses of the magnitude that have the potential to exceed our risk appetite are associated with the systemic impacts of severe economic and financial stress. As a result, we limit the exposure to standard fixed income securities so that investment losses will be mitigated in an extreme economic or financial crisis.

Counterparty Risks

Issuers or borrowers whose securities we hold, reinsurers, clearing houses, counterparties and other financial intermediaries may default on their obligations to us due to bankruptcy, insolvency, lack of liquidity, adverse economic conditions, operational failure, fraud or other reasons. Even if we are entitled to collateral when a counterparty defaults, such collateral may be illiquid or proceeds from such collateral when liquidated may not be sufficient to recover the full amount of the obligation. As a result, we limit our exposure to any particular counterparties so that losses will be limited with our risk appetite.

Agriculture Risk

Agriculture risk is the risk that losses from crop insurance materially exceed the net premiums that are received to cover such risks, which may result in operating and economic losses to our Corporation. Crop underwriting losses of the magnitude that have the potential to exceed our risk appetite are associated with the systemic impacts of severe weather events, particularly drought or flooding, over a large geographic area.

Crop risk is managed through geographic diversification both within India and across countries. This is accomplished through the allocation and tracking of capacity across exposure zones (defined as individual states/ provinces/ countries).

PMFBY is a scheme that heavily relies on the Government of India's policies. Any change in the Government of India's policies may affect the future of this scheme including the growth and penetration.

Operational and Financial Risks

Operational and financial risks are managed by designated functions within the organization. These risks include, but are not limited to, failures or weaknesses in financial reporting and controls, regulatory non-compliance, poor cash management, fraud, breach of information technology security, disaster recovery planning and reliance on third-party vendors. Our Corporation seeks to minimize these risks through robust processes and monitoring throughout the organization.

Sanctions Risks

As a reinsurer, we are subject to the regulatory regimes of various countries, including applicable economic and trade sanctions programs administered by supranational organizations such as the United Nations. In addition, certain countries and markets where we conduct business also impose economic and trade sanctions. These sanctions are imposed in connection with doing business with, or affecting, certain countries, their citizens or entities, specially designated nationals or other persons or entities that may be doing business with targeted countries, persons or entities.

We have developed and implemented a sanctions compliance policy with respect to our reinsurance business to help more effectively mitigate sanctions risk. Our current reinsurance policy applies to our global business activities. Under this policy, we may not enter into any transaction with any party, or involving any subject matter of insurance, that is located in any jurisdiction under sanctions or entities which are owned or controlled by one or more persons that are identified under sanctions.

Under our sanctions compliance policy, all lines of our business that provide coverage for international business must include a "sanctions limitation and exclusion" clause or other appropriate clause. In addition, all lines of our business that reinsure domestic business in India must also have a "sanctions limitation and exclusion" clause or other appropriate clause. However, if any domestic reinsurance contract involves the strategic interests of Government of India or is as pursuant to Government of India directions, a sanctions limitation and exclusion clause may not be required if one of our general manager approves the same. The foregoing requirements shall not apply to existing reinsurance contracts as of the date the sanctions compliance policy is implemented, or for subsequent renewals of such reinsurance contracts. Our Chairman cum Managing Director has the sole discretion to make exceptions to our sanctions compliance policy. This policy may not apply to existing reinsurance contracts entered into before this sanctions policy was implemented, or for subsequent renewals of such reinsurance contracts. Our Chairman cum Managing Director has the sole discretion to make exceptions to our sanctions compliance policy.

For further information on risks to us in connection with economic and trade sanctions, see "*Risk Factors- If we are deemed to be in violation of applicable laws and regulations relating to sanctions, our reputation, business, results of operations and financial condition could be adversely affected*" on page 31.

Compliance

Our Board of Directors, along with the Audit Committee, oversees our compliance framework. We have formulated various internal compliance policies and procedures, including a, code of conduct for Board of Directors and Senior management, code of conduct for Insider Trading, Policy on Prevention of Sexual Harassment of Women, Anti-Fraud Policy, Complaint Handling Policy, Related Party Transaction Policy, Outsourcing Policy, Whistleblower policy, Policy on Preservation of Documents and Archival Policy for any material event or information disclosed. These policies ensure compliance with relevant laws and applicable regulatory guidelines issued by the relevant regulatory, statutory and enforcement authorities from time to time. In addition, we designate a compliance officer who reports to the Board of Directors and senior management on various compliance matters. The Board is updated by the compliance officer on a quarterly basis on compliance failures, regulatory actions, key regulatory developments and steps taken to ensure compliance. We also vest compliance responsibility with each business department which ensures compliance on a daily-basis.

Our compliance function creates company-wide awareness regarding relevant laws, regulations and circulars on IRDAI requirements related to insurance, reinsurance and on other matters and monitors the adequacy of the compliance framework across our Corporation. We have a standard process of identifying and addressing compliance risks in a systematic manner through appropriate policies and procedures and regular review of their compliance. In addition, our compliance function has established a certification process, whereby each business department certifies compliance to statutory and regulatory guidelines on a quarterly basis

Competition

We compete with other international reinsurers in and outside of India, some of which have greater financial, marketing and management resources than our Corporation. In our fire (property) line of business overseas, we also compete with reinsurance alternatives like insurance-linked securities. Competition in the types of reinsurance that we underwrite is based on many factors, including the perceived and relative financial strength; pricing and other terms and conditions; services provided; ratings assigned by independent rating agencies; speed of claims payment; and reputation and experience in the lines of business to be written.

We believe that our major competitors are the larger European, U.S., Bermuda-based and Asian international reinsurance companies, as well as specialty reinsurers and regional companies in certain local markets.

In India, IRDAI regulations now permit private Indian reinsurers to be licensed, foreign reinsurers to open branches and Lloyd's syndicates to operate in India. In addition, foreign reinsurers have been accepting reinsurance from Indian insurance companies without a physical presence in India. We anticipate that competition in India for reinsurance will become more pronounced as Indian insurance companies continue to look to our international competitors for lower price offerings and expanded risk coverage.

We believe that the key competitive factors among reinsurers are

- technical reinsurance underwriting expertise and experience;
- responsive customer service and claim settlement;
- attractive premium and commission pricing;
- direct insurance relationships;
- strong broker relationships
- balance sheet, financial condition and credit ratings;

- geographic reach and experience in international reinsurance underwriting; and
- creative reinsurance solutions across business lines.

We believe that the industry trend among many cedents is to choose to utilize fewer reinsurers by consolidating their reinsurance panels and focus on those reinsurers who can cover more than one line of business. We believe our Corporation is well positioned in terms of client services and highly technical underwriting expertise to continue to grow our reinsurance business in India and internationally and to provide broad risk solutions across many lines of business and geographies. Furthermore, our strong balance sheet and financial position allow us to retain existing clients and attract new clients.

Employees

As at March 31, 2017, we had 563 full-time employees (as well as 70 overseas local employees). The following table shows the number of our full-time employees by category as at the dates indicated below:

Type of Employee	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Executive	28	28	31
Middle Management	59	57	56
Junior Management	381	370	323
Supervisory & Clerical	95	105	115
Total	563	560	525

The average attrition rate of our full-time employees for the last three fiscal years is set forth in the table below.

	Fiscal 2017	Fiscal 2016	Fiscal 2015
Attrition	14	28	13
Attrition Rate	2.47%	4.46%	2.48%

Periodic meetings are held between our management and employee unions and associations on matters relating to pay scale, employee benefits and service matters.

Training

We devote significant resources to training our employees. We offer continuous learning programs for our employees to meet the ever-growing demand of the reinsurance industry. We conduct regular training programs and workshops for our employees on various areas related to our domestic and international operations. We also promote knowledge sharing and knowledge transfer with continuous rotation of employees within the organization.

Benefits for our Employees

We have various schemes in place for the benefit of our employees, such as leased accommodation, medical reimbursement, employee contributory medical insurance, travel leave subsidies and meal vouchers. In addition, our employees are also entitled to various subsidized loans from us for housing and education.

Health, Safety and Environmental Matters

We have established extensive requirements relating to workplace safety for our workplaces. To ensure that we adhere to all statutory laws and regulations on the environment, health and safety, we have implemented an environmental, health and safety program and guidelines.

Intellectual Property

We have registered our corporate logo with the Register of Trademarks (bearing registration number 1486882).

Insurance

We maintain liability insurance for legal claims such as a directors and officers' liability insurance policy for claims made against our directors and officers. Our directors and officers (D&O) policy provides cover to the directors and officers for our Corporation subject to the conditions that our directors and officers follow strict compliance to corporate governance norms, for losses or reimbursement of defense costs in the event of any legal action brought for alleged wrongful acts in their capacity as directors and officers. Such coverage can extend to defense costs arising out of criminal and regulatory investigations.

We also maintain a cyber liability insurance policy for our IT network and data protection claims or liability.

Where insurance has not been maintained, we may be exposed to indefinite liability in the future.

Legal Proceedings

We are subject to insurance claims and legal proceedings in the ordinary course of our business, including litigation over denial of claims. In many of these actions, we are named as co-party due to our role erstwhile role as an insurance holding company prior to 2001. For details, see "*Outstanding Litigation and other Material Developments*" beginning on page 443.

Property

We own our Corporation's registered and corporate office, which is located at Suraksha, 170 J. Tata Road, Churchgate, Mumbai 400020, India. We lease the premises of our liaison, branch and representative offices. In addition, we owned 188 residential properties near Mumbai as at March 31, 2017.

Corporate Social Responsibility

Our CSR activities have focused on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions, and uplifting the marginalized and under-privileged sections of the society.

Our CSR policy has been prepared pursuant to Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014. For details regarding the composition of our CSR Committee and its responsibilities, refer to the section entitled "*Our Management*" on page 166.

Various activities and projects have been identified and supported by our CSR cell and CSR Committee in accordance with our policy. Our recent CSR initiatives have focused on developing projects with the assistance of government agencies and not-for-profit non-governmental organizations (NGOs) in the following areas:

- Skill and infrastructural development for the benefit of the marginalized and under privileged sections of the local communities and in underdeveloped regions to ensure employment generation;
- Work on environmental sustainability and projects for creation of awareness of risk management, water conservation and biodiversity conservation;
- Reduction of our carbon footprint through energy efficient and renewable energy technologies;
- Institution of scholarships through the National Insurance Academy (NIA) and the Insurance Institute of India (III);
- Education for the students of below poverty line families;
- Promotion of disaster management capabilities in India;
- Emergency relief work during natural calamities and disasters and contribution towards prime minister and chief ministers' relief funds; and towards National Disaster Management; and
- Health initiatives for socially weaker sections of Indian society.

REGULATIONS AND POLICIES

The following description is an indicative summary of certain sector specific key laws and regulations in India, which are applicable to our Corporation. The information detailed in this section has been obtained from publications available in the public domain. The regulations, as amended, set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed as nor intended to be a substitute for professional legal advice.

The General Insurance Business (Nationalisation) Act, 1972 (the "GIBNA") and the General Insurance Business (Nationalization) Amendment Act, 2002 (the "GIBNA Amendment")

Pursuant to the GIBNA, the Central Government was required to form our Corporation for the purpose of superintending, controlling and carrying on the business of general insurance. Pursuant to the GIBNA Amendment, the GIBNA was amended and our Corporation ceased carrying on general insurance business and started carrying on reinsurance business from date of such amendment. The GIBNA permits our Corporation to raise its capital to (i) increase its business in rural and social sectors; (ii) to meet solvency margin; and (iii) such other purposes as the Central Government may empower in this behalf. Any profit made by our Corporation and any sums received by our Corporation by way of dividends or otherwise is required to be dealt with in the manner prescribed.

The officers or other employees of our Corporation are deemed to be public servants for the purposes of the Indian Penal Code, 1860 and no suit or other legal proceeding shall lie against any officer or other employee of our Corporation for anything which is done in good faith or intended to be done under GIBNA. Further, every officer or other employees of the Corporation is entitled to be indemnified by the Corporation, against all losses and expenses incurred by such person in, or in relation to, the discharge of such person's duties under GIBNA, except such as have been caused by such person's own willful act or default.

The GIBNA provides that no provision of law in relation to winding up of companies shall apply to our Corporation and the Corporation shall not be placed in liquidation save by order of the Central Government and in such manner as it may direct. The GIBNA also states that the Insurance Act would apply to our Corporation as if it were carrying on general insurance business, subject to such exceptions as the Central Government may specify by notification. The GIBNA further provides that no act or proceeding of our Corporation shall be called in question merely on the ground of the existence of any vacancy in or defect in the constitution of our Corporation. The Central Government is also empowered to issue rules to carry out the provisions of GIBNA.

The Insurance Act and the IRDA Act

The Insurance Act along with the various regulations, guidelines and circulars issued by IRDAI, govern, amongst other matters, registration of insurers, opening of new places of business, accounts and balance sheet, audit of financial statements, actuarial report and abstract, insurance intermediaries and agents, investment of funds, valuation of assets and liabilities, solvency margins, restriction on dividends, limits on expenses of management. The IRDA Act has established the IRDAI to regulate, promote and ensure orderly growth of the insurance sector in India and to protect the interests of policyholders.

Insurers are required to be registered with the IRDAI under the Insurance Act in order to carry out any class of insurance business, including reinsurance in India. The Insurance Act stipulates among other things certain requirements in relation to the capital structure for insurers including in relation to minimum paid-up equity capital and equal voting rights. Insurers are required to maintain records of policies, including the details of policyholder, nominations of claims, including the details of discharge or rejection of claim and a register of insurance agents. Pursuant to the definition of an 'Indian insurance company under section 2(7A)(b) of the Insurance Act, an insurer is required to be "Indian owned and controlled". Additionally, in terms of the Indian Insurance Companies (Foreign Investment) Rules, 2015, the Indian Insurance Companies (Foreign Investment) Rules, 2015, and Indian Insurance Companies (Foreign Investment) Amendment Rules, 2016 the term 'Indian control' has been defined to mean control of such Indian Insurance Company by resident Indian citizens or Indian companies, which are owned and controlled by resident Indian citizens. The Foreign Investment Rules state that in an Indian Insurance Company, the aggregate holdings by way of total foreign investment in its equity shares by foreign investors, including portfolio investors should not exceed 49% of the paid-up equity capital of such Indian Insurance Company. The Foreign investment proposals up to 49% of the total paid-up equity of the Indian Insurance Company shall be allowed on the automatic route subject to verification by the IRDAI. Any increase of foreign investment of an Indian insurance company shall be in accordance with the pricing guidelines specified by Reserve Bank of India under the FEMA.

As regards, investments of assets, the Insurance Act mandates insurers to keep invested assets in a prescribed manner in Government securities and other approved investments. Further, the Government securities and certain other approved securities in which assets are to be invested are required to be held by the insurers free of any encumbrance, charge, hypothecation or lien. Certain restrictions on investments of assets and controlled fund have also been prescribed, including investment in shares or debentures of a private limited company. IRDAI has issued the Insurance Regulatory and Development Authority (Investment) Regulations, 2016. For further details, see "- *Insurance Regulatory and Development Authority (Investment) Regulations, 2016*" beginning on page 157.

Pursuant to section 34A(b) of the Insurance Act, any appointment, re-appointment or termination of appointment or amendment of the terms of remuneration, appointment, re-appointment or termination of appointment, of a managing or whole-time director, executive directors, manager or chief executive officer of an insurance company requires the prior approval of the IRDAI.

IRDAI has specified norms for issuance of capital according to which insurers are required to obtain prior approval of the IRDAI for issuance of capital by way of public issue or any subsequent issue of equity shares. Pursuant to the Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulations, 2015 ("**IRDAI Transfer Regulations**"), insurers are required to obtain prior approval of the IRDAI in the event (i) the total paid up capital held by the transferee is likely to exceed 5% of the paid up capital after the transfer, or (ii) the nominal value of equity shares intended to be transferred by any individual, firm, group, constituents of a group or body corporate under the same management, jointly or severally, exceeds 1% of the paid up capital of the insurance company. The IRDAI Transfer Regulations define 'Transfer of Shares' to include (i) a transfer of shares from an existing shareholder of an insurance company to another person, (ii) transmission of shares of an insurance company, and (iii) fresh issuance of equity shares which leads to a change in the shareholding pattern of an insurance company as set out in the preceding sentence. In the event there are one or more investors (excluding foreign investors) in an insurance company, an investor can hold shares not exceeding 10% of the paid up equity share capital of such an insurance company. Further, all such investors excluding foreign investors are permitted to hold a maximum of 25% of the paid up equity share capital of such an insurance company. Additionally, the IRDAI has issued the "Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016", which are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. Accordingly, as regards such insurance companies the transfer of equity shares shall be in the manner prescribed under the aforementioned guidelines. For further details, see "*Regulations and Policies - Certain guidelines prescribed by the IRDAI*" beginning on page 159.

The Insurance Laws (Amendment) Act, 2015 (the "Amendment")

The Amendment has introduced several changes in the scheme of the Insurance Act, amongst other things, in relation to ownership and control, capital, enhancement of enforcement powers of the IRDAI and the responsibilities of agents and intermediaries.

As regards foreign investors, the cap on aggregate holding of equity shares by foreign investors, including portfolio investors, has been raised to 49% of paid up capital from the erstwhile 26% and insurance companies are required to be Indian owned and controlled. Control includes the right to appoint majority of directors or control the management or policy decisions by the virtue of their shareholding or management rights or shareholders agreements or voting agreements. Therefore, both the ownership and control are required to remain in Indian hands. Further, the Amendment has permitted insurers to raise capital through instruments other than equity. In this regard, IRDAI has issued the Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015 which permit insurers to raise other forms of capital by way of preference shares and subordinated debt instruments after obtaining prior approval from the IRDAI. The Amendment empowers the insurance companies to appoint agents subject to fulfilment of the criteria stipulated by IRDAI, pursuant to which the IRDAI issued the Insurance Regulatory and Development Authority of India (Appointment of Insurance Agents) Regulations, 2016. The Amendment has further given powers to IRDAI to regulate the commission payable to the agents and intermediaries through regulations, pursuant to which the IRDAI issued the Insurance Regulatory and Development Authority of India (Payment of Commission or Remuneration or Reward to Insurance Agents and Insurance Intermediaries) Regulations, 2016.

The Amendment has extended the powers of the IRDAI for regulating various day to day operations and activities of insurance companies by issuing regulations for the same. Further, the IRDAI has issued regulations and guidelines on registration and licensing of insurance companies, investments, solvency margin requirements, insurance agents and intermediaries, corporate governance requirements, transfer of shares, opening, closure and relocation of branches, expenses of management, advertising, accounting procedure and reporting formats, granting of loans and advances, limit on expenses, maintenance of records.

The Amendment has removed various redundant clauses in the Insurance Act including the sections relating to acceptance of deposits by insurance companies, appointment of chief agent and principal agent, divesting excess shareholding above 26% by promoters etc. The Amendment has specified enhanced penalties for insurers for contravention of any of the provisions of the Insurance Act ranging from ₹ 0.1 million for each day during which contravention continues, ₹ 10 million to ₹ 250 million for different kinds of violations. A person who carries on the business of insurance without obtaining a certificate of registration from the IRDAI is liable for a fine of up to ₹ 250 million and with imprisonment extending to 10 years.

Certain Regulations prescribed by the IRDAI

Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000 ("Registration Regulations")

The Registration Regulations prescribe the procedure for obtaining registration of prospective insurers, renewal, suspension and cancellation of registrations. The Registration Regulations also provide the manner of calculation of equity capital held by foreign investors in an insurer. Further, the insurer is required to pay an annual fee to the IRDAI as prescribed under the regulations.

Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016

The regulations prescribe the procedures to be followed for determining the value of assets, liabilities and solvency margin of insurers. Further, the regulations require insurers to prepare a statement of valuation of assets, determine amount of liabilities and solvency margin of insurers in the formats prescribed under the regulations on an annual basis. An insurer is required to maintain its available solvency margin at a level which is not less than the higher of (i) 50% of the amount of minimum capital as prescribed under the Insurance Act; and (ii) 100% of the required solvency margin.

An insurer is required to maintain a control solvency margin as stipulated by the IRDAI, which currently is a minimum solvency ratio of 150%. In this regard, the Insurance Act prescribes that if at any time the insurer is not able to maintain the required control level of solvency margin, the IRDAI may require such insurer to submit a financial scheme indicating a plan of action to correct the deficiency within a specified period.

Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of Life Insurance Business) Regulations, 2016

These regulations prescribe the procedures to be followed by insurers for determining the value of assets, liabilities and solvency margin of insurers. Further, these regulations require insurers to prepare a statement of valuation of assets, determine amount of liabilities and solvency margin of insurers in the formats prescribed under the regulations on an annual basis. An insurer is required to maintain its available solvency margin at a level which is not less than the higher of (i) 50% of the amount of minimum capital as prescribed under the Insurance Act; and (ii) 100% of the required solvency margin.

An insurer is required to maintain a control solvency margin as stipulated by the IRDAI, which currently is a solvency ratio of 150%. In this regard, the Insurance Act prescribes that if at any time the insurer is not able to maintain the required control level of solvency margin, the IRDAI may require such insurer to submit a financial plan indicating a plan of action to correct the deficiency within a specified period not exceeding six months.

Insurance Regulatory and Development Authority of India (Appointed Actuary) Regulations, 2017 ("Appointed Actuary Regulations"),

The Appointed Actuary Regulations require an insurer registered to carry on insurance business in India to appoint an actuary subject to such person fulfilling the eligibility requirements, to act as an appointed actuary, after seeking the approval of the IRDAI in this regard. Regulation 12 of the Appointed Actuary Regulations stipulate that the Appointed Actuary Regulations apply to reinsurers carrying on reinsurance business in India. The appointed actuary is required to render actuarial advice to the management of the insurer in relation to product designing and pricing, insurance contract wording, investments and reinsurance. The appointed actuary shall ensure solvency of the insurer and comply with requirements in regard to the certification of the valuation of assets and liabilities and maintenance of solvency margin in the manner prescribed and shall draw the management's attention to any action required to be taken to avoid any contraventions of the Insurance Act or prejudice to the interests of policyholders. The appointed actuary is also required to ensure that the actuarial principles in the determination of liabilities, have been used in the calculation of reserves for incurred but not reported claims and other reserves where actuarial advice is sought by the IRDAI. The appointed actuary's functions is required to be in accordance with the Appointed Actuary Regulations and such person shall not function in any other capacity which could result in conflict of interest in performing his/her role as an appointed actuary.

Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002

These regulations prescribe accounting principles and other financial disclosures to be adhered to while preparing financial statements. It further states that the disclosure requirements prescribed for general insurance companies shall apply *mutatis mutandis* to reinsurance companies until separate regulations are issued for reinsurance companies. Additionally, these should also be prepared in conformity with the accounting standards issued by the ICAI, to the extent applicable, except for (i) accounting standard 3 for cash flow statements which shall be prepared only under the direct method of accounting; (ii) accounting standard 13 for accounting for investments shall not be applicable; and (iii) accounting standard 17 for segment reporting shall be applicable to all insurers irrespective of the requirements regarding listing and turnover specified in such accounting standard. Preparation of financial statements, management report and auditor's report are required to be prepared in accordance with the formats as prescribed under these regulations, which includes balance sheet, revenue account of an insurer.

Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations") and Master Circular on Insurance Regulatory and Development Authority of India (Investment) Regulations, 2017 (the "Investment Master Circular")

The IRDAI Investment Regulations and the Master Circular dated May, 2017, superseded the erstwhile Investment Regulations issued by IRDAI in the year 2000. The 2016 Investment Regulations are effective from March 31, 2017. The 2016 Investment Regulations set out the category of 'approved investments' which was earlier defined in the Insurance Act. Additionally, the 2016 Investment Regulations have modified the composition of investment committee and prescribed certain changes in investment pattern and exposure norms for an Insurer. Reinsurance companies are required to invest their investment assets in the manner set out in the IRDAI Investment Regulations. Reinsurance companies are required to invest (i) not less than 20% in Central Government securities; (ii) not less than 30% (including (i) above) in Central Government, State Government or other approved securities; (iii) not more than 70% in approved investments and other investments specified in the IRDAI Investment Regulations, subject to exposure and prudential norms; (iv) other investments specified in the Insurance Act, subject to the exposure and prudential norms in the IRDAI Investment Regulations; and (v) housing and loans to State Government for housing and firefighting equipment in the manner prescribed under the IRDAI Investment Regulations such that the total investment in housing and infrastructure taken together in the categories above is not less than 15% of the investment assets of the reinsurance company.

Insurers are also required to implement Investment Risk Management Systems and Processes which are to be a certified by a chartered accountant's firm and which shall be subject to audit at least once at the beginning of every two fiscal years. The Investment Regulations also stipulates certain Investment Management mechanism, including constitution of an investment committee, formulating of an investment policy, Risk Management and audit and reporting to the Board/ Committees thereof. The insurer is also required to adopt a Model Code of Conduct, duly approved by our Board, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations, 2000 and Master Circular on Advertisements, 2015

These regulations prescribe certain compliances and controls in relation to insurance advertisements issued by insurers. An insurance advertisement is defined to include all forms of printed and published materials or any material using the print or electronic medium for public communication. These regulations require the insurance company to establish and maintain a system of control over the content, form and method of dissemination of all advertisements relating to its insurance policies. Insurers are required to ensure that advertisements are not unfair or misleading. Additionally, IRDAI has issued a master circular dated August 13, 2015 in this regard prescribing the do's and don'ts which are to be adhered to by insurers while publishing advertisements including institutional advertisements. Further, every insurer, intermediary or insurance agent is required to maintain an advertising register and specimens of all advertisements for a minimum period of three years.

Insurance Regulatory and Development Authority (Life insurance-reinsurance) Regulations, 2013

In terms of the Insurance Act, insurers are required to reinsure with Indian reinsurers such percentage of sum assured on each policy, as notified by IRDAI from time to time subject to a maximum of 30% of the sum assured on such policy. These regulations require the reinsurance program of every insurer to be guided by certain objectives including maximizing retention within the country.

Insurance Regulatory and Development Authority (General Insurance – Reinsurance) Regulations, 2016 ("General Insurance Regulations")

In terms of the Insurance Act, insurers are required to reinsure with Indian reinsurers such percentage of sum assured on each policy, as notified by IRDAI from time to time, however, such percentage should not exceed 30% of the sum assured on such policy.

Submission of reinsurance programs to IRDAI

Every Indian insurer, Indian reinsurer, and foreign reinsurer branch is required to submit its board-approved reinsurance program along with retention policy to IRDAI for a financial year, 45 days before the financial year's commencement. If any amendment is made in the reinsurance program, subsequent to it being filed with the regulator, the same should be filed with IRDAI along with the board's approval within 30 days of the commencement of the financial year. The reinsurance program is required to include certain prescribed matters including the proposed retention limits on every product of each insurance segments along with corresponding retention limits in the previous year and structure of reinsurance program with details of proportional arrangement for each insurance segment and non-proportional arrangements. The IRDAI is empowered to call for further information or explanations in respect of the reinsurance program. It may also, if necessary, direct the Indian insurer, Indian reinsurer, and foreign reinsurer branch to carry out changes to the reinsurance program filed with the IRDAI.

Eligibility criteria for cross-border reinsurers

The IRDAI has also laid down eligibility criteria for cross-border reinsurers ("CBR") with whom an Indian insurer or Indian reinsurer or foreign reinsurer branch can carry on reinsurance business outside India including the following:

1. The financial strength, quality of management, and adequacy of technical reserving methodologies of the CBR should be monitored by its supervising authority in the home country.

2. The CBR should have a credit rating of at least BBB or equivalent through an international rating agency for preceding three years.

3. The CBR should be registered with its home regulator of the country with which Government of India has signed double taxation avoidance agreement.

The Insurance Regulatory and Development Authority of India (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015

The Insurance Regulatory and Development Authority of India (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015, *inter-alia,* sets out the order of preference for cessions by Indian insurers.

Indian insurers are required to obtain best terms for their facultative and treaty surpluses from Indian reinsurers with a minimum credit rating, denoting good financial strength, from any of the internationally renowned credit rating agencies for the previous three years and from at least three foreign branch offices required to have minimum retention of 50% of the Indian reinsurance business. Indian insurers should offer the best terms for participation in the following order of preference:

- Indian reinsurers with minimum credit rating as described above
- Branch offices of foreign reinsurers which are required to maintain minimum retention of 50% of the Indian reinsurance business
- Other Indian reinsurers or branch offices of foreign reinsurers which are required to maintain minimum retention of 30% of the Indian reinsurance business
- Branch offices of foreign reinsurers set up in special economic zones, only after having offered to all three sets of entities detailed above
- The balance, if any, may then be offered to Indian insurers and overseas reinsurers

Insurance Regulatory and Development Authority of India (Lloyd's India) Regulations, 2016

Insurance Regulatory and Development Authority of India (Lloyd's India) Regulations, 2016 contains regulations pertaining to Lloyd's India, which has been granted a license to establish a market and associated structures for conduct of reinsurance business in India and outside India in the manner set out in these regulations. Under this regulation, the constituents of Lloyd's India include members of Lloyd's, formed collectively as syndicates who delegate authority to service companies, located within Lloyd's India.

Lloyd's India, being a market, is required to ensure that the market and its constituents are housed within an office location of Lloyd's India for the conduct of reinsurance business. The syndicates and service companies of Lloyd's India are also required to obtain licenses from IRDAI in accordance with these regulations. With respect to order of preference, Indian insurers are required to treat Lloyd's India on par with branch offices of foreign reinsurers.

Insurance Regulatory and Development Authority of India (Places of Business) Regulations, 2015

Pursuant to these regulations, every insurer, including a reinsurance company is required to seek prior approval of the IRDAI before opening any place of business either within India or outside. All insurer/reinsurer are required to maintain board approved annual business plan for every fiscal year Such new places of business, pursuant to the approval of IRDAI is required to be opened within a period of one year from the date of such approval. An insurer can open a foreign branch office or a representative or a liaison office outside India subject to prior approval granted by IRDAI. Such representative or liaison office is permitted to carry out such activities as are mentioned in these regulations. In this regard, the insurer shall have to comply with the Foreign Exchange Management Act, 1999 and any other law in force governing the operation of such offices. These regulations set out the norms for opening a foreign branch office and the eligibility criteria of Insurers for opening a foreign branch office. Insurers are required to maintain appropriate arrangements to ensure that the policyholder's liabilities that arise out of foreign operations are adequately ring-fenced in order to protect the India policyholder.

Certain guidelines prescribed by the IRDAI

The IRDAI periodically issues guidelines pertaining to insurers, including reinsurers. IRDAI has issued Corporate Governance Guidelines dated May 18, 2016 which include the corporate governance requirements prescribed under the Companies Act. These guidelines set out requirements for the governance structure in insurance companies, including board of directors, key management personnel, constitution of various committees. They also set out requirements in relation to appointment of auditors, whistle blower policy and certain disclosure requirements in connection with the financial statements, including quantitative and qualitative information on financial and operating ratios, actual solvency margin *vis-a-vis* required margin and description of risk management architecture.

In addition, on October 19, 2015, the IRDAI issued guidelines on Indian owned and controlled, which *inter alia* prescribes that majority of directors excluding independent directors should be nominated by Indian promoters or Indian investors.

The IRDAI on August 5, 2016 notified the Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016 (the "**Listed Indian Insurance Companies Guidelines**"). The Listed Indian Insurance Companies Guidelines are applicable to all insurers including a reinsurance company, whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. The Listed Indian Insurance Companies Guidelines, *inter alia*, require self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to 1% or more, but less than 5%, of the paid-up equity share capital of the insurer. The self-certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, every person who intends to make an acquisition or make an arrangement or agreement for acquisition which will or is likely to take the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, to 5% or more of the paid-up equity share capital of the insurer or 5% or more of the total voting rights of the insurer, such acquisition would require prior approval of the IRDAI.

Further, an existing shareholder who has previously obtained IRDAI permission as a major shareholder of the insurer (holding 5% or more of the paid-up equity share capital) may acquire up to 10% of the shares or voting rights of the concerned insurer without prior approval of IRDAI, subject to, *inter alia*, furnishing details of the source of funds for such incremental acquisition to the insurer before such acquisition. However, if the shareholding of the major shareholder along with persons acting in concert results in the aggregate holding to exceed or likely to exceed 10% of the paid up equity share capital or of the total voting rights of the insurer, then such an acquisition would require prior fresh approval of the IRDAI. In addition to the above, the Listed Indian Insurance Companies Guidelines also prescribe continuous monitoring obligations by insurers in case of major shareholders. The Guidelines also prescribe the procedure for making an application before the IRDAI for transfer of the equity shares above the prescribed thresholds.

The Listed Indian Insurance Companies Guidelines prescribe the following shareholding and voting limits for an insurance company:

Category of Shareholders	**Promoter (minimum)(1)**	**All shareholders in the long run (except promoters)**				
		Natural Person	**Legal person**			
			Non-financial institution / entities	**Financial institution**		
				Non-regulated or non-diversified and non-listed(2)	**Regulated, diversified and listed / supranational institution / public sector undertaking / government**	**Others (3)**
Shareholding Caps	50%	10%	10%	15%	30%	As permitted on a case to case basis.

(1) *The promoter includes Indian promoter and also includes a foreign investor who has taken a stake in the concerned insurance company in such capacity. Where the present holding is below 50%, such holding shall be the minimum holding.*

(2) *In case of financial institutions that are owned to the extent of 40% or more or controlled by individuals, the shareholding would be deemed to be by a natural person and the shareholding will be capped at 10%.*

(3) *High stake / strategic investment by non-promoters through capital infusion by domestic or foreign entities / institution shall be permitted on a cases to case basis under circumstances such as relinquishment by existing promoters, rehabilitation / restructuring of problem / weak insurers / entrenchment of existing promoters or in the interest of the insurance company or in the interest of consolidation in the insurance sector, etc. The shareholders permitted 10% or more in an insurance company will be subject to a minimum lock-in period of five years.*

Guidelines for opening of foreign insurance company (including branch office) outside India by an Indian insurance company registered with IRDAI dated May 23, 2013

These guidelines set out the criteria for establishing foreign branches/subsidiaries, after receiving the approval of the IRDAI, by the Indian insurance companies, including a reinsurance company. An Indian insurance company intending to open a foreign insurance company (including a branch office) is required to make a requisition for registration application in the prescribed form. The guidelines also set out the eligibility criteria, terms of approval, capital requirements of the foreign insurance company (including branch office) of the Indian insurance company and the operational details to be decided by the board of directors of the Indian insurance company for the foreign company. Additionally, these guidelines also prescribe certain reporting requirements and require an Indian insurance company to obtain the approval of the IRDAI prior to the closing any foreign insurance company (including branch office).

Guidelines on Stewardship Code for Insurers in India dated March 20, 2017

The guidelines are in relation to the role of insurers including reinsurance companies in general meetings of listed investee companies. The guidelines seek to increase the engagement of insurers in their capacity as institutional investors with the management of the listed investee companies to improve the governance of listed investee companies. The guidelines prescribe the stewardship code in the form of set of principles which the insurers/reinsurers are required to adopt. The code broadly requires the insurers/reinsurers to have a policy in relation to their conduct at general meetings of the listed investee companies and the disclosures relating in this regard.

Guidelines on Information and Cyber Security for insurers dated April 7, 2017

These guidelines direct all insurers/reinsurers to maintain adequate mechanism on the issues related to information and cyber security, with effect from Fiscal Year 2018.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Corporation

Our Corporation was incorporated at Mumbai on November 22, 1972 as General Insurance Corporation of India, a private limited company under the Companies Act, 1956. Pursuant to a resolution passed by our Shareholders on February 4, 2016 and approval of the Central Government dated January 8, 2016 our Corporation was converted into a public limited company with effect from March 7, 2016. Consequently, the Registrar of Companies, Mumbai issued a fresh certificate of incorporation dated March 7, 2016 pursuant to conversion of our Corporation from a "private limited" to a "public limited" company dated March 7, 2016. Our Corporation is registered with IRDAI for carrying on reinsurance business pursuant to the registration certificate dated April 2, 2001.

For information of our Corporation's profile, activities, services, products, market, growth, technology, managerial competence, see "*Our Management*", "*Our Business*" and "*Industry Overview*" beginning on pages 166, 120 and 97 respectively.

As on the date of this Draft Red Herring Prospectus, our Corporation has eight members.

Changes in Registered Office

Except as disclosed below, there has been no change in the Registered Office of our Corporation since the date of its incorporation.

Date of change	Details of change in the address of the Registered Office	Reasons for change in the address of the Registered Office
April 8, 1992	Shifted from Industrial Assurance Building, Churchgate, Mumbai - 400020 to Suraksha, 170, J.T. Road, Churchgate, Bombay - 400020	Purchase of our own property

Main Objects of our Corporation

The main objects contained in the Memorandum of Association of our Corporation are as follows:

1. *To undertake, carry on and transact in any manner whatsoever, whether in India or elsewhere throughout the world (subject to the laws of the place where the business is to be carried on) all or any kinds of assurance, including life insurance business, insurance, indemnity or guarantee business of all kinds, classes, nature and description whether of a kind now known or hereafter devised including (but without prejudice to the generality of the foregoing) Fire, Marine, Accident, Aviation, Transit, Motor Vehicles, Engineering and Miscellaneous insurances and insurances covering any liability under any law, convention or agreement.*

2. *To grant any contract of guarantee or indemnity against any kind of loss or damage to property or person occasioned in any manner whatsoever and against any other kind of risk or liability whether direct or indirect arising from the happening of any event or the fulfilment or non-fulfilment of any contract, obligation or undertaking whatsoever upon such terms as to security or otherwise as the Company may decide.*

3. *To undertake, carry on and transact in any manner whatsoever, whether in India or elsewhere throughout the world, the business of reinsurance of all kinds, classes, nature and description whether as now known or hereinafter devised and to effect reinsurance and guarantees in connection with any of the classes of assurance or insurance or reinsurance of any class of contract which the Company is authorised to carry on or enter into.*

4. *To grant or sell and purchase or otherwise acquire annuities of all kinds and to carry on the business of capital redemption and annuity certain.*

5. *To undertake, carry on, or transact every kind of surety business including becoming sureties for contractors, trustees, executors, administrators or persons.*

6. *To rebuild, repair, replace or re-instate houses, buildings, machinery and every other description of property which may be insured by the Company or by the subsidiaries and to carry on any kind of business necessary or expedient for any such purposes.*

7. *To join or subscribe to any salvage or protection or other association or committee whether mutual or otherwise or any trade or other combination in any way connected with any of the objects of the Company or which may seem to the Company directly or indirectly conducive to its interests.*

8. *To underwrite, undertake and subscribe for, conditionally or unconditionally, stocks, shares, debentures and other securities whether marketable or otherwise of any other company.*

The main objects as contained in our Memorandum of Association enable our Corporation to carry on the business presently being carried out.

Amendments to our Memorandum of Association

Date of Shareholder's resolution / effective date	Particulars
December 2, 1982	The authorised share capital of our Corporation was reclassified from ₹750,000,000 comprising 7,500,000 shares of ₹100 each to ₹750,000,000 comprising 7,500,000 equity shares of ₹100.
April 24, 1990	The authorised capital of our Corporation has been increased from ₹750,000,000 to ₹ 2,500,000,000.
September 30, 2003	Alteration of MOA was substituted to include 'Life Insurance Business'.
April 27, 2005	The authorised capital of our Corporation has been increased from ₹2,500,000,000 to ₹ 10,000,000,000.
February 4, 2016	The face value of equity shares have been sub divided from ₹ 100 to ₹ 1 each and the Corporation was converted into a public limited company.
August 4, 2017	The face value of equity shares have been consolidated from ₹ 1 each to ₹ 5 each.

Major events and milestones of our Corporation

Calendar Year	Particulars
November 22, 1972	Our Corporation was formed pursuant to section 9(1) of GIBNA and also under the Companies Act 1956 as private company limited by shares.
January 1, 1973	The general insurance business in India was nationalized, 107 general insurance companies were merged and our Corporation was formed as the holding company with four subsidiaries namely, New India Assurance Company Limited, National Insurance Company Limited, Oriental Insurance Company Limited and United India Insurance Company Limited.
November 3, 2000	Our Corporation was notified as "Indian Reinsurer".
April, 2003	Our Corporation commenced its life reinsurance underwriting activities.
April 1, 2002	Our Corporation was appointed as manager to the Terrorism Insurance Pool.
March 21, 2003	Pursuant to amendments to GIPSA, Our Corporation ceased to be the holding company for the four subsidiaries.
September 5, 2013	The joint venture Reinsurance Company in Bhutan-GIC Bhutan Re Limited became operational.
September 19, 2013	Our Corporation was appointed as Managers of FAIR NATCAT Reinsurance Pool at Beijing, China.
August 11, 2014	GIC Re South Africa Limited, the wholly owned subsidiary of GIC Re was established in South Africa.
June 12, 2015	India nuclear insurance pool launched.

Awards and Accreditations

Calendar year	Award/Certification/Recognition
2011	Our Corporation won the Marine Insurance Award at Seatrade Middle East and Indian Subcontinent Awards 2011.
2012	Our Corporation won the Marine Insurance Award second time in a row, at Seatrade Middle East and Indian Subcontinent Awards 2012.
2014	Marine Insurer of the Year at the inaugural Maritime Standard Awards, Middle East and Indian Subcontinent Awards 2014.
2014	ICE Awards 2014 awarded to GIC ReNews (Certificate of Merit).
2016	Business Today Most Powerful Women Awards 2016.
2017	Reinsurance Company of The Year Award 2017 by ASSCOHAM, India.
2017	Skoch Award, Resilinet India Award 2017.

Shareholders' Agreements and Other Agreements

Our Corporation is not a party to any shareholders' agreement or other agreements other than in the ordinary course of business in the two years preceding the date of this Draft Red Herring Prospectus.

Capital raising activities through equity or debt

For details regarding our capital raising activities through equity or debt, see "*Capital Structure*" and "*Financial Statements*" beginning on pages 79 and 187.

Injunctions or restraining order against our Corporation

As of the date of this Draft Red Herring Prospectus, there are no injunctions or restraining orders against our Corporation.

Guarantees provided by our Promoter

Our Promoter has not given any guarantees to third parties that are outstanding as of the date of this Draft Red Herring Prospectus:

Financial and Strategic Partners

Our Corporation does not have any financial or strategic partners.

Our Holding Company

Our Corporation does not have a holding company.

In our capacity as a public financial institution, we have promoted a list of companies as set out below:

1. Axis Bank Limited;
2. GIC Housing Finance Limited;
3. Health Insurance TPA of India Limited;
4. IDBI Trusteeship Services Limited;
5. IL&FS Infra Asset Management Limited;
6. North Eastern Development Corporation;
7. OTC Exchange of India;
8. Small Industries Development Bank of India;
9. STCI Finance Limited;
10. Stock Holding Corporation of India Limited;
11. India International Insurance Pte. Ltd.; and
12. Kenindia Assurance Company Limited.

Our Subsidiaries

GIC Re South Africa Limited

GIC Re South Africa Limited is a 100% owned subsidiary of our Corporation. Originally incorporated as Swedish Atlas Reinsurance Company of South Africa Limited on November 24, 1956 at Pretoria under the Companies Act No. 46 of 1926. Subsequently, it was renamed as GIC Re South Africa Limited on August 11, 2014. Limited is involved in Short Term Insurance Business under Short Term Insurance Act, 1998 and Long Term Insurance Business under Long Term Insurance, 1998 of the Republic of South Africa.

Capital Structure:

	Number of shares of no Par value in ZAR
Authorised Capital	300,000,000 ordinary shares of no par value
Issued and paid-up capital	253,900,000

Shareholding pattern:

The following table sets forth details of the shareholding pattern of GIC Re South Africa Limited:

Serial Number	Name of the shareholder	Number of ordinary shares of no par value	Percentage of total equity holding (%)
1.	General Insurance Corporation of India	126,950,000	100

There are no accumulated profits or losses of GIC Re South Africa Limited not accounted for by our Corporation for the Fiscal Year 2017.

GIC Re South Africa Limited is not listed on any stock exchange in India or abroad.

GIC Re, India, Corporate Member Limited

GIC Re, India, Corporate Member, is a subsidiary of our Corporation. GIC Re, India, Corporate Member Ltd was incorporated on September 30, 2011 as I-CAT CCM Ten Limited at England and Wales under the laws of England and Wales. On December 3, 2013, pursuant to our Corporation's acquisition of its ordinary share, its name was changed to GIC Re, India, Corporate Member Limited.

Capital Structure:

	Number of equity shares of face value GBP 1.00 each
Authorised Capital	1
Issued, subscribed and paid-up capital	1

Shareholding pattern:

The following table sets forth details of the shareholding pattern of GIC India Corporate Member:

Serial Number	Name of the shareholder	Number of equity shares of face value GBP 1.00 each	Percentage of total equity holding (%)
1.	General Insurance Corporation of India	1	100

There are no accumulated profits or losses of GIC Re India Corporate Member not accounted for by our Corporation for the Fiscal Year 2017.

GIC Re India Corporate Member is not listed on any stock exchange in India or abroad.

Business Interests of our Subsidiary

We have entered into certain business contracts with our Subsidiaries. For details, see "*Our Business*" beginning on page 120 and "*Related Party Transactions*" beginning on page 185.

Other than as stated above, our Subsidiaries do not have any business interests in our Corporation.

OUR MANAGEMENT

In terms of our Articles of Association, our Corporation is required to have not less than three and not more than 11 directors. As on the date of this Draft Red Herring Prospectus, our Board currently comprises six Directors.

The following table sets forth details of our Board:

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Alice G Vaidyan *Designation*: Chairman-cum-Managing Director *Address*: Flat No A-11, Mayfair Gardens, Malabar Hill, Mumbai 400 006 *Occupation*: Service *Nationality*: Indian *Term*: From January 25, 2016 until July 31, 2019 or until further orders in this respect, whichever is earlier *DIN:* 07394437	58	• Agriculture Insurance Company of India Limited • Asian Reinsurance Corporation • ECGC Limited • GIC Housing Finance Limited • GIC Re South Africa Limited • Health Insurance TPA India Limited • Kenindia Assurance Company Limited • Life Insurance Corporation of India
Ravi Mital *Designation*: Non-Executive Director *Address*: C-II – 165, Chanakyapuri, Vinay Marg, New Delhi 110021 *Occupation*: Service *Nationality*: Indian *Term*: From July 6, 2017 until further orders *DIN*: 06507252	56	• Bihar Forestry Development Corporation Limited • Bihar Medical Services and Infrastructure Corporation Limited • Bihar Power Infrastructure Company Private Limited • Bihar State Building Construction Corporation Limited • Bihar State Educational Infrastructure Development Corporation Limited • Bihar State Road Development Corporation Limited • Bihar Urban Infrastructure Development Corporation Limited • Bihar Urban Transport Services Limited • National Investment and Infrastructure Fund Trustee Limited • Punjab National Bank
Usha Sangwan *Designation*: Independent Director *Address*: B-6, Jeevan Jyot, NapeanSea Road, Mumbai 400 036 *Occupation*: Service	58	• Ambuja Cements Limited • Axis Bank Limited • BSE Limited • Kenindia Assurance Company Limited

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Nationality: Indian *Term*: With effect from April 6, 2016 until she holds her post as Managing Director, Life Insurance Corporation of India, or until further orders, whichever is earlier *DIN*: 02609263		• LIC Card Services Limited • LIC (International) B.S.C. Bahrain • LIC Housing Finance Limited • Life Insurance Corporation (Singapore) Pte. Ltd. • Life Insurance Corporation of India
G. Srinivasan *Designation*: Non-Executive Director *Address*: Flat No.9, Mayfair House, Little Gibbs Road, Malabar Hill, Mumbai 400 006 *Occupation*: Service *Nationality*: Indian *Term*: With effect from December 30, 2016 until he holds the post of Chairman, General Insurers' (Public Sector) Association of India or until the date of his superannuation or further orders, whichever is earliest *DIN*: 01876234	59	• The New India Assurance Company Limited • Agriculture Insurance Company of India Limited • GIC Housing Finance Limited • Health Insurance TPA of India Limited • India International Insurance Pte. Singapore • The New India Assurance Company (Trinidad and Tobago Ltd. Port of Spain) • Prestige Assurance Plc Lagos, Nigeria
Segar Sampathkumar *Designation*: Whole-time Director *Address*: A-10 Mayfair Gardens, Little Gibbs Road, Malabar Hills, Mumbai 400 005 *Occupation*: Service *Nationality*: Indian *Term*: For three years with effect from April 25, 2016 or until retirement or further orders, whichever is earlier. Segar Sampathkumar is due to retire on September 30, 2017 *DIN*: 07018007	59	Stock Holding Corporation of India Limited.
Y Ramulu *Designation:* Whole-time Director *Address:* Flat No. 7, Pearl Mansion CHS Ltd., 4th Floor, 91, Maharshi Karve Marg, New Marine Lines, Mumbai 400 020 *Occupation:* Service *Nationality*: Indian *Term:* For three years with effect from June 20, 2017 or until retirement or further orders, whichever is earlier. Y Ramulu is due to retire on May 31, 2018. *DIN:* 07234450	59	GIC Housing Finance Limited

Relationship between our Directors

None of our Directors are related to each other.

Arrangements or understandings with major shareholders, customers, suppliers or others

Ravi Mital has been appointed as the nominee Director of the Government of India.

Other than the above, none of the Directors have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Brief Biographies of Directors

Alice G Vaidyan is the Chairman-cum-Managing Director of our Corporation. She holds post graduate degree in English language and literature from University of Kerala. She has trained in "Strategy: Building and Sustaining Competitive Advantage" at Harvard Business School, Boston, USA and is a fellow of the Insurance Institute of India. She is the first lady officer to assume the post of Chairman-cum-Managing Director of our Corporation and the first lady chairman-cum-managing director in the public sector insurance industry (non-life) under Ministry of Finance in India. She has over 30 years of experience in the Indian insurance and reinsurance industry. She began her career at The New India Assurance Company Limited before moving to our Corporation as Deputy General Manager (Reinsurance) in 2008. Previously, she has been on the governing board of National Insurance Academy. She has won several national and international awards. Business Today recognized her as one of the most powerful women in Indian business in October 2016. She is also a member of the council of Asian Reinsurance Corporation, Bangkok and International Insurance Society. She is the recipient of the Maritime Standard Woman in Shipping award by The Maritime Standard Awards, Middle East and Indian subcontinent in 2014.

Ravi Mital is a Non-Executive Director of our Corporation. He holds a bachelor's degree in engineering (mechanical engineering). Mr. Mital, Additional Secretary, Department of Financial Services, Ministry of Finance, is a 1986 batch Indian Administrative Services Officer of Bihar Cadre. Previously, he has worked as Principal Secretary (Finance), Government of Bihar.

Usha Sangwan is a Non – Executive Director of our Corporation. She is an ex-officio Director till she is the managing director of Life Insurance Corporation of India. She holds a post graduate degree in economics from Panjab University, a post graduate diploma in Human Resource Management from Indira Gandhi National Open University and is a licentiate from Insurance Institute of India. She has experience of 36 years in insurance industry and is the first woman managing director of Life Insurance Corporation of India. She joined Life Insurance Corporation of India as Direct Recruit Officer in 1981. She has been recognized as a woman leader in business including by the Forbes Magazine in its list of 50 most powerful business women in Asia in 2015 and by Business Today in its list of most powerful women in Indian business in 2016. She is the recipient of several awards including Management Women Achiever of the year 2015-16 awarded by the Bombay Management Association, Top Rankers Excellence Award, Women Leadership Award in the BFSI sector by the Institute of Public Enterprise, Brand Slam Leadership award by CMO Asia, Inspiration award from 92.7 Big FM and Global HR Excellence Awards by Chartered Institute of Management Accountants. She was appointed as a Director with effect from April 6, 2016.

G. Srinivasan is a Non-Executive Director of our Corporation. He holds a bachelor's degree in commerce from the University of Madras. He is a member of The Institute of Company Secretaries of India. He is a member of The Institute of Cost Accountants of India and a fellow of the Federation of Insurance Institutes. He is an ex-officio Director until he is the chairman of GIPSA. He is the recipient of the India Insurance Summit - Lifetime Achievement Award – 2017 awarded by Quest Conferences, R H Patil Award for Excellence in Financial Services – 2017 awarded by Skoch Consultancy Services, News Ink National Awards – Legend CMD of the Year – 2016 awarded by News Ink, Asia Insurance Industry Awards - Personality of the Year Award – 2016, Lokmat BFSI Awards for Outstanding Contribution to Insurance Sector – 2015 awarded by Lokmat, and Financial Inclusion and Deepening Award for Excellence in Non-Life Insurance – 2014 awarded by Skoch. He is the chairman of the General Insurance Council, the Associated Chambers of Commerce and Industry of India and Assocham's National Council for Insurance. He has also been the chairman cum managing director of United India Insurance Company Limited and is presently the chairman cum managing director of New India Assurance Company Limited.

Segar Sampathkumar is a Whole-time Director of our Corporation. He holds a bachelor's and master's degree in Commerce from University of Madras. He has experience of 37 years in insurance industry. He joined the general insurance industry as a Direct Recruit Officer in 1980 of United India Insurance Company Limited and has served as General Manager of New India Assurance Company Limited. He has *inter alia* served in foreign operations, health, customer care (grievance), RTI and Transparency, credit and guarantee insurance and miscellaneous accident technical department. He was appointed as a Director with effect from April 25, 2016 and took charge in our Corporation on September 30, 2016. He has been allocated the health, obligatory (technical) and miscellaneous and liability departments.

Y Ramulu is a Whole-time Director of our Corporation. He holds a bachelor's degree in commerce, bachelor's degree in communications and journalism and a master's degree in business administration from Osmania University, Hyderabad. He is an associate of the Insurance Institute of India. He has completed the certificate program in Performance Management Systems offered by T.V. Rao Learning Systems Private Limited. He was appointed as a Director with effect from June 20, 2017 and has been allocated *inter alia* office services department, corporate social responsibility and offices.

Confirmations

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on BSE or NSE.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such companies.

None of our Directors have been declared as Wilful Defaulters.

Terms of appointment of the Executive Directors

The appointment of the Executive Directors is made by the Government of India. The terms of appointment of the Executive Directors are as set out below:

1. ***Alice G Vaidyan***

Alice G Vaidyan was appointed as the Chairman cum Managing Director of our Corporation with effect from January 23, 2016, pursuant to an order dated January 23, 2016 issued by the Ministry of Finance. She is entitled to remuneration and perquisites and allowances as per the table set out below: She received a remuneration of ₹ 3.08 million in Fiscal Year 2017.

Basic Pay per month	₹ 211,600
Dearness Allowance per month	₹ 8,464
City Compensatory Allowance p.m.	₹ 1,330
Annual Grade Increment	₹ 6,300
Conveyance	Corporation owned vehicle with petrol limit of 500 litres per quarter.
Performance linked bonus	Performance linked incentives as per parameters prescribed by Government of India.
Housing	Furnished accommodation
Other benefits and perquisites	Club membership
Leave	Maximum accumulation of privilege leave upto 300 days which is encashable at the time of retirement
Restrictions on joining other institutions after retirement	Subject to approval of Government of India

2. ***Segar Sampathkumar***

Segar Sampathkumar was appointed as a Whole-time Director of our Corporation with effect from April 25, 2016 pursuant to an order dated April 25, 2016 issued by the Ministry of Finance, however, he took charge on September 30, 2016. Segar Sampathkumar is entitled to remuneration and perquisites and allowances as per table set out below. He received a remuneration of ₹ 2.48 million in Fiscal Year 2017.

Basic Pay per month	₹ 121,030
Dearness Allowance p.m.	₹ 46,959.64
City Compensatory Allowance	₹ 1,330
Fixed Personal Allowance	₹ 2,300
Annual Grade Increment	₹ 3,265

Conveyance	Corporation owned vehicle with petrol limit of 500 litres per quarter.
Performance linked bonus	Performance linked incentive as per the performance linked incentive scheme for employees of the Corporation
Housing	Corporation owned accommodation
Other benefits and perquisites	Club membership
Leave	Maximum accumulation of privilege leave upto 240 days which is encashable at the time of retirement.
Restrictions on joining other institutions after retirement	Subject to approval of Government of India.

3. Y Ramulu

Y Ramulu was appointed as a Whole-time Director of our Corporation with effect from June 20, 2017 pursuant to an order dated June 20, 2017 issued by the Ministry of Finance. Y Ramulu is entitled to remuneration and perquisites and allowances with effect from as per table set out below. Y Ramulu was appointed as a Director in June 20, 2017, the remuneration paid to him in Fiscal Year 2017 was in his capacity as a General Manager. He received a remuneration of ₹ 2.44 million in Fiscal Year 2017.

Basic Pay per month	₹ 1,21,030
Dearness Allowance p.m.	₹ 46,959.64
City Compensatory Allowance	₹ 1,330
Fixed Personal Allowance	₹ 2,300
Annual Grade Increment	₹ 3,265
Conveyance	Corporation owned vehicle with petrol limit of 500 litres per quarter.
Performance linked bonus	Performance linked incentive as per the performance linked incentive scheme for employees of the Corporation
Housing	Corporation owned accommodation
Other benefits and perquisites	Club membership
Leave	Maximum accumulation of privilege leave upto 240 days which is encashable at the time of retirement.
Restrictions on joining other institutions after retirement	Subject to approval of Government of India.

Remuneration to Non-Executive Directors

In terms of the resolution of the Board dated November 30, 2015, the Board has approved payment of sitting fees of ₹ 20,000 for attending each Board meeting and ₹ 10,000 for attending each meeting of the committee of the Board. The following table sets forth details of sitting fees paid to the Non-Executive Directors during Fiscal Year 2016.

No sitting fees was paid by our Corporation to our Non-Executive Directors in Fiscal Year 2017. No remuneration has been paid, or is payable, by our Subsidiaries or associate companies to the Directors of our Corporation.

Shareholding of Directors in our Corporation

The following table sets forth details of shareholding of our Directors in our Corporation:

Serial Number	Name of the Director	Number of Equity Shares held in our Corporation
1.	Alice G Vaidyan*	40
2.	Usha Sangwan*	40
3.	Mr. Ravi Mital*	80
4.	Y. Ramulu*	40

* *Holding shares on behalf of President of India*

Our Articles of Association do not require our Directors to hold any qualification shares.

Shareholding of Directors in our Subsidiary

None of our Directors hold any equity shares in our Subsidiaries or associate companies as of the date of this Draft Red Herring Prospectus.

Appointment of relatives of Directors to any office or place of profit

None of the relatives of our Directors currently hold any office or place of profit in our Corporation.

Interests of Directors

All our Non-Executive Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and committees thereof, and reimbursement of expenses payable to them under our Articles of Association as approved by our Board of Directors. Our Executive Directors may be deemed to be interested to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association and to the extent of remuneration paid to them for services rendered as officers of our Corporation.

Certain of our Directors may also be regarded as interested in the Equity Shares that may be Allotted, pursuant to the Offer, to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. No dividend is payable to the Directors as the Directors are holding shares on behalf of President of India.

Our Directors have no interests in the promotion of our Corporation other than in the ordinary course of business.

Our Corporation has not entered into any service contracts with our Directors which provide for benefits upon termination of employment of our Directors.

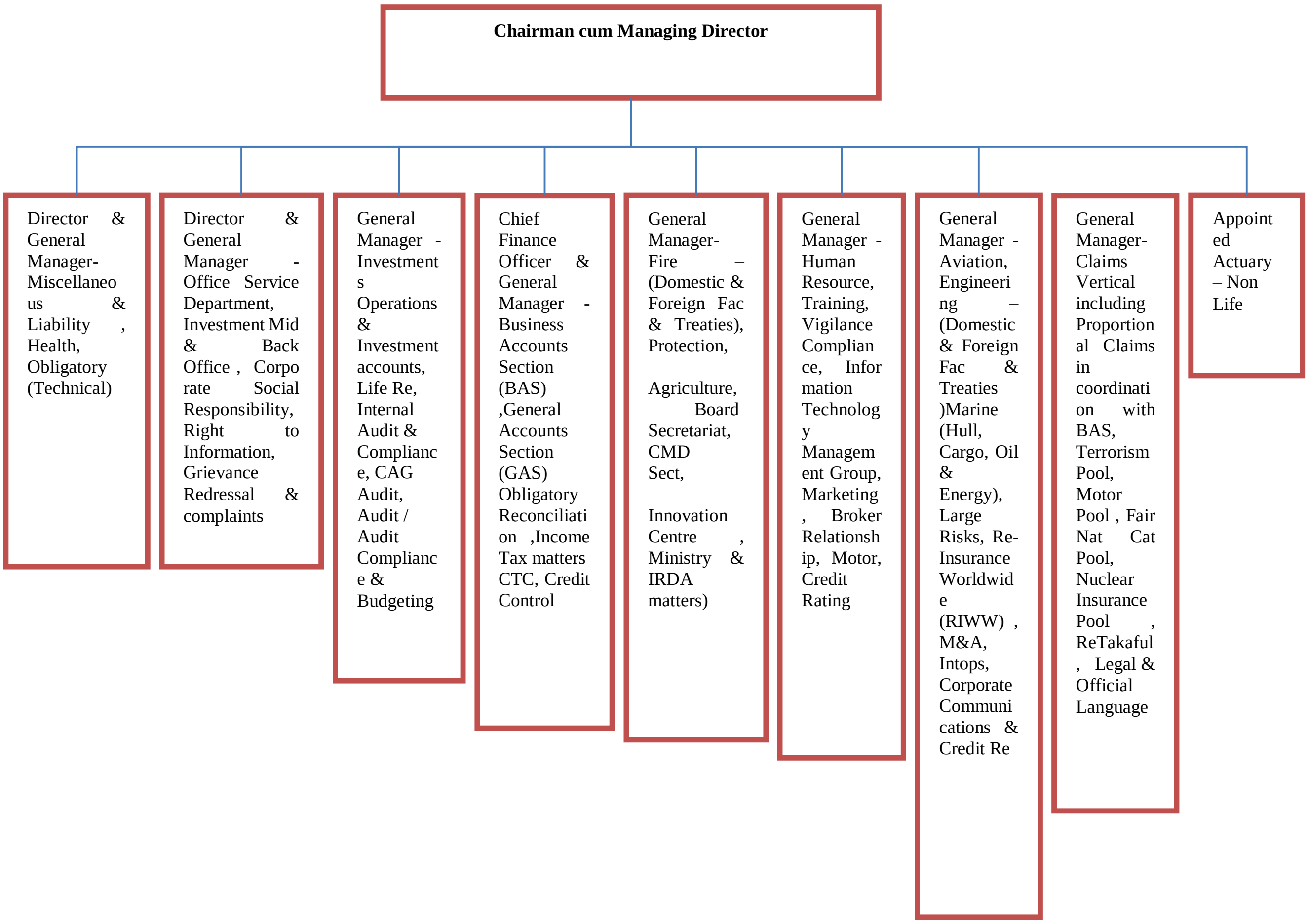
Further, our Directors have no interest in any property acquired within two years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Corporation. Except as stated in "*Related Party Transactions*" beginning on page 185 and as disclosed in this section, our Directors do not have any other interests in our Corporation.

No loans have been availed by our Directors or the Key Management Personnel from our Corporation.

Changes in the Board in the last three years

Name	Date of appointment/ cessation	Reason
Yugandhara Rao Sunkara	August 8, 2014	Ceased to be an Executive Director
Sanjiv Kapoor	September 25, 2014	Ceased to be an Independent Director
Sunil Kumar Gupta	October 30, 2014	Ceased to be Independent Director
Bimalendu Chakrabarti	January 12, 2015	Ceased to be an Independent Director
Sanathkumar Kochunni Nair	July 31, 2015	Appointed as a Whole-time Director and Acting CMD
Ashok Kumar Roy	July 31, 2015	Ceased to be a Chairman cum Managing Director
Doulat Raj Mohnot	January 3, 2016	Ceased to be an Independent Director
Sanathkumar Kochunni Nair	January 23, 2016	Ceased to be Acting Chairman-cum-Managing Director
Alice G Vaidyan	January 23, 2016	Appointed as Chairman-cum-Managing Director
G. C. Gaylong	January 27, 2016	Appointed as a Whole-time Director
Sanathkumar Kochunni Nair	February 18, 2016	Ceased to be a Whole-Time Director
G. Srinivasan	March 30, 2016	Ceased to be a Nominee Director
Usha Sangwan	April 6, 2016	Appointed as an Non-Executive Director
Segar Sampathkumar	April 25, 2016	Appointed as a Whole-time Director
Ajit Kumar Saxena	June 7, 2016	Appointed as a Nominee Director
Ajit Kumar Saxena	June 30, 2016	Ceased to be a Nominee Director
Snehlata Shrivastava	July 22, 2016	Ceased to be a Nominee Director for the Government of India
Anil Kumar Khachi	July 22, 2016	Appointed as a Nominee Director for the Government of India
G. Srinivasan	December 30, 2016	Appointed as a Nominee Director
Arun Tiwari	February 23, 2017	Ceased to be a Non-Executive Director
G. C. Gaylong	May 30, 2017	Ceased to be a Whole-time Director
Y. Ramulu	June 20, 2017	Appointed as Whole-time Director
Anil Kumar Khachi	July 6, 2017	Ceased to be a Nominee Director for the Government of India
Ravi Mital	July 6, 2017	Appointed as Nominee Director for the Government of India

Management Organisation Chart



Key Management Personnel

For details in relation to biographies of Alice G Vaidyan, Segar Sampathkumar and Y. Ramulu see "*Our Management - Brief Biographies of Directors*" beginning on page 168

Vimal Chand Jain, aged 59, is the Chief Financial Officer of our Corporation. He holds a bachelor's degree of commerce from University of Rajasthan, certificate of membership from the Institute of Chartered Accountants of India, certificate of membership from the Institute of Company Secretaries of India, and is a fellow of the Insurance Institute of India. He has been admitted as an Associate of the Institute of Cost and Work Accountants of India. He has been associated with our Corporation since October 2012. Previously, he has worked with The New India Assurance Company Limited. He has been allocated *inter alia* business account section, general account section and credit control. He was paid a remuneration of ₹2.55 million in Fiscal Year 2017.

Suchita Gupta, aged 53, is the Deputy General Manager and Company Secretary of our Corporation. She holds master's degree in commerce and a bachelor's degree in law from University of Mumbai. She has been associated with our Corporation since April 20, 1987. She is a fellow member of the Insurance Institute of India and the Institute of Company Secretaries of India. Previously, she has worked as an administrative officer, assistant manager in finance, deputy manager in finance (investment accounts) and Assistant General Manager in Secretarial and Life Re Department. She has been allocated *inter alia* company secretary, board secretariat and Ministry and IRDA matters. She was paid a remuneration of ₹2.48 million in Fiscal Year 2017.

Madhulika Bhaskar, aged 54, is the Deputy General Manager (Chief Risk Officer) in our Corporation. She holds a bachelor's degree in science from the University of Mumbai and a diploma in computer management from the University of Mumbai. She has been associated with our Corporation since March 1, 1988. She has experience in insurance industry. She is a fellow at the Insurance Institute of India since 1993. Previously, she has worked as an assistant administrative officer, financial advisor's internal audit department, assistant manager in the reinsurance department, deputy manager in ITMG department, assistant general manager in reinsurance department and assistant general manager for actuarial section (non-life). She has been allocated the enterprise risk management and training. She was paid a remuneration of ₹2.08 million in Fiscal Year 2017.

Satyajit Tripathy, aged 53 is the Deputy General Manager and manages Investment Operations of our Corporation. He holds a bachelor's degree in science (agriculture) from Orissa University of Agriculture and Technology, a post graduate diploma in management (Human Resources and Marketing) from Xavier Institute of Management, Bhubaneswar and has completed the licentiate examination of the Insurance Institute of India. He has been associated with our Corporation since March 1, 1988. Previously, he has worked as Administrative Officer in crop insurance cell, chief manager in investment department and assistant general manager in investment (operations) department. He was paid a remuneration of ₹2.42 million in Fiscal Year 2017.

Dinesh R Waghela, aged 55 is the General Manager of our Corporation. He manages Investment Operations and Investment Accounts. He has been associated with our Corporation since 1985. He holds bachelor's degree in commerce and bachelor's degree in law from University of Bombay. He has obtained associateship from the Insurance Institute of India. He has worked as trustee of General Insurance Corporation of India (Employees') Provident Fund. Previously, he has worked with New India Assurance Company Limited from 2010 to 2015. He has been allocated *inter alia* business accounts section, internal audit and compliance and CAG Audit. He was paid a remuneration of ` 2.62 million in Fiscal Year 2017.

Pauly Sukumar N., aged 59 is the General Manager of our Corporation. He manages information technology management group, broker relationship and human resources. He holds bachelor's degree in commerce from Nagarjuna University and master's degree in business administration from Andhra University. He has been associated with our Corporation since 1981. He is an Associate of the Insurance Institute of India. He joined United India Assurance Company Limited as a Direct Recruit in 1981. He has served *inter alia* in marketing, estates, provident fund and gratuity department. He was paid a remuneration of ₹2.60 million in Fiscal Year 2017.

Priscilla Sinha, aged 50 is the Appointed Actuary (non-life) with our Corporation since September 2016. She holds a master's degree in statistics from the University of Mumbai. She obtained her fellowship from the Institute of Actuaries of India in the year 2005. She also holds a Diploma in Actuarial Techniques from the Institute of Actuaries, U.K. She is a member of the Actuarial Society of India. Previously, she worked for Life Insurance Corporation, and was the appointed actuary at Birla Sun Life Insurance Company, Magma HDI General Insurance Company, and Export Credit Guarantee Corporation Limited. She was paid a remuneration of ₹4.08 million in Fiscal Year 2017.

Senior Management Personnel

B. N. Narasimhan, aged 59 is the General Manager of our Corporation. He holds a bachelor's degree in law from University of Mysore, master's degree in agricultural statistics from Indian Agricultural Research Institute, New Delhi, master's degree in Business Administration and post graduate diploma in marketing management from Indira Gandhi National Open University, post graduate diploma in Business Administration from Anamalai University, master's degree of arts in economics from Anamalai University and is a Fellow of the Insurance Institute of India. He has been associated with our Corporation since 2012. He manages the innovation centre, agriculture, property, protection and board secretariat. Previously, he has worked in United India Insurance Company as Chief Manager in Reinsurance Department. He was paid a remuneration of ₹ 2.30 million in Fiscal Year 2017.

Usha Ramaswamy, aged 58 is the General Manager of our Corporation. She holds a master's degree in economics from University of Madras and is a fellow of the Insurance Institute of India. She has been associated with our Corporation since 2015. She manages the aviation, corporate communication, marine and credit-re. Previously, she has worked in United India Insurance Company Limited. She was paid a remuneration of ₹2.16 million in Fiscal Year 2017.

Sushil Kumar, aged 58 is the General Manager of our Corporation. He holds a bachelors' degree in economics from Patna University and is an Associate of the Insurance Institute of India. He has been associated with our Corporation since 2012. He is in charge of claims vertical, nuclear insurance pool and terrorism pool and Fair Nat Cat pool. Previously, he has worked in the Oriental Insurance Company Limited. He was paid a remuneration of ₹2.10 million in Fiscal Year 2017.There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Management Personnel were selected as members of our senior management.

Shareholding of Key Management Personnel

Serial Number	Name of the KMP	Number of Equity Shares held in our Corporation
1.	Alice G Vaidyan*	40
2.	Y. Ramulu*	40
3.	D. R. Waghela*	40
4.	Pauly Sukumar N.*	40

* *Holding shares on behalf of President of India*

Bonus or profit sharing plan of the Key Management Personnel
None of our Key Management Personnel are entitled any bonus or profit sharing plan.

Interests of Key Management Personnel

The Key Management Personnel do not have any interests in our Corporation other than to the extent of the remuneration or benefits, to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business, the annual bonus, bonus based on organisation and individual performance and long term reward scheme applicable to them.

Our Corporation has not entered into any service contracts with our Key Management Personnel which provide for benefits upon termination of employment of our Key Management Personnel.

Changes in our Key Management Personnel

The changes in our Key Management Personnel in the last three years are as follows:

Name	Date of change	Reason for change
A K Roy	July 31, 2015	Ceased to be Chairman & Managing Director
A K Roy	July 31, 2015	Ceased to be Chief Executive Officer
K Sanath Kumar	July 31, 2015	Appointed as Acting Chairman & Managing Director
Alice G Vaidyan	September 4, 2015	Ceased to be Chief Financial Officer
Vimal Chand Jain	September 4, 2015	Appointed as Chief Financial Officer
K Sanath Kumar	January 23, 2016	Ceased to be Acting Chairman & Managing Director
Alice G Vaidyan	January 23, 2016	Appointed as Chairman & Managing Director
Ashok Kumar Garg	March 31, 2016	Cessation as Appointed Actuary (Non-life)
Padmaja R.	June 30, 2017	Cessation as Appointed Actuary (Life)

Payment or Benefit to officers of our Corporation

Except for the payment of remuneration or commission for services rendered by our officers, no amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer and consideration for payment of giving of the benefit.

None of our Key Management Personnel are related to each other.

All our Key Management Personnel are permanent employees of our Corporation.

Corporate Governance

Except as stated below, our Corporation is in compliance with the corporate governance requirements prescribed under the SEBI Listing Regulations with respect to composition of board of directors, constitution of committees and terms of reference. The SEBI Listing Regulations will be applicable to our Corporation immediately upon the listing of the Equity Shares with the Stock Exchanges. Except as stated below, we are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations in respect of corporate governance including constitution of the Board and committees thereof. Other than in respect of appointment of the required number of independent directors, we are currently in compliance with Corporate Governance Guidelines issued by IRDAI on May 18, 2016, in relation to corporate governance requirements.

Other than in respect of appointment of the required number of independent directors and the terms of reference of Audit Committee and Nomination and Remuneration Committee, our Board and its committees, have been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board or its committee's detailed reports on its performance periodically.

Currently, our Board has six Directors. Our Corporation has an Executive Chairman-cum-Managing Director, two Executive Directors and three Non-Executive Directors including one Independent Directors, on our Board. Further, in compliance with the SEBI Listing Regulations and the Companies Act, 2013, we have two women directors on our Board.

Currently, the board of directors of our Corporation comprises one Independent Director. Our Corporation is wholly-owned by the President of India (acting through the Ministry of Finance) and accordingly, pursuant to the Articles of Association of our Corporation, the Directors are required to be appointed by the President of India.

Pursuant to Regulation 17(1) of the SEBI Listing Regulations, our Board is required to comprise at least 50% Independent Directors. Further, pursuant to paragraph 5.3 of the Corporate Governance Guidelines issued by IRDAI, our Board is required to include a minimum of three Independent Directors.

As on the date of filing of the Draft Red Herring Prospectus, our Corporation is not in compliance with Regulation 17 (1) of the SEBI Listing Regulations and paragraph 5.3 of the Corporate Governance Guidelines issued by IRDAI. Our Corporation has applied to the SEBI for relaxation from the strict enforcement of Schedule VIII Part A (2)(VIII)(E)(7)(a) of the SEBI ICDR Regulations which requires our Corporation to comply with the corporate governance requirements of the SEBI Listing Regulations and has undertaken to comply with such requirements before filing the Red Herring Prospectus.

Further, pursuant to a MCA notification dated June 5, 2015, the Central Government has exempted/ modified the applicability of certain provisions of the Companies Act, 2013 in respect of government companies. In accordance with this notification and our Articles of Association, certain matters including the appointment, remuneration and performance evaluation of our Directors are determined by the President of India. Further, our Statutory Auditors are appointed by the Comptroller and Auditor General of India. Accordingly, the terms of reference of our Nomination and Remuneration Committee and Audit Committee only allow such committees to take on record the actions of the President of India or the Comptroller and Auditor General of India, as the case may be.

Committees of the Board

In addition to the committees of the Board detailed below, our Board of Directors may, from time to time, constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. Ravi Mital
2. Usha Sangwan
3. Segar Sampathkumar.

The Audit Committee was last re-constituted by a resolution dated July 17, 2017.

The terms of reference of the Audit Committee include the following:

(i) To recommend the remuneration of auditors of the Corporation as may be applicable. The Audit Committee shall be directly responsible for oversight of the work of the auditors (internal/statutory/concurrent). In case of statutory audit, the independence of the external auditors shall be ensured;

(ii) To take on record the appointment of statutory auditors, as appointed by the Comptroller and Auditor General of India

(iii) To approve of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) To review and monitor the auditors' independence and performance, and effectiveness of audit process with particular reference to:

  (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

  (b) changes, if any, in accounting policies and practices and reasons for the same;

  (c) major accounting entries involving estimates based on the exercise of judgment by management;

  (d) significant adjustments made in the financial statements arising out of audit findings;

  (e) compliance with listing and other legal requirements relating to financial statements;

  (f) disclosure of any related party transactions; and

  (g) modified opinion(s) in the draft audit report.

(v) To review with the management, the quarterly financial statements before submission to the board of directors for approval;

(vi) the Audit Committee shall oversee the financial statements, financial reporting, statement of cash flow and disclosure processes both on an annual and quarterly basis. It shall set up procedures to address all concerns relating to adequacy of checks and control mechanisms;

(vii) To approve any subsequent modification of any related party transactions of the Corporation as required under applicable law;

(viii) To scrutinize inter-corporate loans and investments, if any;

(ix) To consider valuation of undertakings or assets of our Corporation, wherever it is necessary;

(x) To evaluate internal financial controls and risk management systems;

(xi) To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board of directors to take up steps in this matter;

(xii) To monitor the end use of funds raised through public offers and related matters;

(xiii) To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xiv) To review the adequacy of internal audit function reporting structure coverage and frequency of internal audit. The Audit Committee shall oversee the efficient functioning of the internal audit department and review its reports. The Audit Committee will additionally monitor the progress made in rectification of irregularities and change in processes wherever deficiencies have come to notice;

(xv) To discuss with internal auditors of any significant findings and follow up there on;

(xvi) To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;

(xvii) To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(xviii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(xix) To review the functioning of the whistle blower mechanism;

(xx) To approve of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(xxi) To have the oversight of the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the Corporation, whether raised by the auditors or by any other person;

(xxii) To act as a compliance committee to discuss the level of compliance in the Corporation and any associated risks and to monitor and report to the Board on any significant compliance breaches;

(xxiii) To investigate into any matter above or referred to it by the Board and for this purpose, to have power to obtain professional advice from external sources and have full access to information contained in the records of the Corporation;

(xxiv) To mandatorily review the following information:

(a) management discussion and analysis of financial condition and results of operations;

(b) statement of significant related party transactions (as defined by the audit committee), submitted by management;

(c) management letters / letters of internal control weaknesses issued by the statutory auditors;

(d) internal audit reports relating to internal control weaknesses;

(e) the appointment, removal and terms of remuneration of the chief internal auditor; and

(f) statements of deviations:

(xxv) To submit quarterly statement of deviation(s) including report of monitoring agency, if applicable, to stock exchange(s) in terms of the SEBI Listing Regulations; and

(xxvi) To prepare annual statement of funds utilized for purposes other than those stated in the document/prospectus/notice in terms of the SEBI Listing Regulations.

(xxvii) To perform such other functions and duties as may be required to be performed by the Audit Committee under the applicable provisions of the Companies Act, the rules made thereunder, and/or the SEBI Listing Regulations and the Corporate Governance Guidelines, including any amendment(s) thereto as may be made from time to time and any other function in accordance with any policies adopted by the Board.

The Chairperson of the Audit Committee should be an Independent Director of the Board with an accounting/finance/audit experience and may be a Chartered Accountant or a person with a strong financial analysis background. The association of the person performing the function of the Chief Executive Officer in the Audit Committee should be limited to occasions where the Audit Committee requires eliciting any specific information concerning audit findings. As required under Section 177 of the Companies Act, 2013, the Audit Committee shall comprise a minimum of three directors as members, two-thirds of whom shall be Independent Directors.

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The presence of any two members of the Audit Committee shall constitute the quorum for any meeting of the said Committee

The Company Secretary shall act as the Secretary to the Audit Committee.

The statutory auditors, internal auditors and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditors' report but shall not have the right to vote.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Ravi Mital
2. Usha Sangwan
3. Segar Sampathkumar.

The Nomination and Remuneration Committee was last re-constituted by a resolution dated July 17, 2017

The terms of reference of the Nomination and Remuneration Committee include the following:

(i) The Nomination and Remuneration Committee shall comprise atleast three directors, all of whom shall be Non-Executive directors, and at least fifty percent of the directors shall be independent directors;

(ii) The Chairperson of the Corporation (whether Executive or Non-Executive) may be appointed as a member of the Nomination and Remuneration Committee, but shall not chair such Committee;

(iii) To evaluate the performance of Chairman-cum-Managing Director of the Corporation for the entitlement of Performance Linked Incentives, subject to achievement of broad quantitative parameters fixed for performance evaluation matrix based on the Statement of Intent (SOI) on Goals and qualitative parameters and benchmarks based on various compliance reports during the last fiscal year;

(iv) To take on record the appointment and removal of directors, including independent directors, by the President of India acting through the respective ministries;

(v) To take on record various policies issued by the Government of India including policy on diversity of board of directors and criteria of evaluation of performance of directors; and

(vi) To carry out any other function prescribed under applicable law.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Alice G Vaidyan
2. Ravi Mital
3. Usha Sangwan
4. G. Srinivasan
5. Segar Sampathkumar
6. Y. Ramulu

The Corporate Social Responsibility Committee was last re-constituted by a resolution dated July 17, 2017. The terms of reference of the Corporate Social Responsibility Committee include the following:

(i) The Committee shall formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Corporation;

(ii) The Committee shall recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities;

(iii) The Committee shall monitor the Corporate Social Responsibility Policy of the Corporation from time to time;

(iv) The Committee shall ensure that the expenses incurred on CSR activities should not be charged to the Policyholders' Account; and

(v) To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act and the rules framed thereunder.

Risk Management Committee

The members of the Risk Management Committee are:

1. Alice G Vaidyan
2. Ravi Mital
3. Usha Sangwan
4. G. Srinivasan
5. Segar Sampathkumar
6. Y. Ramulu

The Risk Management Committee was last re-constituted by a resolution dated July 17, 2017. The terms of reference of the Risk Management Committee are as follows:

(i) The Risk Management Committee shall establish effective Risk Management framework and recommend to the Board the Risk Management policy and processes for the organization;

(ii) The Risk Management Committee shall set the risk tolerance limits and assess the cost and benefits associated with risk exposure;

(iii) Review the Corporation's risk - reward performance to align with overall policy objectives;

(iv) Discuss and consider best practices in risk management in the market and advise the respective functions;

(v) Assist the Board of Directors in effective operation of the risk management system by performing specialized analyses and quality reviews;

(vi) Maintain an aggregated view on the risk profile of the Corporation for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, etc.;

(vii) Advise the Board of Directors with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, mergers and acquisitions and related matters;

(viii) Report to the Board of Directors, details on the risk exposures and the actions taken to manage the exposures, review, monitor and challenge where necessary, risks undertaken by the Corporation;

(ix) Review the solvency position of the Corporation on a regular basis;

(x) Monitor and review regular updates on business continuity;

(xi) Formulation of a fraud monitoring policy and framework for approval by the Board of Directors;

(xii) Monitor implementation of anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds;

(xiii) Review compliance with the guidelines on Insurance Fraud Monitoring Framework dated January 21, 2013, issued by the Insurance Regulatory and Development Authority of India; and

(xiv) To carry out any other function, if any, as prescribed in the terms of reference of the Risk Management Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013 or the SEBI Listing Regulations, or by any other regulatory authority.

(xv) To carry out any other function prescribed under applicable law.

Investment Committee

The members of the Investment Committee are:

1. Alice G Vaidyan
2. Ravi Mital
3. Usha.Sangwan
4. G. Srinivasan
5. Segar Sampathkumar
6. Y Ramulu
7. Vimal Chand Jain
8. S. Tripathy
9. Madhulika Bhaskar
10. Priscilla Sinha

The Investment Committee was last re-constituted by a resolution dated July 17, 2017.

The terms of reference of the Investment Committee of our Corporation include the following:

(i) The Investment Committee shall comprise at least two Non-Executive directors, and the persons performing the functions of the Chief Executive Officer, Chief of Finance, Chief of Investment, Chief Risk Officer and, the Appointed Actuary.

(ii) The Investment Committee shall be responsible to recommend investment policy and lay down the operational framework for the investment operations of the insurer. The policy should focus on a prudential Asset Liability Management (ALM) supported by robust internal control systems. The investment policy and operational framework should, inter alia, encompass aspects concerning liquidity for smooth operations, compliance with prudential regulatory norms on investments, risk management / mitigation strategies to ensure commensurate yield on investments and above all protection of policyholders' funds.

(iii) The Investment Committee shall be responsible for implementing the Investment Policy duly approved by the Board of Directors.

(iv) The Investment Committee should independently review its investment decisions and ensure that support by the internal due diligence process is an input in making appropriate investment decisions. For assessment of credit risk and market risk, the Investment Committee should not be influenced only by the credit rating.

(v) The committee shall put in place an effective reporting system to ensure compliance with the Investment Policy set out by it apart from Internal/Concurrent Audit mechanisms for a sustained and on-going monitoring of Investment Operations;

(vi) The Investment Committee shall meet at least once in a quarter to review investment operations and submit a report to the Board of Directors on the performance of investment portfolio with regard to its safety and soundness; and

(vii) To carry out any other function prescribed under applicable law.

Ethics Committee

The members of the Ethics Committee are:

1. Alice G Vaidyan
2. Ravi Mital
3. Usha Sangwan
4. G. Srinivasan

The Ethics Committee was last re-constituted by a resolution dated July 17, 2017. The role of the Ethics Committee is to assist our Board to *inter alia* supervise, monitor matters and approve compliance programmes. The scope and functions of the Ethics Committee are to provide advisory services. The terms of reference of the Ethics Committee of our Corporation include the following:

(i) Monitoring the compliance function and the Corporation's risk profile in respect of compliance with external laws and regulations and internal policies, including its code of ethics or conduct;

(ii) Receiving reports on the above and on proactive compliance activities aimed at increasing the Corporation's ability to meet its legal and ethical obligations, on identified weaknesses, lapses, breaches or violations and the controls and other measures in place to help detect and address the same;

(iii) Supervising and monitoring matters reported using the whistle blowing or other confidential mechanisms for employees and others to report ethical and compliance concerns or potential breaches or violations;

(iv) Advising the Board of Directors on the effect of the above on the Corporation's conduct of business and helping the board set the correct "tone at the top" by communicating, or supporting the communication, at all levels of the insurer of the importance of ethics and compliance; and

(v) Approving compliance programmes, reviewing their effectiveness on a regular basis and signing off on any material compliance issues or matters.

Stakeholders Relationship Committee

The members of the Stakeholders Relationship Committee are:

1. Alice G Vaidyan;
2. Usha Sangwan; and
3. Y. Ramulu.

The Stakeholders Relationship Committee was constituted by Board resolution dated August 4, 2017. The terms of reference of the Stakeholders Relationship Committee of our Corporation include the following:

1. Consider and resolve grievances of security holders of our Corporation, including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;

2. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares or any other securities;

3. Issue of duplicate certificates and new certificates on split / consolidation / renewal;

4. Allotment of shares and securities; and

5. Carrying out any other function as may be decided by our Board or prescribed under the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations Disclosure Requirements) Regulations, or by any other regulatory authority.

Other committees of the management are as follows:

1. Underwriting Committee;

2. Executive Committee;

3. Asset Liability Management Committee;

4. Risk Management Committee;

5. Finance and Investment Committee;

6. Information Technology Committee;

7. Ethics Committee; and

8. Corporate Social Responsibility Committee.

OUR PROMOTER

Our Promoter is the President of India, acting through the Ministry of Finance. Our Promoter currently holds, directly and indirectly (through his nominees), 100% of the pre-Offer paid-up Equity Share capital of our Corporation. Assuming the sale and subscription of all the Equity Shares offered in the Offer, our Promoter shall hold around [•] % of the post-Offer paid-up Equity Share capital of our Corporation. As our Promoter is the President of India, acting through the Ministry of Finance, disclosures on the Promoter Group (defined in Regulation 2(zb) of the SEBI ICDR Regulations), as specified in the Schedule VIII of the SEBI ICDR Regulations have not been provided.

OUR GROUP COMPANIES

Pursuant to resolution dated August 4, 2017, our Board has noted that in accordance with the SEBI ICDR Regulations, Group Companies shall include companies covered under applicable accounting standards and such other companies as considered material by our Board. Our Board has approved that for the purpose of disclosure in connection with the Offer, a company shall be considered material and disclosed as a Group Company if a material adverse change in such company, can lead to a material adverse effect on our Corporation, our revenues and profitability. Pursuant to the aforesaid resolution, our Board has approved that other than companies which constitute part of the related parties of our Corporation in accordance with the applicable accounting standards (AS 21) as per the Restated Consolidated Financial Information of our Corporation as of and for the Fiscal Year 2017 (except such companies that are consolidated in accordance with AS 18 of our Corporation), there are no material group companies of our Corporation. Accordingly, we have set out below the details of our Group Companies which have also been disclosed in this Draft Red Herring Prospectus in "*Financial Statements*" beginning on page 187.

The following companies are our Group Companies:

1. India International Pte. Limited;

2. Agriculture Insurance Company of India Limited; and

3. GIC Bhutan Re Limited

Details of our Group Companies:

1. **India International Pte. Limited, Singapore**

   Corporate Information

   India International Pte. Limited was incorporated on December 3, 1987 as a private company limited by shares, in Singapore and is engaged in the business of insurance and reinsurance.

   Interest of the Promoter

   Our Promoter holds 20% of the total issued and paid up equity share capital of India International Pte. Limited.

2. **Agriculture Insurance Company of India Limited**

   Corporate Information

   Agriculture Insurance Company of India Limited was incorporated on December 20, 2002 as a public limited company, in Delhi, India and is engaged in the business of crop insurance.

   Interest of the Promoter

   Our Promoter, through our Corporation, holds 35% of total issued and paid up equity share capital of Agriculture Insurance Company of India Limited.

   GIC Bhutan Re Limited, Bhutan

   Corporate Information

   GIC Bhutan Re Limited was incorporated on May 16, 2013 in Bhutan. GIC Bhutan Re Limited is engaged in the business of reinsurance.

   Interest of the Promoter

   Our Promoter, through our Corporation, holds 26% of the total issued and paid up equity share capital of GIC Bhutan Re Limited

Nature and Extent of Interest of our Group Companies

- ***In the promotion of our Corporation***

  None of our Group Companies have any interest in the promotion of our Corporation.

- ***In the properties acquired or proposed to be acquired by our Corporation in the past two years before filing this Draft Red Herring Prospectus***

None of our Group Companies is interested in the properties acquired by our Corporation in the two years preceding the filing of this Draft Red Herring Prospectus, or proposed to be acquired.

- ***In transactions for acquisition of land, construction of building and supply of machinery***

  None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits between our Group Companies and our Corporation

We have common pursuits with GIC Bhutan Re Limited and India International which are also engaged in the reinsurance business.

India International has common pursuits with our Corporation in the form of facultative reinsurance inward business and reinsurance arrangements with our Corporation in the form of marine and non-marine treaties.

Except as mentioned above, there are no common pursuits among any of our Group Companies and our Corporation.

Related Business Transactions within our Group Companies and significance on the financial performance of our Corporation

For details in relation to business transactions, see "*Related Party Transactions*" beginning on page 185.

Significant Sale / Purchase with our Group Companies and our Subsidiaries

Except as disclosed in "*Related Party Transactions*" on page 185, our Corporation is not involved in any sales or purchases with any of our Group Companies or our Subsidiaries where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Corporation.

Business Interest of Group Companies

Except as disclosed above and in "*Related Party Transactions*" on page 185**,** our Group Companies do not have any business interest in our Corporation.

Defunct Group Companies

None of our Group Companies remain defunct and no application has been made to the relevant registrar of companies for striking off the name of any of our Group Companies, during the five years preceding the date of this Draft Red Herring Prospectus.

Other Confirmations

None of our Group Companies have incurred a loss in the immediately preceding fiscal year.

Except for GIC Bhutan Re Limited which is a listed on Royal Securities of Bhutan Limited, no equity shares of our Group Companies are listed on any stock exchange.

Except for GIC Bhutan Re Limited, which made a public issue in 2014, none of our Group Companies have made any public or rights issue of securities in the preceding three years.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the last five Fiscal Years, as per the requirements under Accounting Standard 18 "Related Party Disclosures", see "*Financial Statements - Annexure – XXIX - Restated Standalone Statement of Related Party Transactions*" and "*Financial Statements - Annexure - XXIX - Restated Consolidated Statement of Related Party Transactions*" from pages 291 and 385, respectively.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Pursuant to the office memorandum dated January 5, 2016 issued by Ministry of Finance, Ministry of Economic Affairs, our Corporation is required to pay an annual dividend of 30% of PAT or 30% of Government of India's equity, whichever is higher. Further due account should be taken of cash and free reserves and accordingly special dividend would need to be paid to the Government of India. Additionally, central public sector enterprise with large cash and free reserves and sustainable profit may issue bonus shares.

The amounts paid as dividends in the past are not necessarily indicative of our Corporation's dividend policy or dividend amounts, if any, in the future. For details of risks in relation to our capability to pay dividend, see "*Risk Factors – Our ability to pay dividends in the future will depend on number of factors, including our profit after tax for the fiscal year, our capital requirements, our financial condition, our cash flows and applicable taxes, including dividend distribution tax payable by our Corporation, and the payments will be subject to the CPSE Capital Restructuring Guidelines*" on page 39. The details of dividend paid by our Corporation in the last five Fiscal Years are given below:

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Face value per share (in ₹)#	1	1	1	1	1
Dividend (in ₹ million)	8,600.00	5,400.00	3,311.00	5,869.50	-
Rate of dividend (%)	200%	125.58%	77.00%	136.50%	0.00%
Dividend Tax (in ₹ million)	1,750.79	1,099.33	562.70	997.53	-

#Face value changed to ₹ 5 with effect from August 4, 2017.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

To,

The Board of Directors of

GENERAL INSURANCE CORPORATION OF INDIA

1. We have examined the attached Restated Standalone Summary Financial Information of General Insurance Corporation of India (the 'Corporation') which comprise of the Restated Standalone Summary Statement of Assets and Liabilities as at 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013, the Restated Standalone Summary Statement of Revenue Accounts of Fire, Miscellaneous, Marine and Life Insurance, the Restated Standalone Summary Statement of Profit and Loss Account, the Restated Standalone Summary Statement of Cash Flows and Other Financial Information (as described more in detail in paragraph 6 below, referred as "Other Restated Standalone Summary Financial Information") for the years ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013 and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Corporation on 4th August 2017, prepared by the management of the Corporation in terms of the requirements of:

    a) Section 26(1)(b) of the Companies Act, 2013 ("the Act") read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");

    b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, in pursuance of provisions of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations")

    c) the Issuance of capital by Indian Insurance Companies transacting Other than Life Insurance Business Regulations, 2015– Disclosure Requirements issued by the Insurance Regulatory and Development Authority of India (the 'IRDAI Regulations'); and

    d) the Guidance Note on Reports in Company's Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI') (Guidance Note) to the extent applicable in connection with the proposed issue of equity shares of the Corporation by way of an offer for sale by the selling shareholders.

2. The preparation of the Restated Standalone Financial Information is the responsibility of the Management of the Corporation for the purpose set out in paragraph 10 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Corporation complies with the Act, the Rules, the IRDAI Regulations and ICDR Regulations.

3. We have examined such Restated Standalone Financial Information taking into consideration:

    a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 15th June 2017 in connection with the proposed issue of equity shares of the Corporation;

    b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI ("The Guidance Note"); and

    c) Disclosure requirements as per IRDA (Preparation of Financial Statements & Auditor's Report of Insurance Companies) Regulations, 2000.

4. The Restated Standalone Summary Financial Information have been extracted by the Corporation's Management from the Corporation's standalone audited financial statements for the years ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013. The standalone financial statements for year ended 31st March 2013 were audited jointly by Manubhai & Shah (previously known as Manubhai & Co.), Chartered Accountants and Contractor Nayak & Kishnadwala, Chartered Accountants and accordingly for the purpose of the Restated Standalone Summary Financial Information we have placed reliance on the standalone financial statements audited by them and the financial report included for the year ended 31st March 2013 is based solely on the report submitted by them. The standalone financial statements for years ended 31st March 2014 and 31st March 2015 were audited jointly by Manubhai & Shah, Chartered Accountants and G B C A & Associates (previously known as Ghalla & Bhansali), Chartered Accountants and accordingly for the purpose of the Restated Standalone Summary Financial information we have placed reliance on the standalone financial statements audited by them and the financial report included for the years 31st March 2014 and 31st March 2015 are based solely on the reports submitted by them.

5. In accordance with the requirements of Section 26 (1) (b) of the Companies Act, 2013 read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations, the IRDAI regulations and the Guidance Note, as amended from time to time, we report that:

    a) The Restated Standalone Summary Statement of Assets and Liabilities as at 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013, examined by us, as set out in Annexure III to this report read with the summary of significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Standalone Summary Financial Statements enclosed as Annexure VI to this report. For the year ended 31st March 2013, reliance has been placed by Samria & Co, Chartered Accountants and GBCA & Associates, on the financial statements audited jointly by Manubhai & Shah (previously known as Manubhai & Co.), Chartered Accountants and Contractor Nayak & Kishnadwala, Chartered Accountants, and for the years ended 31st March 2014 and 31st March 2015, reliance has been placed by Samria & Co., Chartered Accountants on the financial statements audited jointly by Manubhai & Shah, Chartered Accountants and G B C A & Associates (Previously known as Ghalla & Bhansali), Chartered Accountants. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Corporation for the relevant financial years.

    b) The Restated Standalone Summary Statement of Revenue Account and Restated Standalone Summary Statement of Profit and Loss Account for the years ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013 as set out in Annexure I and Annexure II to this report read with the summary of significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Standalone Summary Financial Statements enclosed as Annexure VI to this report. For the year ended 31 March 2013, reliance has been placed by Samria & Co, Chartered Accountants and G B C A & Associates, on the financial statements audited jointly by Manubhai & Shah (previously known as Manubhai & Co.), Chartered Accountants and Contractor Nayak & Kishnadwala, Chartered Accountants, and for the years ended 31st March 2014 and 31st March 2015, reliance has been placed by Samria & Co., Chartered Accountants on the financial statements audited jointly by Manubhai & Shah, Chartered Accountants and GBCA & Associates (previously known as Ghalla & Bhansali), Chartered Accountants. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Corporation for the relevant financial years.

c) The Restated Standalone Summary Statement of Cash Flows for the years ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013 as set out in Annexure IV to this report read with the summary of significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Standalone Summary Financial Statements enclosed as Annexure VI to this report. For the year ended 31st March 2013, reliance has been placed by Samria & Co, Chartered Accountants and G B C A & Associates, on the financial statements audited jointly by Manubhai & Shah (previously known as Manubhai & Co.), Chartered Accountants and Contractor Nayak & Kishnadwala, Chartered Accountants, and for the years ended 31st March 2014 and 31st March 2015, reliance has been placed by Samria & Co., Chartered Accountants on the financial statements audited jointly by Manubhai & Shah, Chartered Accountants and GBCA & Associates (Previously known as Ghalla & Bhansali), Chartered Accountants. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Corporation for the relevant financial years.

d) We draw attention to the fact that the Joint Auditors report on the standalone financial statements of the Corporation for the years ended 31st March 2017, 31st March 2016 and 31st March 2015 has, without qualifying the opinion, drawn attention to the following matter in the report for those years:

"We did not audit the financial statements / information of three foreign branches and one foreign representative office included in the standalone financial statements of the Corporation whose financial statements / financial information is considered in the standalone financial statements. The financial statements / information of these branches and representative office have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches and office, is based solely on the report of such other auditors."

e) We draw attention to the fact that the Joint Auditors report on the standalone financial statements of the Corporation for the years ended 31st March 2016 has, without qualifying the opinion, drawn attention to the following matter in the report for those years:

a) "We draw attention to Note No. 3(c) to the financial statement in respect of applicability of prudential norms for provision on investment in State Government Securities for the reason stated in the said note."

Note No. 3(c) provides for follows:
Pending clarification from IRDAI in respect of applicability of prudential norms, as prescribed by RBI, for provisions on investment in State Government Securities, the Corporation has followed the prudential norms of provisions for loans and advances as prescribed by IRDAI for the said investments.

b) "We draw attention to Note no. 45 to the financial statement in respect of fraud on the Dubai branch of the Corporation, on account of the unauthorized bank transfer."

Note No. 45 provides for follows:
The Dubai Branch of the Corporation had faced a case of internet fraud which had resulted in improper transfer of USD 1,427,040 from the Branch office USD Account with Bank of Baroda, Dubai BO to PNC Bank A/C of Washington, US. Through concerted efforts, the amount of USD 1,427,025 (USD 1,427,040 less bank charges of USD 25) was recovered and remitted back to

the account with Bank of Baroda Dubai BO on 20.08.2016. The said amount is placed in a fixed deposit with the said Bank since recovery.

f) We draw attention to the fact that the Joint Auditors report on the standalone financial statements of the Corporation for the years ended 31st March 2015 and 31st March, 2014 have, without qualifying the opinion, drawn attention to the following matter in the report for those years:

"We draw attention to Note No. 3(c) to the financial statement in respect of applicability of prudential norms for provision on investment in State Government Securities for the reason stated in the said note."

Note No. 3(c) provides for follows:
Pending clarification from IRDAI in respect of applicability of prudential norms, as prescribed by RBI, for provisions on investment in State Government Securities, the Corporation has followed the prudential norms of provisions for loans and advances as prescribed by IRDAI for the said investments.

g) We draw attention to the comments of the Comptroller and Auditor General of India under section 143(6)(b) of The Companies Act, 2013 on the Financial statements for the year ended 31 March 2016:

"The Current assets and current liabilities included Rs.5547.53 crore (Rs. 55,475.32 million) representing 'Terrorism Pool (TP) Assets' and 'Terrorism Pool (TP) Liabilities' respectively. The Company is only a manager to the Indian Market Terrorism Risk Insurance Pool and the TP Assets and the TP liabilities do not belong to the Company, except to the extent of GIC's share which is separately reflected in the financial statements. The inclusion of entire TP Assets & TP Liabilities under the head Current Assets and Current Liabilities have respectively resulted in the overstatement of both Current Assets and Current Liabilities by Rs.5547.53 crore" (Rs. 55,475.32 million).

The Corporation has addressed this issue in the financial statements for the year ended 31st March 2017 and similar adjustments have been made in the restated standalone summary financial information for the year ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013.

h) Based on the above and according to the information and explanations given to us, and also based on the reliance placed on the standalone financial statements audited jointly by Manubhai & Shah, Chartered Accountants and G B C A & Associates (Previously known as Ghalla & Bhansali), Chartered Accountants, for the years ended 31st March 2015 and 31st March 2014 and audited jointly by Manubhai & Shah (previously known as Manubhai & Co.), Chartered Accountants and Contractor, Nayak & Kishnadwala, Chartered Accountants, for the year ended 31st March 2013, we further report that the Restated Standalone Summary Financial Information:

   i. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods based on the significant accounting policies adopted by the Corporation as at 31st March 2017;

   ii. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate to; and

iii. do not contain any extra-ordinary items that need to be disclosed separately other than those presented in the Restated Standalone Summary Financial Information and do not contain any qualifications requiring adjustments.

6. We have also examined the following Other Restated Standalone Summary Financial Information of the Corporation, proposed to be included in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, as set out in the Annexures prepared by the management of the Corporation and approved by the Board of Directors on 4th August 2017, relating to the Corporation for the years ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013:

i. Notes on Adjustments for Restated Standalone Summary Financial Information, included in Annexure VI;

ii. Restated Standalone Statement of Accounting Ratios, included in Annexure VII;

iii. Restated Standalone Statement on Segment Disclosure, included in Annexure VIII;

iv. Restated Standalone Statement of Premium Income, included in Annexure IX;

v. Restated Standalone Statement of Claims Incurred, included in Annexure X;

vi. Restated Standalone Statement of Commission Expenses, included in Annexure XI;

vii. Restated Standalone Statement of Operating Expenses related to Insurance Business, included in Annexure XII;

viii. Restated Standalone Statement of Share Capital, included in Annexure XIII;

ix. Restated Standalone Statement of Pattern of Shareholding, included in Annexure XIII A;

x. Restated Standalone Statement of Reserves and Surplus, included in Annexure XIV;

xi. Restated Standalone Statement of Borrowings, included in Annexure XV;

xii. Restated Standalone Statement of Investments – Shareholders' Fund, included in Annexure XVI;

xiii. Restated Standalone Statement of Investments – Policyholders' Fund, included in Annexure XVIA;

xiv. Restated Standalone Statement of Loans, included in Annexure XVII;

xv. Restated Standalone Statement of Fixed Assets, included in Annexure XVIII;

xvi. Restated Standalone Statement of Cash and Bank Balances, included in Annexure XIX;

xvii. Restated Standalone Statement of Advances and Other Assets, included in Annexure XX;

xviii. Restated Standalone Statement of Current Liabilities, included in Annexure XXI

xix. Restated Standalone Statement of Provisions, included in Annexure XXII;

xx. Restated Standalone Statement of Miscellaneous Expenditure, included in Annexure XXIII;

xxi. Restated Standalone Statement of Other Income, included in Annexure XXIV;

xxii. Restated Standalone Statement of Capitalisation, included in Annexure XXV;

xxiii. Restated Standalone Statement of Tax Shelter, included in Annexure XXVI.

xxiv. Restated Standalone Statement of Debtors, included in Annexure XXVII;

xxv. Restated Standalone Statement of Dividend- Paid, included in Annexure XXVIII;

xxvi. Restated Standalone Statement of Related Party Transactions, included in Annexure XXIX;

xxvii. Restated Standalone Statement of Aggregate Book Value and Market Value of Quoted Investments, included in Annexure XXX.

7. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or other firms of Chartered Accountants, nor should this report be construed as an opinion on any of the standalone financial statements referred to herein.

8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

9. According to the information and explanations given to us, in our opinion, the above Restated Standalone Summary Financial Information contained in Annexure I to Annexure XXX accompanying this report read along with the Summary of Significant Accounting Policies in Annexure V and Notes on Adjustments for Restated Standalone Summary Financial Statements enclosed as Annexure VI to this report are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable, SEBI Regulations, ICDR Regulations, IRDAI Regulations and the Guidance note issued in this regard by the ICAI, as amended from time to time.

10. Our report is intended solely for use of the management and for inclusion in the Draft Red Herring Prospectus, Red Herring Prospects and the Prospectus in connection with the proposed issue of equity shares of the Corporation. Our report should not be used, referred to or distributed for any other purpose except with our consent in writing.

For, G B C A & ASSOCIATES
CHARTERED ACCOUNTANTS
ICAI FIRM REGN. NO.103142W

SANJEEV LALAN
PARTNER
MEMBERSHIP No. 045329

For, SAMRIA & CO.
CHARTERED ACCOUNTANTS
ICAI FIRM REGN. NO. 109043W

ADHAR SAMRIA
PARTNER
MEMBESHIPNO.049174

Place: Mumbai

Date: August 4, 2017

Annexure I
Restated Standalone Summary Statement of Revenue Account

In Respect of Fire Insurance Business

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1.	Premiums earned (Net)	55,492.70	45,175.63	39,664.26	36,682.89	34,313.23
2.	Profit on sale of Investments (Net)	3,779.86	3,352.02	4,559.85	2,610.22	2,678.27
3.	Forex Gain/(Loss)	(113.06)	478.33	(202.82)	638.57	301.56
4.	Interest, Dividend & Rent - Gross	6,244.37	5,543.28	6,112.70	5,697.64	5,012.07
	Total (A)	65,403.87	54,549.26	50,133.99	45,629.32	42,305.13
1.	Claims Incurred (Net)	43,877.47	34,492.17	26,538.92	37,356.71	30,063.58
2.	Commission (Net)	16,070.99	12,444.71	9,632.40	7,485.30	8,237.52
3.	Operating Expenses related to Insurance Business	624.89	680.12	541.98	643.28	353.30
4.	Expenses relating to Investments	8.36	7.09	8.10	5.98	11.06
5.	Premium Deficiency	-	-	-	-	-
	Total (B)	60,581.71	47,624.09	36,721.40	45,491.27	38,665.46
	Operating Profit /- Loss from Fire Business C = (A-B)	4,822.16	6,925.17	13,412.59	138.05	3,639.67
	APPROPRIATIONS					
	Transfer to Shareholders' Account	4,822.16	6,925.17	13,412.59	138.05	3,639.67
	Transfer to Catastrophe Reserve	-	-	-	-	-
	Transfer to Other Reserves (to be specified)	-	-	-	-	-
	Total (C)	4,822.16	6,925.17	13,412.59	138.05	3,639.67

As required by Section 40C (2) of the Insurance Act, 1938, we certify that, all expenses of management, wherever incurred, whether directly or indirectly, in respect of Fire Insurance Business have been fully debited in the Fire Insurance Revenue Accounts as expenses.

In Respect of Miscellaneous Insurance Business

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1.	Premiums earned (Net)	196,207.14	95,373.92	85,396.02	88,460.93	86,238.84
2.	Profit on sale of Investments (Net)	6,453.89	5,921.12	7,070.87	4,548.92	4,107.96
3.	Forex Gain/(Loss)	(160.52)	889.79	(310.83)	1,477.64	799.37
4.	Interest, Dividend & Rent - Gross	10,661.88	9,791.81	9,478.85	9,929.45	7,687.55
	Total (A)	213,162.39	111,976.64	101,634.91	104,416.94	98,833.72
1.	Claims Incurred (Net)	161,627.88	86,478.47	81,526.95	77,092.51	72,807.27
2.	Commission (Net)	35,781.63	20,633.98	16,114.75	14,997.59	18,475.71
3.	Operating Expenses related to Insurance Business	1,680.51	1,027.26	942.80	1,005.37	670.62
4.	Expenses relating to Investments	14.27	12.52	12.57	10.43	16.97
5.	Premium Deficiency	-	-	-	-	(1,414.67)
	Total (B)	199,104.29	108,152.23	98,597.07	93,105.90	90,555.90
	Operating Profit/-Loss from Miscellaneous Business C = (A-B)	14,058.10	3,824.41	3,037.84	11,311.04	8,277.82
	APPROPRIATIONS					
	Transfer to Shareholders' Account	14,058.10	3,824.41	3,037.84	11,311.04	8,277.82
	Transfer to Catastrophe Reserve	-	-	-	-	-
	Transfer to Other Reserves (to be specified)	-	-	-	-	-
	Total (C)	14,058.10	3,824.41	3,037.84	11,311.04	8,277.82

As required by Section 40C (2) of the Insurance Act, 1938, we certify that, all expenses of management, wherever incurred, whether directly or indirectly, in respect of Miscellaneous Insurance Business have been fully debited in the Fire Insurance Revenue Accounts as expenses.

In Respect of Marine Insurance Business

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1.	Premiums earned (Net)	9,086.62	9,181.11	9,226.77	9,956.65	11,464.85
2.	Profit on sale of Investments (Net)	844.00	901.85	943.29	667.82	766.17
3.	Forex Gain/(Loss)	(23.19)	138.96	(51.92)	187.60	147.12
4.	Interest, Dividend & Rent - Gross	1,394.30	1,491.40	1,264.52	1,457.72	1,433.80
	Total (A)	11,301.73	11,713.32	11,382.66	12,269.79	13,811.94
1.	Claims Incurred (Net)	7,567.56	6,328.00	9,919.18	5,621.28	6,073.10
2.	Commission (Net)	1,575.58	1,830.00	1,985.32	2,032.27	2,355.20
3.	Operating Expenses related to Insurance Business	63.27	74.42	86.52	99.82	73.73
4.	Expenses relating to Investments	1.87	1.91	1.68	1.53	3.16
5.	Premium Deficiency	-	(584.60)	584.60	-	-
	Total (B)	9,208.28	7,649.73	12,577.30	7,754.90	8,505.19
	Operating Profit/-Loss from Marine Business C = (A-B)	2,093.45	4,063.59	(1,194.64)	4,514.89	5,306.75
	APPROPRIATIONS					
	Transfer to Shareholders' Account	2,093.45	4,063.59	(1,194.64)	4,514.89	5,306.75
	Transfer to Catastrophe Reserve	-	-	-	-	-
	Transfer to Other Reserves (to be specified)	-	-	-	-	-
	Total (C)	2,093.45	4,063.59	(1,194.64)	4,514.89	5,306.75

As required by Section 40C (2) of the Insurance Act, 1938, we certify that, all expenses of management, wherever incurred, whether directly or indirectly, in respect of Marine Insurance Business have been fully debited in the Fire Insurance Revenue Accounts as expenses.

In Respect of Life Insurance Business

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1.	Premiums earned (Net)	2,349.74	2,375.57	1,304.31	1,059.99	491.15
2.	Profit on sale of Investments (Net)	35.90	46.77	50.58	22.71	11.19
3.	Forex Gain/(Loss)	(0.70)	6.94	(2.56)	7.62	1.37
4.	Interest, Dividend & Rent - Gross	59.31	77.35	67.80	49.57	20.93
	Total (A)	2,444.25	2,506.63	1,420.13	1,139.89	524.64
1.	Claims Incurred (Net)	3,447.33	1,699.96	932.67	1,002.44	479.43
2.	Commission (Net)	61.10	76.40	77.43	52.65	16.27
3.	Operating Expenses related to Insurance Business	23.67	21.57	15.95	14.84	5.86
4.	Expenses relating to Investments	0.08	0.10	0.09	0.05	0.05
5.	Premium Deficiency	-	-	-	-	-
	Total (B)	3,532.18	1,798.03	1,026.14	1,069.98	501.61
	Operating Profit/-Loss from Life Business C = (A-B)	(1,087.93)	708.60	393.99	69.91	23.03
	APPROPRIATIONS					
	Transfer to Shareholders' Account	(1,087.93)	708.60	393.99	69.91	23.03
	Transfer to Catastrophe Reserve	-	-	-	-	-
	Transfer to Other Reserves (to be specified)	-	-	-	-	-
	Total (C)	(1,087.93)	708.60	393.99	69.91	23.03

As required by Section 40C (2) of the Insurance Act, 1938, we certify that, all expenses of management, wherever incurred, whether directly or indirectly, in respect of Life Insurance Business have been fully debited in the Life Insurance Revenue Accounts as expenses.

As per our report of even date

For GBCA & ASSOCIATES
Chartered Accountants
Firm Regn No. 103142W

For SAMRIA & CO
Chartered Accountants
Firm Regn No. 109043W

Chairman-cum-Managing Director

Director

SANJEEV LALAN
Partner
Membership No.: 045329

ADHAR SAMRIA
Partner
Membership No:049174

Director

Director

Director & GM

Director & GM

GM Finance & CFO

Company Secretary

Place: Mumbai
Date: 04.08.2017

Annexure II
Restated Standalone Summary of Profit and Loss Account

(Amount in ₹ million)

Particulars	For the year ended				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1. Operating Profit/-Loss					
(a) Fire Insurance	4,822.16	6,925.17	13,412.59	138.05	3,639.67
(b) Marine Insurance	2,093.45	4,063.59	(1,194.64)	4,514.89	5,306.75
(c) Miscellaneous Insurance	14,058.10	3,824.41	3,037.84	11,311.04	8,277.82
(d) Life Insurance	(1,087.93)	708.60	393.99	69.91	23.03
2. Income from Investments	-	-	-	-	-
(a) Interest, Dividend & Rent - Gross	10,206.00	8,987.26	7,450.90	6,756.12	4,731.56
(b) Profit on sale of Investments	6,177.93	5,434.60	5,558.10	3,095.14	2,528.38
Less: Loss of sale of Investment	-	-	-	-	-
3. Other Income:	-	-	-	-	-
Profit on Exchange	-	806.67	-	1,009.71	288.60
Profit on sale of Assets (Net)	-	-	(0.32)	-	-
Sundry Balances Written Back (Net)	-	-	-	-	-
Interest on Income-tax Refund	166.82	-	2,327.67	54.70	307.53
Motor Pool Service changrs	-	-	-	32.36	-
(Provision) / Doubtful Debts written back	-	1,578.53	-	-	-
Miscellaneous Receipts	5.26	11.95	9.21	3.17	7.86
Total (A)	36,441.79	32,340.78	30,995.34	26,985.09	25,111.20
4. Provision for Doubtful Loans & Investment	293.99	420.09	32.01	1,248.85	95.68
5 Provision for Doubtful Debts	2,301.65	-	1,075.12	-	-
6 Amortisation of premium on Investments	185.15	185.61	181.03	200.69	188.51
7 Diminution in the value of investments written off	556.44	1,359.92	588.08	1,111.49	32.28
8 Other Expenses :	-	-	-	-	-
Expenses relating to Investments	13.66	11.49	9.88	7.09	10.44
Loss on Exchange	167.30	-	291.31	-	-
(Profit)/Loss on sale of Assets (Net)	4.92	(1.07)	-	(0.20)	(0.07)
Sundry Balances Written off (Net)	-	-	-	-	-
Interest Motor Pool & Others	56.16	7.52	318.01	1,368.40	1,681.57
Corporate Social Responsibility Expenses	160.27	490.94	179.48	-	-
Total (B)	3,739.54	2,474.50	2,674.92	3,936.32	2,008.41
Profit Before Tax	32,702.25	29,866.28	28,320.42	23,048.77	23,102.79
Provision for Taxation :	-	-	-	-	-
Current Tax	6,190.00	5,380.00	5,170.00	4,120.00	4,040.00
Wealth Tax	-	-	11.36	4.18	2.03
MAT Credit	(1,908.13)	(1,937.60)	(5,083.44)	(4,120.00)	(3,815.23)
Deferred Tax	(52.55)	(23.96)	180.94	(173.83)	(12.65)
Provision for Tax in respect of earlier years	(224.94)	(101.34)	14.71	-	-
MAT Credit of earlier year	119.32	-	-	-	-
Profit After Tax	28,578.52	26,549.18	28,026.85	23,218.42	22,888.64
Appropriations	-	-	-	-	-
(a) Balance brought forward from last year	9,635.64	7,718.80	4,003.67	(4,134.91)	(24,678.93)
(b) Interim dividend	-	-	-	1,182.50	-
(c) Proposed Final dividend	-	-	-	-	-
(d) Dividend distribution tax	-	-	-	200.97	-
Dividend Paid	8,600.00	5,400.00	3,311.00	4,687.00	-
Dividend distribution Tax Paid	1,750.79	1,099.33	562.70	796.56	-
(e) Transfer to General Reserve	-	18,133.00	20,438.00	8,212.79	2,344.62
Balance carried forward to Balance Sheet	27,863.41	9,635.65	7,718.82	4,003.69	(4,134.91)

As per our report of even date

For GBCA & ASSOCIATES
Chartered Accountants
Firm Regn No. 103142W

For SAMRIA & CO
Chartered Accountants
Firm Regn No. 109043W

Chairman-cum-Managing Director

Director

SANJEEV LALAN
Partner
Membership No.: 045329

ADHAR SAMRIA
Partner
Membership No:049174

Director

Director

Director & GM

Director & GM

GM Finance & CFO

Company Secretary

Place: Mumbai
Date: 04.08.2017

Annexure III
Restated Standalone Summary of Assets and Liabilities

(Amount in ₹ million)

Particulars	For the year ended				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
SOURCES OF FUNDS					
Share Capital	4,300.00	4,300.00	4,300.00	4,300.00	4,300.00
Reserves and Surplus	180,606.39	167,515.92	145,217.47	122,386.49	101,104.91
Borrowings	-	-	-	-	-
Deferred Tax Liability	-	-	-	-	-
Fair Value Change Account	300,363.15	234,559.84	281,468.68	205,319.37	175,985.68
Total	485,269.54	406,375.76	430,986.15	332,005.86	281,390.59
APPLICATION OF FUNDS					
Investments	647,449.21	544,412.14	557,250.86	456,877.40	399,986.26
Loans	3,221.25	3,657.76	3,938.45	4,240.51	4,629.11
Fixed Assets	1,687.90	1,752.18	1,420.95	1,181.18	565.72
Deferred Tax Asset	132.59	79.98	56.04	236.99	63.15
Current Assets:					
Cash and Bank Balances	121,907.65	97,614.01	77,280.87	82,639.20	82,342.79
Advances and Other Assets	175,329.80	94,258.31	94,604.47	84,846.73	78,068.92
Sub-Total (A)	297,237.45	191,872.32	171,885.34	167,485.94	160,411.71
Current Liabilities	332,634.40	244,700.60	225,187.17	224,251.85	208,434.22
Provisions	131,824.46	90,698.03	78,378.32	73,764.30	75,831.15
Sub-Total (B)	464,458.86	335,398.63	303,565.49	298,016.15	284,265.37
Net Current Assets (C)=(A-B)	(167,221.41)	(143,526.31)	(131,680.15)	(130,530.21)	(123,853.65)
Miscellaneous Expenditure	-	-	-	-	-
Total	485,269.54	406,375.76	430,986.15	332,005.86	281,390.59
CONTINGENT LIABILITIES	33,174.27	27,645.16	30,860.68	30,360.72	26,115.21

As per our report of even date

For GBCA & ASSOCIATES
Chartered Accountants
Firm Regn No. 103142W

For SAMRIA & CO
Chartered Accountants
Firm Regn No. 109043W

Chairman-cum-Managing Director

Director

SANJEEV LALAN
Partner
Membership No.: 045329

ADHAR SAMRIA
Partner
Membership No:049174

Director

Director

Director & GM

Director & GM

GM Finance & CFO

Company Secretary

Place: Mumbai
Date: 04.08.2017

Annexure IV

Restated Standalone Summary Statement of Cash Flow

As per Indirect Method

(Amount in ₹ million)

	For the year ended 31.03.2017		31.03.2016		31.03.2015		31.03.2014		31.03.2013	
A) CASH FLOW FROM OPERATING ACTIVITIES										
Net Profit before taxation as per Profit & Loss A/c		32,702.25		29,866.28		28,320.41		23,048.74		23,102.78
Adjustments for:										
Exchange -Loss/Gain charged	464.77		(2,320.68)		859.45		(3,321.14)		(1,538.02)	
Provision for diminution in value of investment	556.44		1,359.92		588.08		1,111.49		32.28	
Provision for doubtful loans, investments & Debts	2,595.64		(1,158.44)		1,107.13		1,248.85		95.68	
Amortisation of Premium on Investment	185.15		185.61		181.03		200.69		188.51	
Depreciation	91.88		92.19		85.36		52.01		38.51	
-Profit /Loss on sale of Assets	4.92		(1.07)		0.32		(0.20)		(0.07)	
Provision for Leave Encashment & Salary Arrears	79.01		(106.47)		(56.49)		270.10		(19.45)	
Sundry Balances Written off/ -back	-	3,977.81	-	(1,948.94)		2,764.88		(438.20)		(1,202.56)
Operating Profit before working capital changes		36,680.06		27,917.34		31,085.29		22,610.54		21,900.22
Changes in Unexpired Risk Reserves	38,609.43		11,641.56		2,978.78		(3,585.80)		5,204.27	
Changes in Premium Deficiency Reserve	-		(584.60)		584.60		-		(1,414.67)	
Changes in Provisions for Outstanding Claims	86,719.33		13,940.84		(3,634.09)		13,538.26		18,560.59	
Changes in Income accrued on Investments	(122.12)		(717.11)		(857.79)		(649.23)		(785.77)	
Changes in Balances with Insurance Companies	(81,342.47)		2,993.84		165.89		1,610.72		(3,767.10)	
Changes in Advance and Deposits	(401.92)		909.79		(8,247.27)		(7,050.62)		23,482.53	
Changes in other Current Liabilities	361.14	43,823.39	28.00	28,212.32	(16.79)	(9,026.67)	544.07	4,407.40	(27,551.90)	13,727.95
Cash generated from operations		80,503.45		56,129.66		22,058.62		27,017.94		35,628.17
Income Tax Paid (Net)		(2,685.62)		1,890.80		3,655.04		1,042.42		(479.63)
Net Cash from Operating Activities		77,817.83		58,020.46		25,713.66		28,060.36		35,148.54
B) CASH FLOWS FROM INVESTING ACTIVITIES										
Purchase of Fixed Assets		(33.86)		(424.02)		(327.16)		(667.80)		(110.19)
Proceeds from sale of Fixed Assets		1.34		1.67		1.70		0.54		0.04
Foreign Currency Translation Reserve		(5,137.24)		2,248.60		(1,322.15)		4,930.20		1,748.25
Changes in net Investments		(37,538.86)		(35,334.95)		(24,691.18)		(28,481.02)		(25,125.57)
Net Cash used in Investing Activities		(42,708.62)		(33,508.70)		(26,338.79)		(24,218.08)		(23,487.47)
C) CASH FLOWS FROM FINANCING ACTIVITIES										
Dividend Paid		(8,600.00)		(5,400.00)		(3,311.00)		(5,869.50)		-
Dividend Tax Paid		(1,750.79)		(1,099.33)		(562.70)		(997.52)		-
Net Cash from Financing Activities		(10,350.79)		(6,499.33)		(3,873.70)		(6,867.02)		-
D) Effect of Foreign Exchange on Cash & Cash equivalents(Net)		(464.77)		2,320.68		(859.50)		3,321.14		1,538.02
Net increase in Cash and Cash equivalents (A+B+C+D)		24,293.65		20,333.11		(5,358.33)		296.40		13,199.09
Cash and Cash equivalents at beginning of period		97,614.00		77,280.90		82,639.20		82,342.80		69,143.70
Cash and Cash equivalents at the end of period		121,907.65		97,614.01		77,280.87		82,639.20		82,342.79

As per our report of even date

For GBCA & ASSOCIATES
Chartered Accountants
Firm Regn No. 103142W

For SAMRIA & CO
Chartered Accountants
Firm Regn No. 109043W

Chairman-cum-Managing Director

Director

SANJEEV LALAN
Partner
Membership No.: 045329

ADHAR SAMRIA
Partner
Membership No:049174

Director

Director

Director & GM

Director & GM

GM Finance & CFO

Company Secretary

Place: Mumbai
Date: 04.08.2017

Annexure V

Restated Standalone Summary of Significant Accounting Policies and Notes to Accounts

I. SIGNIFICANT ACCOUNTING POLICIES:

1. ACCOUNTING CONVENTION

The accompanying financial statements are drawn up in accordance with the provisions of Section 11(1) of the Insurance Act, 1938 and to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements also conform to the stipulation specified under the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations, 2002. The said statements are prepared on historical cost convention and on accrual basis except as otherwise stated and conform to the statutory provisions and practices prevailing in the General Insurance Industry in India.

2. REINSURANCE BUSINESS

2.1 Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as on the date of financial statements. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.2 Reinsurance Revenues

Premium is accounted based on accounts rendered by ceding companies upon receipt of accounts. At the year end, estimates are made for accounts not yet received, based on available information and current trends. In respect of Insurance pool business, where GIC Re is one of the members of the Pool, only the Corporation's share of revenue is recorded in the books of accounts.

2.3 Outstanding claims

2.3.1 Estimated liability for outstanding claims in respect of Reinsurance business carried out in India is based on advices received as of different dates up to the date of finalization of claim figures in the books for submission of the data to the "Appointed Actuary" and wherever such advices are not received, on estimates based on available information, current trends, past underwriting experience of the management and actuarial estimation bases.

2.3.2 Provision for claims incurred but not reported (IBNR) is made as certified by the appointed actuary based on accepted actuarial methods.

2.4 Receivables

Provisions for doubtful debts for receivables are provided as under:-

(i) Companies in liquidation.
(ii) Foreign Companies having non-moving balances over a period of three years.
(iii) Non realizable balances of foreign companies having moving balances.

3. FOREIGN CURRENCY TRANSACTIONS:

Revenue transactions in foreign currencies are converted at the daily rate of exchange on the day accounts are received and transactions are booked. The rates have been taken from Thomson Reuters India Pvt. Ltd.

3.1 Non-Monetary items including fixed assets and investments abroad are reported using the exchange rate applicable on the date of acquisition.

3.2 Monetary items such as receivables, payables and balances in bank accounts held in foreign currencies are converted using the closing rates of exchange at the balance sheet date.

3.3 The exchange gain/ loss relating to revenue transaction, due to conversion of foreign currencies, is accounted for as revenue in respective revenue accounts. The common exchange gain/loss due to conversion are apportioned between Revenue Account and Profit and Loss Account in same proportion as stated in Significant Accounting Policy No. 5.

3.4 Foreign branch operations are considered as "non-integral business" as prescribed in AS11 "The effects of changes in foreign exchange rates" (revised 2003) and translated accordingly.

4. Reserve for Unexpired Risk (URR)

The URR provisions are made as under:

4.1 Non-Life Business:

(i) For HO and Malaysia Branch:

Reserve for Unexpired Risk in respect of Marine Insurance (Hull) and Terrorism Risk Business (included in Fire and Engineering) is made at 100% of Net Premium, while for all other classes of insurance is made at 50% of Net Premium of the period for which accounts are prepared.

(ii) London and Dubai Branch –

Reserve for Unexpired Risk is provided as per local practice. Adjustment for excess or short provision in URR, as per IRDAI requirement, is accounted at Head Office.

4.2 **Life Business:**

Reserve for Unexpired Risk is provided as determined by Appointed Actuary based on accepted Actuarial methods.

5. APPORTIONMENT OF INTEREST, DIVIDENDS AND RENTS

The income from interest, dividends and rent is apportioned between Profit and Loss Account and Revenue Accounts in the ratio of Shareholders' Fund and Policyholders' Fund respectively at the beginning of the year. The same is further apportioned amongst the revenue accounts on the basis of the respective Policyholders' Fund at the beginning of the year. Shareholders' fund consists of share capital and free reserves. Policyholders' Fund consists of provisions for outstanding claims and reserves for unexpired risks.

6. FIXED ASSETS

Fixed assets are stated at cost less depreciation. Cost of shares in Co-operative Societies/Companies for property rights acquired is included under the head 'Buildings' under Fixed Assets.

Tangible Fixed Assets are stated at cost (including incidental expenses relating to acquisition and installation) less accumulated depreciation.

Intangible Assets

Intangible Fixed Assets representing software are recorded at its acquisition price and are amortized over their estimated useful life on a straight-line basis, commencing from the date the assets are available for use. The management has estimated the useful life for such software as three years. The useful life of the asset is reviewed by the management at each Balance Sheet date.

6.1 Depreciation

Depreciation is provided on straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 and residual value of the assets shall be Re. 1/-.

Depreciation is provided on pro-rata basis on additions to fixed assets and on assets sold / discarded / demolished / destroyed during the year.

7. Retirement Benefits to Employees

Liabilities on account of retirement benefits to the employees such as pension, gratuity and leave encashment are provided for on accrual basis, based on actuarial valuation and in compliance with Accounting Standard 15.

8. Apportionment of Expenses

(i) Head office business :

Operating expenses relating to insurance business are apportioned to the Revenue Accounts on the basis of Reinsurance Premium accepted during the period for which accounts are prepared, giving weightage of 75% for Marine business & 100 % for Fire, Miscellaneous & Life - Reinsurance business.

(ii) Foreign business :

Operating expenses relating to insurance business are also apportioned to the revenue accounts of branches on the same basis as mentioned in 8 (i) above.

(iii) Investment Expenses :

Expenses relating to investment are apportioned between Revenue and Profit & Loss account in the same proportion as stated in Significant Accounting Policy No.5.

9. INVESTMENTS

9.1 Prudential norms prescribed by Reserve Bank of India and the IRDAI are followed in regard to:

(i) Revenue recognition,

(ii) Classification of assets into performing and non-performing and

(iii) Provisioning against performing and non-performing assets.

9.2 Purchases and Sales of shares, bonds, debentures and Government securities are accounted for on the date of contracts.

9.3 The cost of investments includes premium on acquisition, Securities Transaction Tax and their related expenses

9.4 Short term money market instruments such as Collateralized Borrowing and Lending Operations (CBLO), Commercial Paper and Treasury bill, which are discounted at the time of contract at the agreed rate are accounted at their discounted value.

9.5 Investment portfolio in respect of equity shares are segregated into actively traded and thinly traded as prescribed by the IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002.

9.6 (a) Investment in actively traded equity shares are required to be valued as per the guidelines of IRDA issued vide circular ref. no. IRDA/F&I/INV/CIR/213/10/2013 dated October 30, 2013. The corporation has chosen NSE as primary stock exchange and BSE as secondary exchange. Accordingly, the valuation of equity shares is made on the closing price of NSE. If such security is not listed / not traded on NSE on closing day, the closing price of BSE is considered.

(b) Investment in units of mutual funds are valued at Fair value as per IRDAI guidelines 2003-04. Fair value for this purpose is the last quoted NAV in the month of March.

(c) In case of Equity Exchange Traded Funds (ETF) the investment is valued on the same basis as traded equity shares, in compliance with Para 3.1 of the IRDAI (Investment) Regulations, 2016 of August 2016.

9.7 a) Unrealized gains/losses arising due to changes in the fair value of listed equity shares and mutual fund units are taken under the head "Fair Value Change Account" and on realization reported in Profit and Loss Account.

b) Pending realization, the credit balance in the "Fair Value Change Account" is not available for distribution.

c) Provision is made for diminution in value of investments relating to thinly traded and unlisted shares equivalent to the amount of difference in average book cost and break-up value of the shares except in companies where de-merger has taken place during the Financial Year and latest audited accounts are not available.

Breakup value is computed from the annual reports of companies not beyond 21 months in case of those companies which close their annual accounts on dates other than 31st March or beyond 12 months in case of those companies which close their accounts on 31st March.

d) Provision is made for diminution in value of investment relating to units of venture capital funds equivalent to the amount of difference in book cost and the latest Net Asset Value (NAV).

9.8 Investments in Equity and Preference shares of companies whose latest available audited accounts are beyond 21 months (in case of those companies which close their annual accounts on dates other than 31st

March), or beyond 12 months (in case of those companies which close their annual accounts on 31st March), as on the date of Balance Sheet or whose Net Worth has been fully impaired (negative Net Worth) are valued as under:

a)	Where shares are Actively Traded and Book Value is less than Market Value	: Fair Value Change Account at Market Value

Diminution in value of investments is recognized in the following cases :

b)	Where shares are Actively Traded and Book Value is greater than Market Value	: Written down to Market Value
c)	Thinly traded Equity Shares	: Written down to nominal value of ₹ 1/- per company
d)	Preference Shares	: At a value proportionate to the face value of the equity shares that bears to its market value and carrying cost is reduced by the diminution value.

9.9 Investment in Subsidiary and Associate entities are valued at cost as these are strategic investments.

Impairment

The carrying amounts of all assets and strategic investments are reviewed by the Corporation at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. Value in use is the present value of the estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. In assessing value in use the estimated future cash flows are discounted to their present value at a rate that reflects current market assessments of the time value of money and the risks specific to the asset, as determined by the management.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life, if any.

9.10 Final Dividend is accounted for as income in the year of declaration and Interim dividend is accounted as income where the warrants are dated 31st March or earlier.

9.11 Dividends/Interest on shares/debentures under objection/pending deliveries is accounted for on realization/payment.

9.12 Profit or Loss on sale of investments is apportioned between Profit and Loss Account and Revenue Accounts in the ratio of Shareholders' Fund and Policyholders' Fund respectively at the beginning of the year. The same are further apportioned amongst the revenue accounts on the basis of the respective Policyholders' Fund at the beginning of the year. Shareholders' fund consists of Share Capital and Free Reserves. Policyholders' fund consists of provisions for outstanding claims and reserves for unexpired risks.

Profit/Loss on sale of investments is computed at average book value of investments on the date of sale.

9.13 Expenses relating to safe custody, straight through processing and bank charges etc. on investments are charged to Profit and Loss Account and Revenue Accounts as stated in Significant Accounting Policy No.8.

9.14 Debt securities including Government securities and Redeemable Preference shares have been considered as 'held to maturity' securities and have been measured at historical cost subject to amortization of premium paid over residual period. The call date has been considered as maturity date for amortization of Perpetual Bonds.

9.15 In case of repos transaction, difference between the selling and buying value is treated as interest income.

9.16 Income received from the Fixed Maturity Mutual fund (Dividend Option) is booked as dividend.

9.17 Investments are apportioned between Shareholders' fund & Policyholders' fund in the ratio of balance available in the respective funds at the beginning of the year.

10. <u>AMORTIZATION OF PREMIUM AND PROVISION FOR DOUBTFUL LOANS, INVESTMENTS AND DEBTS</u>

Amortization of premium, provision for doubtful loans, doubtful debts and diminution in the value of investments written off, are recognized in the profit & loss account.

11. <u>COMPLIANCE WITH ACCOUNTING STANDARDS</u>

The Corporation has complied with relevant accounting standards prescribed by ICAI to the extent applicable and IRDAI guidelines in preparation of its financial statements.

12. <u>PREMIUM DEFICIENCY RESERVE (PDR)</u>:

<u>Non-Life Business:</u> Premium deficiency reserve as calculated by non-life appointed Actuary is worked out separately for each segmental revenue level basis viz. fire, marine and miscellaneous as per IRDAI circular no. IRDAI /Reg/7/119/2016 dated 07 April 2016

<u>Life Re business:</u> As per IRDAI circular no. IRDAI /Reg/7/121/2016 dated 13 April 2016, PDR is calculated by Life Re Appointed Actuary.

13. <u>DEFERRED COMMISSION</u>

London BO has accounted for deferred commission as per the local laws. The same is accounted as Commission at Head Office, in compliance to IRDAI requirements.

II. NOTES FORMING PART OF THE ACCOUNTS:

The Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 have been adopted for presentation of the accounts.

- **<u>Investments</u>**

1. (a) Out of Investment held in shares and debentures of the value as per Table "A" no confirmations regarding actual custody or other documentary evidence for investments in debenture of the value as per table "B" were available.

Table “A”-Investment in shares and debentures as on

(₹ In million)

31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
4,96,352.89	4,18,400.95	4,44,701.37	3,61,021.94	3,17,242.08

Table “B”-Investments in debentures for which confirmation not available as on

(₹ In million)

31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1.24	1.22	1.22	1.22	1.22

(b) The number of equity shares actually held by the Corporation / Custodian of the Corporation is in excess of number held as per the books of the Corporation. The face value of such excess for the last five years is as per below table

As on (₹ In million)

31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
0.73	0.71	0.55	0.55	0.56

2. The Fixed Maturity Mutual Fund Schemes are close ended mutual fund schemes with definite maturity date and with indicative returns.

3. (a) Provision includes provision for standard assets @ 0.40% as per IRDAI-Prudential norms for Income recognition, Asset Classification and provisioning and other related methods in respect of debt portfolio for the last five years are as per below table.

(₹ In million)

As on

31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
460.03	419.70	377.72	345.51	308.05

(b) For the last five years, the Corporation has undertaken under CDR (Corporate Debt Restructuring) System, following fresh cases of restructuring of corporate debt / loans etc.,

(₹ In million)

Sr No	Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
	Total Amount of assets subjected to restructuring under CDR	-	136.03	-	550.00	227.73
	The breakup of the same is given here under :	-	-	-	-	-
(i)	Total amount of standard assets subjected to restructuring under CDR	-	-	-	350.00	100.00

Sr No	Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
(ii)	Total amount of sub-standard assets subjected to restructuring under CDR	-	-	-	-	127.73
(iii)	Total amount of doubtful assets subjected to restructuring under CDR	-	136.03	-	-	-
(iv)	Total amount of loss assets subjected to restructuring under CDR	-	-	-	200.00	-
TOTAL		**-**	**136.03**	**-**	**550.00**	**227.73**

(c) Pending clarification from IRDAI in respect of applicability of prudential norms, as prescribed by RBI, for provisions on investment in State Government Securities, the Corporation has followed the prudential norms of provisions for loans and advances as prescribed by IRDAI for the said investments.

(d) The Corporation has considered latest available NAV for the provisioning of units of venture capital. The details of last five years available NAV considered are as follows:

	No. of Venture Capital Funds as on				
NAV as on	**31.03.2017**	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**
31st March 2017	14	-	-	-	-
31st March 2016	7	15	-	-	-
31st December 2016	8	-	-	-	-
30th September 2016	2	-	-	-	-
31st March 2015	-	21	21	-	-
31st December 2015	-	5	-	-	-
31st March 2014	-	-	3	19	-
31st December 2014	-	-	6	-	-
31st December 2013	-	-	-	3	-
31st March 2013	-	-	-	5	-

4. For valuation of actively traded equity shares, March 31, of the year has been considered as closing day.

5. During the last Five years, the corporation has waived / written off of debts, loans and interest as follows:

(₹ In million)

Waiver during	F.Y.2016-17		F.Y.2015-16		F.Y.2014-15	
Particulars	**No. of Cases**	**Waiver**	**No. of Cases**	**Waiver**	**No. of Cases**	**Waiver**
Compound Interest	55	0.46	75	0.19	68	
Interest on delayed payment of principle	7	0.05	2	0.05	2	
Total	62	0.51	77	0.24	70	

There were no waivers during F.Y.2013-14 and F.Y.2012-13

Debts written off during	**As on 31.03.2017**	**As on 31.03.2016**	**As on 31.03.2015**	**As on 31.03.2014**	**As on 31.03.2013**
No. of Companies	Nil	2	Nil	Nil	Nil
Amount written off (₹ In million)	Nil	7.41	Nil	Nil	Nil

Diminution in the value of investment for last five years are as follows:

Diminution during	**As on 31.03.2017**	**As on 31.03.2016**	**As on 31.03.2015**	**As on 31.03.2014**	**As on 31.03.2013**
No. of Companies	18	30	Nil	Nil	Nil
Amount written down (₹ In million)	556.44	1352.50	Nil	Nil	Nil

6. There is no difference between title of ownership in respect of CGS/SGS available in physical/demat format vis-à-vis shown in books of accounts. As regards, difference between title of ownership in respect of bonds/debentures etc. available in physical / demat format vis a vis shown in books of accounts is very old difference. The Corporation has already fully provided for said difference in books of accounts wherever required. Hence during the year, there is no impact in the financial statements.

7. (a) For the last Five Years all the assets of the Corporation in and outside India are free from encumbrances except for:

(₹ In million)

Particulars	As on 31.03.2017	As on 31.03.2016	As on 31.03.2015	As on 31.03.2014	As on 31.03.2013
1. The GOI stock					
12.30% 2016 (Deposited with Bank of India as security u/s 7 of The Insurance Act, 1938)	0.00	0.00	295.32	297.37	299.43
7.95% 2032	40.01	10.09	10.10	10.11	10.11
8.07% 2017	0.00	10.03	10.07	10.11	10.15
8.20% 2022	29.98	29.98	29.98	29.98	29.98
8.13% 2022	0.00	0.00	0.00	0.00	39.51
8.24% 2018	0.00	0.00	0.00	0.00	39.10
8.79% 2021	0.00	0.00	0.00	0.00	20.29
8.24% 2027	56.02	17.42	17.42	0.00	0.00
8.28% 2027	97.41	97.41	17.36	0.00	0.00
8.33% 2026	19.78	19.78	98.91	98.91	19.91
2. Cash Deposit	5.30	4.10	4.10	4.10	2.90

7(b) Margin Requirements in cash segment for the last five year which are as follows

(₹In million)

Margins in Cash Segment	As on 31.03.2017	As on 31.03.2016	As on 31.03.2015	As on 31.03.2014	As on 31.03.2013
FDR (held as collateral with NSCCL)	150.00	150.00	50.00	50.00	50.00
FDR (held as collateral with BSE)	100.00	50.00	30.00	30.00	30.00

(c) Margin FDR for LC/BG held by the banks for the last five years are as follows

(₹In million)

	As on 31.03.2017	As on 31.03.2016	As on 31.03.2015	As on 31.03.2014	As on 31.03.2013
Margin FDR held by Bank for issue as LC/BG	15853.93	10607.02	8352.71	9161.47	6595.92

8. The Commitments are made and outstanding for Loans, Investments and Fixed Assets (if any) for the last Five years as follows: -

(₹ In million)

As on 31.03.2017	As on 31.03.2016	As on 31.03.2015	As on 31.03.2014	As on 31.03.2013
498.14	256.69	510.82	1,072.79	437.97

9. Value of contracts in relation to investments, for the last Five Years as follows

Purchase as on

(₹ In million)

31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
NIL	NIL	NIL	840	NIL

Sales as on

31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
NIL	NIL	NIL	NIL	NIL

10. The book value of investments valued on Fair Value basis for the last five years is as follows

As on (₹ In million)

31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
75,923.10	75,083.60	70,440.76	68,257.24	63,317.57

11. The basis of amortization of debt securities is as stated in Significant Accounting Policy No. 9.14.

12. The Corporation does not hold any properties for investment purposes.

13. Provisions regarding unrealized gains/losses have been stated in the Significant Accounting Policies No. 9.7.

- **Reinsurance**

14. Underwriting of Direct business stopped from 1st April 2001. Figures included in Revenue Accounts pertaining to direct business are on account of run-off business. Run-off liabilities are sufficiently provided for based on advices received.

15. Structured solution cover:

In 2014-15, GIC Re entered into a new three year agreement i.e. Structured Solution incepting on 01.06.2014.The Structured Solutions contract was reviewed and renewed w.e.f.01.06.2015 on the expiring terms and conditions as under:

- For Non-Marine Domestic business, for risk and cat perils, the protection was renewed, as expiring i.e. from ground up cover of ₹ 20,000 million with a deductible of ₹ 1,000 million.
- For non-marine Foreign Inward business, for risk and cat perils, the arrangement was also renewed as expiring i.e. from ground up cover of USD 20 mln. with a deductible of USD 10 mln.
- The arrangement was also renewed to protect exposures of other classes of business both in domestic and foreign.

The Structured Solutions contract was reviewed and renewed for period of two years viz. 01.06.2015 to 31.5.2016 and 01.06.2016 to 31.05.2017 on the expiring terms and conditions. Following the Board decision to consider traditional markets for the classes ceded under the Structured Solutions, a Notice of non-renewal of the contract was issued to the Structured Solutions reinsurers, which is effective from 1st June 2017.

The Funds Withheld Experience Account (FWEA) has a negative balance of ₹ 1,793.20 million as on 31.03.2017 which is subject to change due to movements in premium and claim recoveries between 01.04.2017 to 31.05.2017 (Previous year negative balance ₹ 3,343.55 million).

16. Premiums, less reinsurance, written from business during the last five years in India is as follows:-

(₹ In million)

2016-17	2015-16	2014-15	2013-14	2012-13
2,06,795.44	87,363.26	76,927.55	68,578.32	84,156.57

Premiums, less reinsurance, written from business during the last five years outside India is as follows:-

(₹ In million)

2016-17	2015-16	2014-15	2013-14	2012-13
94,950.13	76,384.59	61,642.59	63,547.84	53,555.76

17. Claims less reinsurance during the last five years paid in India is as follows:

(₹ In million)

2016-17	2015-16	2014-15	2013-14	2012-13
74,605.50	68,825.91	74,291.70	58,629.38	49,156.26

Claims less reinsurance during the last five years paid outside India is as follows:

(₹ In million)

2016-17	2015-16	2014-15	2013-14	2012-13
55,195.41	46,231.85	48,260.12	48,905.30	41,706.53

18. Segment Reporting as per Accounting Standard -17 “Segment Reporting” of ICAI, has been complied with as required by IRDAI (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002

For F.Y.2016-17

INDIAN BUSINESS

(` in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017
Fire	11,041.45	13,707.49	3,474.44	175.06	-	-	(6,315.54)
Motor	42,203.60	43,948.60	7,470.91	335.66	-	-	(9,551.57)
Aviation	223.36	116.36	85.47	5.44	-	-	16.09
Engineering	4,045.90	443.07	676.63	29.40	-	-	2,896.80
W.C.	193.73	53.11	27.54	1.16	-	-	111.92
Liability	1,143.26	610.31	125.86	10.68	-	-	396.41
PA	3,685.70	1,772.05	1,232.42	26.41	-	-	654.82
Health	23,642.06	21,633.87	6,131.95	208.47	-	-	(4,332.23)
Agriculture	80,625.37	65,346.16	9,046.55	645.00		-	5,587.66
Other Misc.	3,292.36	19.92	1,238.30	29.90	-	-	2,004.24
FL/Credit	1,291.26	(199.41)	240.99	12.01	-	-	1,237.67
Marine Cargo	1,908.77	1,893.24	344.73	11.37	-	-	(340.57)
Marine Hull	1,571.80	2,132.72	91.99	9.22	-	-	(662.13)
Life	2,468.30	3,246.09	32.14	23.79	-	-	(833.72)
TOTAL	177,336.92	154,723.58	30,219.92	1,523.57	-	-	(9,130.15)

FOREIGN BUSINESS

(` in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017
Fire	44,451.25	30,169.98	12,596.55	449.82	(113.06)	-	1,121.84
Motor	13,717.00	9,938.14	3,786.37	130.47	(86.59)	-	(224.57)
Aviation	4,463.35	4,228.50	811.47	49.07	(9.28)	-	(634.97)
Engineering	4,128.25	3,252.44	1,341.81	36.54	(8.26)	-	(510.80)
W.C.	110.35	214.54	18.96	1.29	(0.35)	-	(124.79)
Liability	636.92	403.79	155.98	5.23	(2.51)	-	69.41
PA	783.89	588.81	331.98	6.75	(4.06)	-	(147.71)
Health	9,407.05	7,970.57	1,984.32	119.16	(25.87)	-	(692.87)
Agriculture	1,872.77	1,450.52	505.46	15.00	(16.50)	-	(114.71)
Other Misc.	591.06	(534.01)	518.58	11.76	0.69	-	595.42
FL/Credit	149.90	370.54	50.07	1.11	(7.79)	-	(279.61)
Marine Cargo	1,591.28	353.61	605.45	14.64	(7.65)	-	609.93
Marine Hull	4,014.77	3,187.99	533.41	28.04	(15.54)	-	249.79
Life	(118.56)	201.24	28.96	(0.12)	(0.70)	-	(349.34)
TOTAL	85,799.28	61,796.66	23,269.37	868.76	(297.47)	-	(432.98)

TOTAL BUSINESS (INDIAN + FOREIGN)

(` in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2017	**31.03.2017**	**31.03.2017**	**31.03.2017**	**31.03.2017**	**31.03.2017**	**31.03.2017**
Fire	55,492.70	43,877.47	16,070.99	624.88	(113.06)	-	(5,193.70)
Motor	55,920.60	53,886.74	11,257.28	466.13	(86.59)	-	(9,776.14)
Aviation	4,686.71	4,344.86	896.94	54.51	(9.28)	-	(618.88)
Engineering	8,174.15	3,695.51	2,018.44	65.94	(8.26)	-	2,386.00
W.C.	304.08	267.65	46.50	2.45	(0.35)	-	(12.87)
Liability	1,780.18	1,014.10	281.84	15.91	(2.51)	-	465.82
PA	4,469.59	2,360.86	1,564.40	33.16	(4.06)	-	507.11
Health	33,049.11	29,604.44	8,116.27	327.63	(25.87)	-	(5,025.10)
Agriculture	82,498.14	66,796.68	9,552.01	660.00	(16.50)		5,472.95
Other Misc.	3,883.42	(514.09)	1,756.88	41.66	0.69		2,599.66
FL/Credit	1,441.16	171.13	291.06	13.12	(7.79)	-	958.06
Marine Cargo	3,500.05	2,246.85	950.18	26.01	(7.65)	-	269.36
Marine Hull	5,586.57	5,320.71	625.40	37.26	(15.54)	-	(412.34)
Life	2,349.74	3,447.33	61.10	23.67	(0.70)	-	(1,183.06)
TOTAL	263,136.20	216,520.24	53,489.29	2,392.33	(297.47)	-	(9,563.13)

For F.Y.2015-16

INDIAN BUSINESS

(₹ in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss on Exchange)	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016
Fire	11,598.02	16,503.30	2,198.99	197.93	-	-	(7,302.20)
Motor	31,578.81	30,173.63	5,041.60	308.61	-	-	(3,945.03)
Aviation	587.63	884.01	8.05	0.80	-	-	(305.23)
Engineering	3,621.83	(341.44)	773.68	45.09	-	-	3,144.50
W.C.	181.77	106.15	31.39	1.97	-	-	42.26
Liability	821.52	25.46	109.47	8.75	-	-	677.84
PA	2,728.00	1,385.03	1,206.29	31.17	-	-	105.51
Health	14,807.38	11,185.33	3,697.54	154.01	-	-	(229.50)
Agriculture	8,869.56	14,067.97	1,675.45	88.70		-	(6,962.56)
Other Misc.	2,129.27	1,042.53	385.84	48.53	-	-	652.37
FL/Credit	1,272.27	2,256.62	265.83	15.33	-	-	(1,265.51)
Marine Cargo	1,587.66	1,363.88	220.82	12.77	-	-	(9.81)
Marine Hull	1,629.92	740.81	302.81	13.73	0.44	(584.60)	1,157.61
Life	1,817.36	1,071.53	16.74	17.27	-	-	711.82
TOTAL	83,231.00	80,464.80	15,934.50	944.66	0.44	(584.60)	(13,527.92)

FOREIGN BUSINESS (₹ in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss on Exchange)	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016
Fire	33,577.61	17,988.87	10,245.72	482.20	478.32	-	5,339.14
Motor	9,889.97	8,818.04	3,177.04	107.86	403.54	-	(1,809.43)
Aviation	4,138.92	2,419.99	689.15	47.85	69.98	-	1,051.91
Engineering	3,727.61	2,684.15	1,254.70	39.55	125.11	-	(125.68)
W.C.	36.33	32.58	6.39	0.53	1.44	-	(1.73)
Liability	404.53	558.11	96.87	5.56	18.83	-	(237.18)
PA	496.05	185.88	144.64	3.50	18.32	-	180.35
Health	8,244.49	10,086.64	1,452.52	99.11	132.57	-	(3,261.21)
Agriculture	277.86	77.53	56.71	2.80	45.70	-	186.52
Other Misc.	1,447.15	866.83	521.88	16.39	32.33	-	74.38
FL/Credit	112.97	(36.57)	38.92	1.15	41.98	-	151.45
Marine Cargo	1,675.47	790.75	482.42	12.21	44.54	-	434.63
Marine Hull	4,288.06	3,432.56	823.95	35.70	93.98	-	89.83
Life	558.21	628.43	59.66	4.30	6.94	-	(127.24)
TOTAL	68,875.23	48,533.79	19,050.59	858.71	1,513.58	-	1,945.72

TOTAL BUSINESS (INDIAN + FOREIGN) (₹ in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss on Exchange)	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016
Fire	45,175.63	34,492.17	12,444.71	680.13	478.32	-	(1,963.06)
Motor	41,468.78	38,991.67	8,218.64	416.47	403.54	-	(5,754.46)
Aviation	4,726.55	3,304.00	697.20	48.65	69.98	-	746.68
Engineering	7,349.44	2,342.71	2,028.38	84.64	125.11	-	3,018.82
W.C.	218.10	138.73	37.78	2.50	1.44	-	40.53
Liability	1,226.05	583.57	206.34	14.31	18.83	-	440.66
PA	3,224.05	1,570.91	1,350.93	34.67	18.32	-	285.86
Health	23,051.87	21,271.97	5,150.06	253.12	132.57	-	(3,490.71)
Agriculture	9,147.42	14,145.50	1,732.16	91.50	45.70		(6,776.04)
Other Misc.	3,576.42	1,909.36	907.72	64.92	32.33		726.75
FL/Credit	1,385.24	2,220.05	304.75	16.48	41.98	-	(1,114.06)
Marine Cargo	3,263.13	2,154.63	703.24	24.98	44.54	-	424.82
Marine Hull	5,917.98	4,173.37	1,126.76	49.43	94.42	(584.60)	1,247.44
Life	2,375.57	1,699.96	76.40	21.57	6.94	-	584.58
TOTAL	152,106.23	128,998.59	34,985.09	1,803.37	1,514.02	(584.60)	(11,582.20)

For F.Y.2014-15

INDIAN BUSINESS (₹ in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss on Exchange)	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015
Fire	10,419.28	7,581.54	2,419.44	170.00	(0.34)	-	247.96
Motor	27,839.70	29,329.84	4,516.74	305.88	-	-	(6,312.76)
Aviation	868.32	298.04	90.65	15.20	55.43	-	519.86
Engineering	3,807.19	2,826.67	835.07	44.67	-	-	100.78
W.C.	169.20	56.03	22.98	1.55	-	-	88.64
Liability	641.11	(156.12)	123.47	9.26	(0.08)	-	664.42
PA	2,067.10	1,298.18	372.58	21.71	-	-	374.63
Health	11,724.73	13,480.63	2,284.06	133.34	-	-	(4,173.30)
Agriculture	6,228.88	5,920.47	838.78	68.52		-	(598.89)
Other Misc.	3,449.44	2,043.76	667.67	39.32	-	-	698.69
FL/Credit	1,864.62	1,832.17	224.55	13.75	-	-	(205.85)
Marine Cargo	1,426.48	1,708.66	226.74	13.40	-	-	(522.32)
Marine Hull	1,151.80	1,606.41	280.70	17.98	0.17	584.60	(1,337.72)
Life	957.52	1,026.99	33.16	13.27	-	-	(115.90)
TOTAL	72,615.37	68,853.27	12,936.59	867.85	55.18	584.60	(10,571.76)

FOREIGN BUSINESS (₹ in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss on Exchange)	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015
Fire	29,244.98	18,957.38	7,212.96	371.98	(202.49)	-	2,500.17
Motor	8,650.96	9,544.58	1,982.44	70.86	(177.27)	-	(3,124.19)
Aviation	3,847.87	3,789.84	782.60	60.21	(19.04)	-	(803.82)
Engineering	3,569.81	1,679.87	1,129.09	37.54	(53.58)	-	669.73
W.C.	43.59	21.40	4.04	0.30	(0.71)	-	17.14
Liability	314.96	98.63	64.40	2.67	(5.66)	-	143.60
PA	1,171.61	770.76	187.12	4.16	(10.66)	-	198.91
Health	6,941.26	7,810.56	1,415.39	97.39	(43.09)	-	(2,425.17)
Agriculture	349.70	334.83	58.69	3.88	(19.70)	-	(67.40)
Other Misc.	1,710.16	390.25	483.76	11.64	(18.71)	-	805.80
FL/Credit	135.81	156.56	30.65	0.94	(17.76)	-	(70.10)
Marine Cargo	2,223.64	1,833.89	668.24	16.74	(20.32)	-	(315.55)
Marine Hull	4,424.85	4,770.22	809.66	38.40	(31.78)	-	(1,225.21)
Life	346.79	(94.32)	44.27	2.68	(2.56)	-	391.60
TOTAL	62,975.99	50,064.45	14,873.34	719.39	(623.33)	-	(3,304.52)

TOTAL BUSINESS (INDIAN + FOREIGN) (₹ in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss on Exchange)	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015
Fire	39,664.26	26,538.92	9,632.40	541.98	(202.83)	-	2,748.13
Motor	36,490.66	38,874.42	6,499.18	376.74	(177.27)	-	(9,436.95)
Aviation	4,716.19	4,087.88	873.25	75.41	36.39	-	(283.96)
Engineering	7,377.00	4,506.54	1,964.16	82.21	(53.58)	-	770.51
W.C.	212.79	77.43	27.02	1.85	(0.71)	-	105.78
Liability	956.07	(57.49)	187.87	11.93	(5.74)	-	808.02
PA	3,238.71	2,068.94	559.70	25.87	(10.66)	-	573.54
Health	18,665.99	21,291.19	3,699.45	230.73	(43.09)	-	(6,598.47)
Agriculture	6,578.58	6,255.30	897.47	72.40	(19.70)		(666.29)
Other Misc.	5,159.60	2,434.01	1,151.43	50.96	(18.71)		1,504.49
FL/Credit	2,000.43	1,988.73	255.20	14.69	(17.76)	-	(275.95)
Marine Cargo	3,650.12	3,542.55	894.98	30.14	(20.32)	-	(837.87)
Marine Hull	5,576.65	6,376.63	1,090.36	56.38	(31.61)	584.60	(2,562.93)
Life	1,304.31	932.67	77.43	15.95	(2.56)	-	275.70
TOTAL	135,591.36	118,917.72	27,809.93	1,587.24	(568.15)	584.60	(13,876.28)

For F.Y.2013-14

INDIAN BUSINESS (₹ in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss on Exchange)	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014
Fire	9,765.04	4,646.00	9.76	183.75	(0.14)	-	4,925.39
Motor	29,845.01	20,796.31	3,277.52	301.35	-	-	5,469.83
Aviation	487.37	(96.93)	88.29	7.05	(2.42)	-	486.54
Engineering	3,976.10	6,171.92	1,049.72	58.91	-	-	(3,304.45)
W.C.	283.19	126.90	23.97	2.19	-	-	130.13
Liability	747.00	767.91	100.61	7.26	(0.02)	-	(128.80)
PA	2,360.35	1,185.88	325.24	23.84	-	-	825.39
Health	13,718.07	9,064.59	1,700.99	121.65	-	-	2,830.84
Agriculture	6,008.37	5,351.76	1,073.23	72.10		-	(488.72)
Other Misc.	3,610.49	4,095.39	669.97	58.77	(0.10)	-	(1,213.74)
FL/Credit	2,505.30	3,609.26	472.04	28.03	-	-	(1,604.03)
Marine Cargo	1,816.89	426.96	214.23	15.61	(0.93)	-	1,159.16
Marine Hull	1,001.87	(337.28)	49.48	16.49	(2.33)	-	1,270.85
Life	558.25	705.94	37.05	12.43	-	-	(197.17)
TOTAL	76,683.31	56,514.62	9,092.10	909.43	(5.94)	-	10,161.22

(` in Million)

FOREIGN BUSINESS

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss on Exchange)	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014
Fire	26,917.85	32,710.71	7,475.54	459.53	638.71	-	(13,089.22)
Motor	8,367.42	8,133.71	2,340.64	76.87	746.15	-	(1,437.65)
Aviation	3,004.58	2,086.15	430.39	48.40	113.08	-	552.72
Engineering	3,192.56	5,435.17	1,136.80	45.36	140.88	-	(3,283.89)
W.C.	52.29	(79.77)	5.58	0.65	4.39	-	130.22
Liability	317.71	139.69	65.44	4.96	18.61	-	126.23
PA	2,096.39	1,618.73	368.38	19.46	59.55	-	149.37
Health	4,865.12	6,097.60	1,083.70	102.37	200.24	-	(2,218.31)
Agriculture	1,164.57	724.85	92.17	14.00	78.90	-	412.45
Other Misc.	1,702.22	1,252.94	676.77	10.23	69.70	-	(168.02)
FL/Credit	156.82	610.45	16.14	1.92	48.70	-	(422.99)
Marine Cargo	2,253.28	1,383.99	788.54	23.22	77.09	-	134.62
Marine Hull	4,884.61	4,147.61	980.02	44.50	113.76	-	(173.76)
Life	501.74	296.50	15.60	2.42	7.62	-	194.84
TOTAL	59,477.16	64,558.33	15,475.71	853.89	2,317.38	-	(19,093.39)

TOTAL BUSINESS (INDIAN + FOREIGN) (₹ in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss on Exchange)	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014
Fire	36,682.89	37,356.71	7,485.30	643.28	638.57	-	(8,163.83)
Motor	38,212.43	28,930.02	5,618.16	378.22	746.15	-	4,032.18
Aviation	3,491.95	1,989.22	518.68	55.45	110.66	-	1,039.26
Engineering	7,168.66	11,607.09	2,186.52	104.27	140.88	-	(6,588.34)
W.C.	335.48	47.13	29.55	2.84	4.39	-	260.35
Liability	1,064.71	907.60	166.05	12.22	18.59	-	(2.57)
PA	4,456.74	2,804.61	693.62	43.30	59.55	-	974.76
Health	18,583.19	15,162.19	2,784.69	224.02	200.24	-	612.53
Agriculture	7,172.94	6,076.61	1,165.40	86.10	78.90		(76.27)
Other Misc.	5,312.71	5,348.33	1,346.74	69.00	69.60		(1,381.76)
FL/Credit	2,662.12	4,219.71	488.18	29.95	48.70	-	(2,027.02)
Marine Cargo	4,070.17	1,810.95	1,002.77	38.83	76.16	-	1,293.78
Marine Hull	5,886.48	3,810.33	1,029.50	60.99	111.43	-	1,097.09
Life	1,059.99	1,002.44	52.65	14.85	7.62	-	(2.33)
TOTAL	136,160.47	121,072.95	24,567.81	1,763.32	2,311.44	-	(8,932.17)

For F.Y.2012-13

INDIAN BUSINESS (` in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013
Fire	10,108.74	6,955.34	1,709.27	79.31	32.67	-	1,397.49
Motor	29,211.80	21,845.58	6,268.41	209.88	236.27	(1,414.67)	2,538.87
Aviation	519.59	181.12	56.40	4.54	(5.38)	-	272.15
Engineering	4,053.74	2,214.83	1,167.07	28.94	38.83	-	681.73
W.C.	383.32	123.91	68.39	2.34	1.97	-	190.65
Liability	1,015.61	(90.45)	158.54	7.85	13.38	-	953.05
PA	2,311.07	2,690.75	443.90	16.77	5.32	-	(835.03)
Health	15,409.29	17,919.25	2,831.41	105.24	71.95	-	(5,374.66)
Agriculture	4,182.50	2,139.99	887.63	29.28		-	1,125.60
Other Misc.	3,523.86	3,030.04	961.57	26.80	35.83	-	(458.72)
FL/Credit	2,500.90	1,798.90	451.10	16.19	41.27	-	275.98
Marine Cargo	2,440.24	2,212.68	369.17	12.18	22.90	-	(130.89)
Marine Hull	1,788.66	(247.19)	70.33	8.45	17.32	-	1,974.39
Life	281.38	235.53	0.27	2.75	0.40	-	43.23
TOTAL	77,730.70	61,010.28	15,443.46	550.52	512.73	(1,414.67)	2,653.84

FOREIGN BUSINESS

(` in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013
Fire	24,204.49	23,108.24	6,528.25	274.00	268.90	-	(5,437.10)
Motor	6,744.54	6,061.17	1,667.38	65.96	(33.50)	-	(1,083.47)
Aviation	3,954.73	5,100.65	503.91	31.31	250.25	-	(1,430.89)
Engineering	2,789.54	2,277.02	920.50	30.52	16.35	-	(422.15)
W.C.	34.82	(11.51)	4.83	0.32	(1.45)	-	39.73
Liability	469.10	390.51	57.07	2.04	8.07	-	27.55
PA	2,293.36	3,594.01	498.21	15.67	9.17	-	(1,805.36)
Health	3,858.93	5,690.66	456.14	53.43	(17.79)	-	(2,359.09)
Agriculture	1,075.07	1,033.39	492.83	7.52	84.10	-	(374.57)
Other Misc.	1,764.34	(3,300.77)	528.51	15.15	49.46	-	4,570.91
FL/Credit	142.73	118.22	51.91	0.87	(4.75)	-	(33.02)
Marine Cargo	2,259.26	1,699.60	759.79	17.22	59.69	-	(157.66)
Marine Hull	4,976.69	2,408.01	1,155.91	35.88	47.22	-	1,424.11
Life	209.77	243.90	16.00	3.12	0.97	-	(52.28)
TOTAL	54,777.37	48,413.10	13,641.24	553.01	736.69	-	(7,093.29)

TOTAL BUSINESS (INDIAN + FOREIGN) (₹ in Million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013
Fire	34,313.23	30,063.58	8,237.52	353.31	301.57	-	(4,039.61)
Motor	35,956.34	27,906.75	7,935.79	275.84	202.77	(1,414.67)	1,455.40
Aviation	4,474.32	5,281.77	560.31	35.85	244.87	-	(1,158.74)
Engineering	6,843.28	4,491.85	2,087.57	59.46	55.18	-	259.58
W.C.	418.14	112.40	73.22	2.66	0.52	-	230.38
Liability	1,484.71	300.06	215.61	9.89	21.45	-	980.60
PA	4,604.43	6,284.76	942.11	32.44	14.49	-	(2,640.39)
Health	19,268.22	23,609.91	3,287.55	158.67	54.16	-	(7,733.75)
Agriculture	5,257.57	3,173.38	1,380.46	36.80	84.10		751.03
Other Misc.	5,288.20	(270.73)	1,490.08	41.95	85.29		4,112.19
FL/Credit	2,643.63	1,917.12	503.01	17.06	36.52	-	242.96
Marine Cargo	4,699.50	3,912.28	1,128.96	29.40	82.59	-	(288.55)
Marine Hull	6,765.35	2,160.82	1,226.24	44.33	64.54	-	3,398.50
Life	491.15	479.43	16.27	5.87	1.37	-	(9.05)
TOTAL	132,508.07	109,423.38	29,084.70	1,103.51	1,249.42	(1,414.67)	(4,439.43)

19. **Ageing of claims** – distinguishing between claims outstanding for different periods:

The Corporation being a reinsurance company does not settle claims directly with the insured. The companies after settling the claims with their insured would recover the claims from the Corporation as per the reinsurance obligations. Such recoveries are settled with the companies through periodical account statements.

Nevertheless, the outstanding losses as intimated by the companies in respect of facultative business are classified according to the outstanding period as per the details given below:

Details as on 31.03.2017 (₹ in million)

	FIRE		MARINE TOTAL		ENGINEERING		AVIATION		LIABILITY		MISCELLANEOUS		TOTAL	
Outstanding Period	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount
30 Days	48	110.68	6	1.27	0	-	43	120.91	3	30.24	4	55.65	104	318.75
>30 Days upto 6 Months	305	947.42	41	42.53	40	76.75	174	418.39	0	-	36	10.58	596	1,495.67
>6 Months upto 1 Year	360	1,354.09	77	659.73	76	148.87	159	560.72	10	57.19	19	7.57	701	2,788.17
>1 Year upto 5 Years	1260	4,151.72	327	1,476.46	493	2,225.09	1019	3,057.11	57	117.89	46	47.82	3202	11,076.09
Above 5 Years	481	1,387.04	178	347.10	352	212.35	1302	2,901.36	13	492.65	23	70.12	2349	5,410.62
Total	2454	7,950.95	629	2,527.09	961	2,663.06	2697	7,058.49	83	697.97	128	191.74	6952	21,089.30

Details as on 31.03.2016 (₹ in million)

	FIRE		MARINE TOTAL		ENGINEERING		AVIATION		LIABILITY		MISCELLANEOUS		TOTAL	
Outstanding Period	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount
30 Days	162	351.24	11	34.34	24	14.55	12	26.76	0	-	17	3.59	226	430.48
>30 Days upto 6 Months	343	1,675.18	90	462.93	87	156.87	100	414.70	2	3.33	19	6.67	641	2,719.68
>6 Months upto 1 Year	371	2,747.15	81	205.15	101	171.89	149	248.53	2	0.12	10	4.84	714	3,377.68
>1 Year upto 5 Years	1211	3,025.05	318	915.46	647	2,594.00	1098	3,381.71	120	264.91	42	120.54	3436	10,301.67
Above 5 Years	329	2,201.71	160	331.45	351	219.75	1071	3,049.24	12	664.26	18	49.96	1941	6,516.37
Total	2416	10,000.33	660	1,949.33	1210	3,157.06	2430	7,120.94	136	932.62	106	185.60	6958	23,345.88

Details as on 31.03.2015 (₹ in million)

	FIRE		MARINE TOTAL		ENGINEERING		AVIATION		LIABILITY		MISCELLANEOUS		TOTAL	
Outstanding Period	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount
30 Days	43	59.56	14	92.07	12	10.75	17	422.62	-	-	3	4.44	89	589.44
>30 Days upto 6 Months	261	1,069.94	65	183.67	57	1,210.74	117	176.92	2	0.63	11	222.37	513	2,864.27
>6 Months upto 1 Year	264	4,299.45	95	851.08	135	238.48	204	807.61	28	48.18	8	24.40	734	6,269.20
>1 Year upto 5 Years	1,217	4,481.11	363	1,707.98	689	1,153.86	1,139	2,930.75	78	643.27	69	142.77	3,555	11,059.74
Above 5 Years	359	1,743.70	113	125.29	333	156.16	758	2,700.61	14	250.13	23	48.82	1,600	5,024.71
Total	2,144	11,653.76	650	2,960.09	1,226	2,769.99	2,235	7,038.51	122	942.21	114	442.80	6,491	25,807.36

Details as on 31.03.2014 (₹ in million)

	FIRE		MARINE TOTAL		ENGINEERING		AVIATION		LIABILITY		MISCELLANEOUS		TOTAL	
Outstanding Period	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount
30 Days	38	340.74	6	96.13	22	4.43	17	34.65	0	-	0	-	83	475.95
>30 Days upto 6 Months	314	1,459.72	62	489.90	148	656.14	83	220.02	5	166.24	9	1.80	621	2,993.82
>6 Months upto 1 Year	352	1,504.39	83	244.14	225	495.96	139	735.40	9	20.55	29	19.57	837	3,020.01
>1 Year upto 5 Years	1	5,547.56	485	1,506.23	877	997.48	1	2,824.89	23	699.17	60	150.04	3962	11,725.37
Above 5 Years	193	886.04	67	138.34	230	101.12	440	1,811.75	6	(25.10)	12	16.19	948	2,928.36
Total	2261	9,738.45	703	2,474.74	1502	2,255.13	1832	5,626.71	43	860.86	110	187.60	6451	21,143.51

Details as on 31.03.2013 (₹ in million)

	FIRE		MARINE TOTAL		ENGINEERING		AVIATION		LIABILITY		MISCELLANEOUS		TOTAL	
Outstanding Period	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount
30 Days	73	160.37	20	19.65	28	54.90	39	26.76	3	1.31	5	3.99	168	266.98
>30 Days upto 6 Months	290	2,208.07	53	67.25	149	79.36	156	279.38	1	54.00	12	18.77	661	2,706.83
>6 Months upto 1 Year	245	789.08	110	1,107.01	116	384.44	152	291.90	3	0.45	4	3.61	630	2,576.49
>1 Year upto 5 Years	1184	5,364.10	445	1,101.48	873	1,075.60	1341	2,989.06	19	239.38	46	149.17	3908	10,918.79
Above 5 Years	150	892.03	56	58.21	136	81.62	440	1,416.52	6	61.17	5	9.55	793	2,519.10
Total	1942	9,413.65	684	2,353.60	1302	1,675.92	2128	5,003.62	32	356.31	72	185.09	6160	18,988.19

20. Claims settled and remaining unpaid for a period of more than six months for the last five years are as follows:

2016-17	2015-16	2014-15	2013-14	2012-13
NIL	NIL	NIL	NIL	NIL

21. Corporation has put in place system of continuous reconciliation and monitoring of balance on an ongoing basis with persons/bodies carrying on insurance/reinsurance business. The Corporation has been provided a cumulative provision for the last five years are as follows:

(₹ In million)

2016-17	2015-16	2014-15	2013-14	2012-13
4,658.32	2,356.67	3,935.19	2,860.07	2,095.30

The balances of amount due to/from other persons/bodies carrying on insurance business and deposits held are subject to confirmation/reconciliation. Adjustments, if any, will be accounted for on receipt /confirmation of the same after examination.

22. The Corporation has not provided for catastrophic reserves as IRDAI has not issued any guidelines in this respect.

23. **Life Reinsurance Business: Last Five years URR provisions**

UPR provision of life reinsurance business for last five years are as follows:

(₹ In million)

2016-17	2015-16	2014-15	2013-14	2012-13
921.15	518.95	365.70	411.68	516.72

24. (i) The estimate of claims Incurred But Not Reported [IBNR] claims has been certified by the Corporations' Appointed Actuary. The Appointed Actuary has certified to the Corporation that the assumptions used for such are appropriate and are in accordance with the requirements of the Insurance Regulatory and Development Authority of India [IRDAI] and Institute of Actuaries of India in concurrence with IRDAI.

(ii) The IBNR provision for Life Re business is certified by the Appointed Actuary - Life Re. It is done using a delay days method. Based on the past experience, the delay days for claims settlement is estimated and applied on the higher of claims paid, incurred or earned premium. This method is same as used last year.

25. The balance of amount of service tax is subject to reconciliation with service tax returns. The financial impact thereof is not material.

26. (a) The details on account of revaluation included in the net Outstanding Loss Reserves (OSLR) for the last five years are as follows:

(₹ In million)

Class of Business	2016-17	2015-16	2014-15	2013-14	2012-13
Fire	920.04	1,240.62	(1,073.12)	2,520.21	1,177.43
Life	52.24	3.01	(9.77)	4.66	(0.19)
Marine	212.94	247.47	(42.28)	407.95	279.29
Miscellaneous	707.47	720.79	(445.85)	1,164.83	453.86
Total	1,892.69	2,211.89	(1,571.02)	4,097.65	1,910.39

(b) Reference / Benchmark Exchange Rates:

Average INR Rate for the last five years are as follows:

	{April'16 to March'17}	{April'15 to March'16}	{April'14 to March'15}	{April'13 to March'14}	{April'12 to March'13}
AED	18.25300	17.80069	16.63829	16.44895	14.79588
GBP	87.74551	98.44151	98.44635	96.11379	85.84358
MYR	15.98200	16.22889	18.25974	18.85600	17.57395
USD	67.03613	65.37612	61.11090	60.41398	54.34253
EURO	73.57042	72.17484	77.35045	81.05686	69.97056

Closing INR Rate for the last five years are as follows:

	{April'16 to March'17}	{April'15 to March'16}	{April'14 to March'15}	{April'13 to March'14}	{April'12 to March'13}
AED	17.65683	18.03899	16.91574	16.33723	14.77851
GBP	81.35433	95.12175	92.08510	99.98033	82.53274
MYR	14.65868	16.98718	16.80365	18.38952	17.55498
USD	64.85000	66.25000	62.13150	60.00500	54.28000
EURO	69.07174	75.37925	66.86592	82.62689	69.54353

27. Terrorism Pool Assets and Liabilities:

The Corporation has been managing Terrorism Pool funds in the capacity of pool manager. As GIC Re is only the pool manager, the Assets and Liabilities of the Pool do not belong to GIC Re, therefore, Management has decided not to include the Assets and Liabilities of the Pool in GIC Re financial statements. The Pool has an accumulated fund for the last five years are as follows:

(₹ In million)

2016-17	2015-16	2014-15	2013-14	2012-13
63,310.76	55,475.32	47,828.44	40,581.56	33,719.73

➢ **Human Resources**

28. Provision for Productivity Linked Lump-sum Incentive to the employees for the last Five years is as below

(₹ In million)

2016-17	2015-16	2014-15	2013-14	2012-13
25.00	-	16.80	16.80	15.50

29. Employees Benefits

The Corporation has classified the various benefits provided to employees as under:

(i) Pension Superannuation Scheme

(ii) Defined Benefit Plan

(a) Leave Encashment

(b) Gratuity

(c) Provident Fund

(iii) Settlement Benefit

During the last five years Corporation has recognized the following amounts in the Profit And Loss Account based upon the actuary reports:

(₹ In million)

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Pension Superannuation Scheme (Employees' Pension Fund)	64.77	133.79	40.77	232.24	59.89
Leave Encashment (Earned leave and Sick Leave)	86.85	17.84	5.88	55.85	165.62
Gratuity(Employees Gratuity Fund)	48.44	33.47	87.77	(6.71)	(4.73)
Provident Fund(Employees Provident Fund)	-	-	4.89	4.93	4.81
Settlement Benefit	1.19	1.83	1.55	1.85	1.68

A) **Change in the Present Value of Obligation**

(₹ In million)

Particulars	Pension				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Present Value of Obligation as 1 April	1,414.83	1,303.84	1,159.32	905.06	844.29
Interest Cost	107.78	96.87	88.92	79.36	65.09
Past Service Cost	-	-	-	-	-
Current Service Cost	49.77	41.21	92.57	57.64	24.55
Curtailment Cost / (Credit)	-	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-	-
Benefit Paid	(73.14)	(130.31)	(53.17)	(65.87)	(71. 55)
Actuarial Gain/(Loss) on Obligation	124.00	103.22	16.21	183.13	42.68
Present Value of Obligation at 31March	1,623.23	1,414.83	1,303.84	1,159.32	(905.06)

(₹ In million)

Particulars	Gratuity				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Present Value of Obligation as 1 April	371.20	301.23	183.86	183.10	844.29
Interest Cost	28.29	22.80	14.03	16.36	65.09
Past Service Cost	-	-	-	-	-
Current Service Cost	22.70	22.52	14.41	9.45	24.55
Curtailment Cost / (Credit)	-	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-	-
Benefit Paid	(20.29)	(19.28)	(4.17)	(6.69)	(71. 55)
Actuarial Gain/(Loss) on Obligation	27.85	43.92	93.09	(18.36)	42.68
Present Value of Obligation at 31March	429.74	371.20	301.23	183.86	(905.06)

(₹ In million)

Particulars	Leave Salary *				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Present Value of Obligation as 1 April	245.18	227.34	221.46	165.62	149.80
Interest Cost	17.90	17.78	17.09	14.81	10.40
Past Service Cost	-	-	-	-	-
Current Service Cost	17.06	37.26	31.88	39.72	-
Curtailment Cost / (Credit)	-	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-	-
Benefit Paid	-	-	-	-	5.32
Actuarial Gain/(Loss) on Obligation	51.89	(37.20)	(43.10)	1.32	(1. 27)
Present Value of Obligation at 31March	332.03	245.18	227.34	221.46	165.62

* EL + SL

(₹ In million)

Particulars	Settlement				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Present Value of Obligation as 1 April	14.02	12.19	10.65	8.80	7.25
Interest Cost	1.02	0.95	0.97	0.80	5.20
Past Service Cost	-	-	-	-	-
Current Service Cost	0.71	0.70	0.58	0.93	1.00
Curtailment Cost / (Credit)	-	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-	-
Benefit Paid	-	-	-	-	(0. 13)
Actuarial Gain/(Loss) on Obligation	(0.54)	0.18	-	0.12	0.16
Present Value of Obligation at 31March	15.22	14.02	12.20	10.65	8.80

B) Change in the Fair value of Plan Assets

(₹ In million)

Particulars	Pension				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Fair Value of Plan Assets as at 1 April	1,320.86	1,272.74	923.72	845.17	740.70
Expected return on Plan Assets	121.16	111.96	95.94	78.50	68.09
Actuarial Gain/(Loss) on Obligation	95.60	(44. 49)	60.98	9.39	4.33
Contribution	113.82	70.92	245.26	56.53	103.59
Benefit Paid	(73. 14)	(130. 31)	(53. 17)	(65. 87)	(71. 55)
Fair Value of Plan Assets at 31 March	1,578.31	1,320.86	1,272.74	923.72	845.17
Unpaid Amount	-	-	-	-	-
Fair Value of Plan (Net) Assets at 31 March	1578.30	1,320.86	1,272.74	923.72	845.17
Actual return	216.77	107.51	156.92	87.89	73.42

(₹ In million)

Particulars	Gratuity				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Fair Value of Plan Assets as at 1 April	337.72	225.55	195.96	187.83	138.96
Expected return on Plan Assets	27.68	20.32	15.15	14.79	12.35
Actuarial Gain/(Loss) on Obligation	2.72	35.46	18.62	-0.63	7.32
Contribution	33.47	75.68	-	0.67	38.32
Benefit Paid	(20. 29)	(19. 28)	(4. 17)	(6. 69)	9.13
Fair Value of Plan Assets at 31 March	381.30	337.72	225.55	195.96	187.83
Unpaid Amount	-	-	-	-	-
Fair Value of Plan (Net) Assets at 31 March	381.30	337.72	225.55	195.96	187.83
Actual return	30.40	55.77	33.76	14.16	19.67

(₹ In million)

Particulars	Leave Salary*				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Fair Value of Plan Assets as at 1 April	-	-	-	-	-
Expected return on Plan Assets	-	-	-	-	-
Actuarial Gain/(Loss) on Obligation	-	-	-	-	-
Contribution	-	-	-	-	5.32
Benefit Paid	-	-	-	-	(5. 32)
Fair Value of Plan Assets at 31 March	-	-	-	-	-
Unpaid Amount	-	-	-	-	-
Fair Value of Plan (Net) Assets at 31 March	-	-	-	-	-
Actual return	-	-	-	-	-

* EL + SL

(₹ In million)

Particulars	Settlement				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Fair Value of Plan Assets as at 1 April	-	-	-	-	-
Expected return on Plan Assets	-	-	-	-	-
Actuarial Gain/(Loss) on Obligation	-	-	-	-	-
Contribution	-	-	-	-	-
Benefit Paid	-	-	-	-	-
Fair Value of Plan Assets at 31 March	-	-	-	-	-
Unpaid Amount	-	-	-	-	-
Fair Value of Plan (Net) Assets at 31 March	-	-	-	-	-
Actual return	-	-	-	-	-

C) **Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets**

(₹ In million)

Particulars	Pension				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Fair Value of Plan Assets as at 1 April	1,623.23	1,414.83	1,303.84	1,159.32	905.06
Expected return on Plan Assets	1,578.31	1,320.86	1,272.74	923.72	845.17
Actuarial Gain/(Loss) on Obligation	(44. 93)	(93. 97)	(31. 11)	(235. 6)	(59. 89)

(₹ In million)

Particulars	Gratuity				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Fair Value of Plan Assets as at 1 April	429.74	371.20	301.23	183.86	183.10
Expected return on Plan Assets	381.30	337.72	225.55	195.96	187.83
Actuarial Gain/(Loss) on Obligation	(48. 44)	(33. 47)	(75. 68)	12.10	4.73

(₹ In million)

Particulars	Leave salary*				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Fair Value of Plan Assets as at 1 April	332.03	245.18	227.34	221.46	165.62
Expected return on Plan Assets	-	-	-	-	-
Actuarial Gain/(Loss) on Obligation	(332. 03)	(245. 18)	(227. 34)	(221. 46)	(165. 62)

* EL + SL

(₹ In million)

Particulars	Settlement				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Fair Value of Plan Assets as at 1 April	15.22	14.02	12.20	10.65	8.80
Expected return on Plan Assets	-	-	-	-	-
Actuarial Gain/(Loss) on Obligation	(15.22)	(14. 02)	(12. 2)	(10. 65)	(8. 8)

D) Expenses recognized in the Profit and Loss Account

(₹ In million)

Particulars	Pension				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Current Service Cost	49.77	41.21	92.57	57.64	24.55
Interest Cost	107.78	96.87	88.92	79.36	65.09
Curtailment Cost / (Credit)	-	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-	-
Expected Return on Plan Assets	(121. 16)	(111. 96)	(95. 94)	(78. 5)	(68. 09)
Net actuarial Gain/(Loss) recognized in the period	28.39	107.67	(44. 77)	173.74	38.35
Total Expenses recognized in the Profit & Loss A/c	64.77	133.79	40.77	232.24	59.89

(₹ In million)

Particulars	Gratuity				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Current Service Cost	22.70	22.52	14.41	9.45	10.58
Interest Cost	28.29	22.80	14.03	16.36	13.90
Curtailment Cost / (Credit)	-	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-	-
Expected Return on Plan Assets	(27. 68)	(20. 32)	(15. 15)	(14. 79)	(12. 35)
Net actuarial (Gain/(Loss) recognized in the period	25.13	8.47	74.48	(17. 73)	(16. 86)
Total Expenses recognized in the Profit & Loss A/c	48.44	33.47	87.77	(6. 71)	(4. 73)

(₹ In million)

Particulars	Leave Salary *				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Current Service Cost	17.06	37.26	31.88	39.72	10.56
Interest Cost	17.90	17.78	17.09	14.81	11.84
Curtailment Cost / (Credit)	-	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-	-
Expected Return on Plan Assets	-	-	-	-	-
Net actuarial (Gain/(Loss) recognized in the period	51.89	(37. 2)	(43.10)	1.32	(1. 27)
Total Expenses recognized in the Profit & Loss A/c	86.85	17.84	5.88	55.85	21.14

* EL + SL

(₹ In million)

Particulars	Settlement				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Current Service Cost	0.71	0.70	0.58	0.93	1.00
Interest Cost	1.02	0.95	0.97	0.80	0.52
Curtailment Cost / (Credit)	-	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-	-
Expected Return on Plan Assets	-	-	-	-	-
Net actuarial Gain/(Loss) recognized in the period	(0.54)	0.18	-	0.12	0.16
Total Expenses recognized in the Profit & Loss A/c	1.19	1.83	1.55	1.85	1.68

E) Plan Assets

(In %)

Particulars	Pension				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Government Securities (Central & State)	55.00	55.00	55.06	54.00	53.60
High Quality Corporate Bonds	0.00	0.00	39.76	46.00	45.80
Others	45.00	45.00	5.19	0.00	0.60

(In %)

Particulars	Gratuity				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Government Securities (Central & State)	0.00	0.00	55.06	54.00	54.84
High Quality Corporate Bonds	0.00	0.00	39.76	40.00	21.51
Others	100.00	100.00	5.19	6.00	23.65

(In %)

Particulars	Leave Salary *				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Government Securities (Central & State)	0.00	0.00	0.00	0.00	0.00
High Quality Corporate Bonds	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00

* EL + SL

(In %)

Particulars	Settlement				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Government Securities (Central & State)	0.00	0.00	0.00	0.00	0.00
High Quality Corporate Bonds	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00

F) Actuarial Assumption

(In %)

Particulars	Pension				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Discount Rate	7.30	7.82	7.85	9.10	8.05
Expected return on assets	9.00	9.00	9.00	9.00	9.00
Salary Escalation	8.00	8.00	10.00	16.00	10.00
Attrition/ withdrawal Rate	2.00	2.00	2.00	3.00	3.00
Indian Assured Lives Mortality	2006-08	2006-08	2006-08	2006-08	1994-96

(In %)

Particulars	Gratuity				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Discount Rate	7.30	7.82	7.72	9.10	8.05
Expected return on assets	8.00	8.00	8.0	8.00	8.05
Salary Escalation	10.00	10.00	12.00	12.00	10.00
Attrition/ withdrawal Rate	3.00	3.00	3.0	3.00	3.00
Indian Assured Lives Mortality	2006-08	2006-08	2006-08	2006-08	2006-08

(In %)

Particulars	Leave Salary *				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Discount Rate	7.30	7.82	7.72	9.10	8.05
Expected return on assets	8.00	8.00	0.00	0.00	0.00
Salary Escalation	10.00	10.00	12.00	12.00	10.00
Attrition/ withdrawal Rate	3.00	3.00	3.00	3.00	3.00
Indian Assured Lives Mortality	2006-08	2006-08	2006-08	2006-08	2006-08

* EL + SL

(In %)

Particulars	Settlement				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Discount Rate	7.30	7.82	7.72	9.10	8.05
Expected return on assets	0.00	0.00	0.00	0.00	0.00
Salary Escalation	10.00	10.00	12.00	10.00	10.00
Attrition/ withdrawal Rate	3.00	3.00	3.00	3.00	3.00
Indian Assured Lives Mortality	1994-96	1994-96	1994-96	1994-96	1994-96

G) <u>Other Disclosures</u>

(₹ In million)

Particulars	Pension				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Experience Adjustment					
On obligation	124.00	103.22	16.21	183.13	42.68
On plan assets	(95. 6)	4.45	(60. 98)	9.39	4.33
Present Value of obligation	1,623.23	1,414.83	1,303.84	1,159.32	905.06
Fair Value of plan assets	1,578.31	1,320.86	1,272.74	923.72	845.17
Excess of obligation over plan assets	(44. 93)	(93. 97)	(31. 11)	(235. 6)	(59. 89)

(₹ In million)

Particulars	Gratuity				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Experience Adjustment					
On obligation	27.85	43.92	93.09	(18. 36)	(9. 54)
On plan assets	(2. 72)	(35. 46)	18.62	0.63	7.32
Present Value of obligation	429.74	371.20	301.23	183.86	183.10
Fair Value of plan assets	381.30	337.72	225.55	195.96	187.83
Excess of obligation over plan assets	(48. 44)	(33. 47)	(75. 68)	12.10	4.73

(₹ In million)

Particulars	Leave Salary*				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Experience Adjustment					
On obligation	51.89	(37.20)	(43.10)	1.32	(1.27)
On plan assets	-	-	-	-	-
Present Value of obligation	332.03	245.18	227.34	221.46	165.62
Fair Value of plan assets	-	-	-	-	-
Excess of obligation over plan assets	(332. 03)	(245. 18)	(227. 34)	(221. 46)	(165. 62)

* EL + SL

(₹ In million)

Particulars	Settlement				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Experience Adjustment					
On obligation	(0. 54)	0.18	-	0.12	0.16
On plan assets	-	-	-	-	-
Present Value of obligation	15.22	14.02	12.20	10.65	8.80
Fair Value of plan assets	-	-	-	-	-
Excess of obligation over plan assets	15.22	14.02	12.20	10.65	8.80

Actuarial gain/loss has been charged to Profit and Loss Account.

➢ **Secretarial**

30. As per the resolution passed at the Extraordinary General Meeting held on 04th February 2016 at GIC Re, Head Office, Mumbai, it was approved to subdivide 100,000,000 (One hundred million) equity shares of ₹100/- (Rupee One hundred) each into 10,000,000,000 (Ten Billion) equity shares of ₹1/- (Rupee One) each .

Accordingly, in the financial statements the number of equity shares and the face value thereof has been recorded at Rupee One per share for Authorized, Issued & Subscribed and Called-up Equity Share capital of the Corporation (refer schedule 5 and 5A).

31. **Investment in Subsidiary & Associate Companies (As on 31st March 2017)**

(₹ In million)

Sl.No.	Name of the company	Currency	No. of Shares	Face value	% Holding	Acquisition Cost
	Subsidiary Company					
1.	GIC Re South Africa Ltd.	Zar	126,950,000	2 Zar	100%	1,407.14
2.	GIC Re India Corporate Member Ltd.	GBP	01	1 GBP	100%	-
	Total Subsidiary Investments					1,407.14
	Associate Company					-
1.	Agriculture Ins. Co. of India Ltd	INR	70,000,000	10 INR	35%	700.00
2.	GIC Bhutan Re Ltd	Nu	13,000,000	10 Nu	26%	130.00
3.	India International Ins. Pte Ltd.	SGD	10,000,000	1 SGD	20%	29.48
	Total Associate Investments					859.48

Investment in Subsidiary & Associate Companies (As on 31st March 2016)

(₹ In million)

Sl.No.	Name of the company	Currency	No. of Shares	Face value	% Holding	Acquisition Cost
	Subsidiary Company					
1.	GIC Re South Africa Ltd.	Zar	55,750,000	2 Zar	100%	734.59
2.	GIC Re India Corporate Member Ltd.*	GBP	01	1 GBP	100%	-
	Total Subsidiary Investments					734.59
	Associate Company					-
1.	Agriculture Ins. Co. of India Ltd	INR	70,000,000	10 INR	35%	700.00
2.	GIC Bhutan Re Ltd	Nu	13,000,000	10 Nu	26%	130.00
3.	India International Ins. Pte Ltd.	SGD	10,000,000	1 SGD	20%	29.48
	Total Associate Investments					859.48

Investment in Subsidiary & Associate Companies (As on 31st March 2015)

(₹ In million)

Sl.No.	Name of the company	Currency	No. of Shares	Face value	% Holding	Acquisition Cost
	Subsidiary Company					
1.	GIC Re South Africa Ltd.	Zar	57,50,000	2 Zar	100%	734.59
2.	GIC Re India Corporate Member Ltd.*	GBP	01	1 GBP	100%	-
	Total Subsidiary Investments					734.59
	Associate Company					
1.	Agriculture Ins. Co. of India Ltd	INR	70,000,000	10 INR	35%	700.00
2.	GIC Bhutan Re Ltd	Nu	13,000,000	10 Nu	26%	130.00
3.	India International Ins. Pte Ltd.	SGD	10,000,000	1 SGD	20%	29.48
	Total Associate Investments					859.48

Investment in Associate Companies (As on 31st March 2014)

(₹ In million)

Sl.No.	Name of the company	Currency	No. of Shares	Face value	% Holding	Acquisition Cost
	Subsidiary Company					
1	GIC Re India Corporate Member Ltd.*	GBP	01	1 GBP	100%	-
	Total Subsidiary Investments					-
	Associate Company					
1.	Agriculture Ins. Co. of India Ltd	INR	70,000,000	10 INR	35%	700.00
2.	India International Ins. Pte Ltd.	SGD	10,000,000	1 SGD	20%	29.48
3	Kenindia Assurance Co. Ltd, Kenya	Kshs	5,15,777	100 Kshs	9.19%	7.25
4	Asian Reinsurance Corporation, Bangkok	USD	7,222	1000 USD	14.19%	474.52
5	East Africa Reinsurance Co. Ltd. Kenya	Kshs	1,18,016	1000 Kshs	14.75%	79.92
	Total Associate Investments					1,291.17

Investment in & Associate Companies (As on 31st March 2013)

(₹ In million)

Sl.No.	Name of the company	Currency	No. of Shares	Face value	% Holding	Acquisition Cost
	Associate Company					
1.	Kenindia Assurance Co. Ltd, Kenya	Kshs	5,15,777	100 Kshs	9.19%	7.25
2.	India International Ins. Pte Ltd.	S.D.	1,00,00,000	1 S.D.	20.00%	29.48
3.	Asian Reinsurance Corporation, Bangkok	USD	7,222	1000 USD	23.42%	474.52
4.	East Africa Reinsurance Co. Ltd. Kenya	Kshs	1,18,016	1000 Kshs	14.75%	79.92
5.	Agriculture Ins. Co. of India Ltd	INR	7,00,00,000	10 INR	35.00%	700.00
	Total Associate Investments					1,291.17

*Note : GIC Re India Corporate Member became a subsidiary of the Corporation since 03.12.2013, by virtue of transfer of management control and 100% shareholding to the Corporation, though the payment for transfer of shares was done on 29.01.2016.

32. (i) Related party Disclosures as per Accounting Standard - 18 "Related Party Transaction" issued by ICAI:

Subsidiary Companies				
2016-17	2015-16	2014-15	2013-14	2012-13
GIC Re South Africa Ltd., Johannesburg, S.A.	GIC Re South Africa Ltd., Johannesburg, S.A.	GIC Re South Africa Ltd., Johannesburg, S.A.	GIC Re India Corporate Member Limited, London, U.K	-
GIC Re India Corporate Member Limited, London, U.K	GIC Re India Corporate Member Limited, London, U.K	GIC Re India Corporate Member Limited, London, U.K	-	-

Associate Companies				
2016-17	2015-16	2014-15	2013-14	2012-13
India International Pte. Limited, Singapore	India International Pte. Limited, Singapore	India International Pte. Limited, Singapore	India International Pte. Limited, Singapore	India International Pte. Limited, Singapore
Agriculture Insurance Company of India Limited, New Delhi, India	Agriculture Insurance Company of India Limited, New Delhi, India	Agriculture Insurance Company of India Limited, New Delhi, India	Agriculture Insurance Company of India Limited, New Delhi, India	Agriculture Insurance Company of India Limited, New Delhi, India
GIC Bhutan Re Ltd, Bhutan	GIC Bhutan Re Ltd, Bhutan	GIC Bhutan Re Ltd, Bhutan	Ken India Assurance Co. Ltd Kenya	Ken India Assurance Co. Ltd Kenya
-	-	-	Asian Reinsurance Corporation, Bangkok	Asian Reinsurance Corporation, Bangkok
-	-	-	East Africa Reinsurance Co Ltd. Kenya	East Africa Reinsurance Co Ltd. Kenya

Key Management Personnel:

Key Managerial Personnel				
2016-17	2015-16	2014-15	2013-14	2012-13
Mrs. Alice G. Vaidyan, Chairman cum Managing Director	Mrs. Alice G. Vaidyan, Chairman cum Managing Director	Mr. A.K. Roy, Chairman cum Managing Director	Mr. A.K. Roy, Chairman cum Managing Director	Mr. A.K. Roy, Chairman cum Managing Director
Mr. Pauly Sukumar N, Chief Marketing Officer	Mr. K Sanath Kumar, Acting CMD	Mr. G C Gaylong, Chief Marketing Officer & Chief of Internal Audit	Mr. P. Venkatramaiah, Chief of Internal Audit, Chief Financial Officer & Chief Marketing Officer	Mr. S. Yugandhar Rao, Chief Financial Officer
Mr. Satyajit Tripathy, Chief Investment Officer	Mr. A.K. Roy, Chairman cum Managing Director	Mr. N. Mohan, Chief Investment Officer	Ms. Madhulika Bhaskar, Chief Risk Officer	Mr. R Sundaram, Chief Risk Officer
Mr. G C Gaylong, Chief of Internal Audit	Mr. G C Gaylong, Chief of Internal Audit & Chief Marketing Officer	Mrs. Alice G. Vaidyan, Chief Financial Officer	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	Ms. Madhulika Bhaskar, Chief Risk Officer
Mr. V C Jain, Chief Financial Officer	Mr. Satyajit Tripathy, Chief Investment Officer	Ms. Madhulika Bhaskar, Chief Risk Officer	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer
Ms. Madhulika Bhaskar, Chief Risk Officer	Mr. R.K. Deka, Chief of Internal Audit	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	Ms. Padmaja R., Appointed Actuary (Life Insurance)	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)
Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	Mrs. Alice G. Vaidyan, Chief Financial Officer	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)		Ms. Padmaja R., Appointed Actuary (Life Insurance)-
Key Managerial Personnel				
2016-17	2015-16	2014-15	2013-14	2012-13
Ms. Priscilla Sinha, Appointed Actuary (General Insurance)	Mr. V C Jain, Chief Financial Officer	Ms. Padmaja R., Appointed Actuary (Life Insurance)-	-	-
Ms. Padmaja R., Appointed Actuary (Life Insurance)	Ms. Madhulika Bhaskar, Chief Risk Officer	-	-	-

	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer			
	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)			
	Ms. Padmaja R., Appointed Actuary (Life Insurance)-			

33 (ii) Statement Showing Related Party Disclosures as per AS-18 of ICAI.

(₹ In million)

Subsidiary company and associate company 2016-17					
	Subsidiary		Associates Company		
Name of the Company	GIC Re South Africa Ltd., Johannesburg, S.A.	GIC Re India Corporate Member Limited, London, U.K.	Agriculture Insurance Company of India Limited	India International pte Ltd	GIC Bhutan Re Ltd, Bhutan
Premium Accepted	1,741.11	1,398.60	30,826.96	1,028.37	16.64
Premium Ceded	-	-	8.62	3.97	-
Net Premium	1,741.11	1,398.60	30,818.34	1,024.40	16.64
Commission Paid	515.97	552.87	3,214.88	238.32	0.03
Commission Recovered	-	-	1.55	-	-
Net Commission	515.97	552.87	3,213.33	238.32	0.03
Claims Paid	727.19	957.93	4,193.01	1,514.14	-
Claims Recovered	-	-	-	-	-
Net Claims	727.19	957.93	4,193.01	1,514.14	-
Balance on 31st March (-) Indicates amount payable by GIC	-	-	-	-	-

(₹ In million)

Subsidiary company and associate company 2015-16

	Subsidiary		Associates Company		
Name of the Company	GIC Re South Africa Ltd., Johannesburg, S.A.	GIC Re India Corporate Member Limited, London, U.K.	Agriculture Insurance Company of India Limited	India International pte Ltd	GIC Bhutan Re Ltd, Bhutan
Premium Accepted	1,014.43	1,518.62	5,204.25	960.89	13.55
Premium Ceded	-	-	0.15	3.54	-
Net Premium	1,014.43	1,518.62	5,204.10	957.35	13.55
Commission Paid	271.55	641.51	609.64	218.92	-
Commission Recovered	-	-	-	0.43	-
Net Commission	271.55	641.51	609.64	218.50	-
Claims Paid	73.13	839.79	4,701.87	1,203.64	-
Claims Recovered	-	-	-	-	-
Net Claims	73.13	839.79	4,701.87	1,203.64	-
Balance on 31st March (-) Indicates amount payable by GIC	(13. 41)	113.99	-	52.43	8.66

(₹ In million)

Subsidiary company and associate company 2014-15

	Associates		Subsidiary	
Name of the Company	India International Pte Ltd	Agriculture Insurance Company of India Limited	GIC Re South Africa Ltd., Johannesburg, S.A.	GIC Re India Corporate Member Limited, London, U.K.
Premium Accepted	5,536.54	1,005.09	-	680.42
Premium Ceded	-	3.38	-	-
Net Premium	5,536.54	1,001.71	-	680.42
Commission Paid	545.39	154.15	-	286.44
Commission Recovered	-	0.47	-	-
Net Commission	545.39	153.68	-	286.44
Claims Paid	5,191.59	772.71	-	379.74
Claims Recovered	-	-	-	-
Net Claims	5,191.59	772.71	-	379.44
Balance on 31st March (-) Indicates amount payable by GIC	617.93	259.62	-	36.63

(₹ In million)

Subsidiary company and associate company 2013-14

	Subsidiary	Associates	
Name of the Company	GIC Re India Corporate Member Limited, London, U.K.	India International pte Ltd	Agriculture Insurance Company of India Limited
Premium Accepted	-	5,377.50	1,382.00
Premium Ceded	-	125.49	1.73
Net Premium	-	5,252.01	1,380.27
Commission Paid	-	656.73	217.43
Commission Recovered	-	-	0.05
Net Commission	-	656.73	217.38
Claims Paid	-	4,586.57	1,461.51
Claims Recovered	-	-	-
Net Claims	-	4,586.57	1,461.51
Balance on 31st March (-) Indicates amount payable by GIC	-	-	(26. 47)

Associate companies 2012-13

(₹ In million)

Name of the company	Ken India Assurance	Asian reinsurance Corporation	India International Pte. ltd	Agricultural Insurance of India Ltd	East Africa reinsurance Company
Premium Accepted	294.95	194.09	1,864.44	4,043.77	20.30
Premium ceded	-	15.14	(0.48)	105.97	-
Net premium	294.95	178.95	1,864.92	3,937.80	20.30
Commission paid	78.83	58.28	464.43	755.79	1.70
Commission recovered	-	3.18	(0.15)	-	-
Net Commission	78.83	55.10	464.58	755.89	1.70
Claims Paid	(150.63)	1,054.34	1,513.74	1,717.99	7.85
Claims recovered	-	9.39	0.23	-	-
Net Claims	(150.63)	1,044.95	1,513.74	1,717.99	7.85
Balance as on 31st March (-) indicates amount payable by GIC	82.13	118.03	16.03	-	2.50

Details of Key Managerial Personnel Remuneration for the year ended 31.03.2017 is as follows:

(₹ In million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
1	Mrs. Alice G. Vaidyan	Chairman cum Managing Director	2.76	0.25	-	-	0.02	-	0.05
2	Mr. Pauly Sukumar N	Chief Marketing Officer	2.19	0.13	0.20	-	0.02	-	0.06
3	Mr. Satyajit Tripathy	Chief Investment Officer	1.97	0.12	0.18	0.05	0.02	-	0.08
4	Mr. G C Gaylong	Chief of Internal Audit	2.41	0.15	0.22	-	0.02	-	0.07
5	Mr. V C Jain	Chief Financial Officer	2.13	0.13	0.19	-	0.02	-	0.08
6	Ms. Madhulika Bhaskar	Chief Risk Officer	1.85	0.13	-	-	0.02	-	0.08
7	Ms. Suchita Gupta	Chief Compliance Officer	2.06	0.13	0.19	-	0.02	-	0.08
8	Ms. Priscilla Sinha	Appointed Actuary (General Insurance)	4.08	-	-	-	-	-	0.00
9	Ms. Padmaja R.	Appointed Actuary (Life Insurance)	-	-	-	-	-	-	3.40*

*** Professional fees**

Details of Key Managerial Personnel Remuneration for the year ended 31.03.2016 is as follows:

(₹ In million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
1	Mrs. Alice Vaidyan (23.01.16 to 31.03.16)	Chairman-cum-Managing Director	1.59	0.26	-	-	-	-	-
2	Mrs. Alice Vaidyan (01.04.15 to 04.09.15)	Chief Financial Officer	0.67	0.03	-	-	0.01	-	-

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
3	Mr. K.Sanath Kumar (31.07.15 to 18.02.16)	Acting Chairman-cum-Managing Director	2.21	0.28	-	-	-	-	-
4	Mr. A.K. Roy (01.04.15 to 31.07.15)	Chairman-cum-Managing Director	0.72	0.03	0.03	-	0.01	-	0.18
5	Mr. G.C.Gaylong (27.01.16 to 31.03.16)	Chief Marketing Officer & chief of Internal Audit	0.98	0.14	0.02	-	-	-	-
6	Mr. V.C.Jain (04.09.15 to 31.03.16)	Chief Financial Officer	1.81	0.25	0.06	-	0.01	-	-
7	Mr. Satyajit Tripathy	Chief Investment Officer	2.25	0.26	0.09	0.05	0.02	-	0.01
8	Mr. R.K. Deka (DOR 31.01.2016)	Chief of Internal Audit	5.95	0.38	0.08	-	0.02	-	0.08
9	Ms. Madhulika Bhaskar	Chief Risk Officer	2.40	0.27	-	-	0.02	-	-
10	Ms. Suchita Gupta (01.04.15 to 31.03.16)	Company Secretary & Chief Compliance Officer	2.31	0.31	0.11	-	0.02	-	-
11	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	2.09*
12	Ms. Padmaja R.	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	2.96*

*** Professional fees**

Details of Key Managerial Personnel Remuneration for the year ended 31.03.2015 is as follows:

(₹ In million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
1	Mr. A.K. Roy	Chairman-cum-Managing Director	2.59	0.22	0.13	-	0.02	-	-
2	Mrs. Alice Vaidyan	Chief Financial Officer	1.44	0.19	-	-	0.02	-	0.01
3	Mr. G.C. Gaylong: DOJ 30.06.2014	Chief Marketing Officer & chief of Internal Audit	1.05	0.05	0.07	-	-	-	-
4	Mr. N. Mohan	Chief Investment Officer	1.63	0.07	0.11	-	0.02	-	-
5	Ms. Madhulika Bhaskar	Chief Risk Officer	1.41	0.06	-	-	0.02	-	0.14
6	Ms. Suchita Gupta,	Company Secretary & Chief Compliance Officer	1.19	0.06	0.08	-	0.02	0.43	-
7	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	1.99*
8	Ms. Padmaja R.	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	2.58*

*** Professional fees**

Details of Key Managerial Personnel Remuneration for the year ended 31.03.2014 is as follows:

(₹ In million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
1	Mr. A.K. Roy	Chairman-cum-Managing Director	1.92	0.09	0.13	-	0.02	-	-
2	Mr. P. Venkatramaiah,	Chief of Internal Audit, Chief Financial Officer & Chief Marketing Officer	1.43	0.07	0.08	-	0.02	-	-
3	Ms. Madhulika Bhaskar	Chief Risk Officer	1.22	0.06	-	-	0.02	-	-
4	Ms. Suchita Gupta,	Company Secretary & Chief Compliance Officer	1.28	0.06	0.09	-	0.02	-	-
5	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	1.53*
6	Ms. Padmaja R.	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	1.20*

*** Professional fees**

Details of Key Managerial Personnel Remuneration for the year ended 31.03.2013 is as follows:

(₹ In million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS Perks	Other perks
1	Mr. A K Roy	Chairman cum Managing Director	2.01	0.09	0.13	-	0.02	-	-
2	Mr. S. Yugandhara Rao	Chief Financial Officer	0.63	0.07	0.04	-	0.01	0.06	-
3	Mr. R. Sundaram	Chief Risk Officer	1.23	0.06	0.10	-	0.02	-	-
4	Ms. Madhulika Bhaskar	Chief Risk Officer	1.14	0.06	-	-	0.02	0.08	-
5	Ms. Suchita Gupta,	Company Secretary & Chief Compliance Officer	1.29	0.09	0.09	-	0.02	-	-
6	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance*)*	-	-	-	-	-	-	1.20*
7	Ms. Padmaja R.: DOJ Oct 2013	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	-

*** Professional fees**

33. (iii) In terms of Para 9 of AS-18, no disclosure has been made in the financial statements of state-controlled enterprises as regards related party relationships with other state-controlled enterprises and transactions with such enterprises.

34. Proposed Dividend

On 30th March 2016, the Ministry of Corporate Affairs has notified the Companies (Accounting Standards) Amendment Rules, 2016, which became applicable w.e.f 30.03.2016 for Companies to whom Ind AS is still not applicable.

As per the amendment to AS 4 (Contingencies and Event Occurring after Balance Sheet Date), if an entity declares dividend to shareholders after the balance sheet date, the entity should not recognize those dividends as a liability on the balance sheet date (because no obligation exists at that time). Such dividends are required to be disclosed in the Notes to Financial Statements.

The proposed dividend for the year 2016-17 is Rs.10,020 million and the corresponding Dividend Distribution Tax is Rs.2,039 million which will be settled after approval at the AGM in the year 2017-18.

In order to comply with the change in statute the Corporation has discontinued the practice of accounting for Proposed Dividend. Such proposed dividend is now disclosed in Notes to Accounts.

To adjust for the retrospective changes in accounting policy relating to dividend, the corporation has incorporated adjustments to reflect the same accounting treatment as per the changed accounting policy. The impact of such retrospective restatement is as follows:

(₹ In million)

Particulars	F.Y.2016-17	F.Y.2015-16	F.Y.2014-15	F.Y.2013-14	F.Y.2012-13
Proposed Dividend	-	8,600.00	5,400.00	3,311.00	4,687.00
DDT on proposed dividend	-	1,750.79	1,099.33	562.70	796.56
Dividend Paid (proposed in earlier year)	8,600.00	5,400.00	3,311.00	4,687.00	-
DDT Paid on Dividend	1,750.79	1,099.33	562.70	796.56	-
Increase / (Decrease) in balance carried forward to Reserves	(10,350.79)	3,851.46	2,625.63	(1,609.86)	5,483.56

35. <u>Details of the penalty payable by the Corporation during the last five years are as follows:</u>

Sl No.	Authority	Non-Compliance/ Violation	Amount in ₹ in million		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	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

➢ **Corporate Accounts**

36. Earnings per Share (EPS) as per Accounting Standards 20 issued by ICAI:

	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**
Profit after Tax(₹ In million)	₹28,578.55	₹26,549.18	₹28,026.85	₹23,218.42	₹22,888.64
Number of equity shares	4,30,00,00,000	4,30,00,00,000	4,30,00,00,000	4,30,00,00,000	4,30,00,00,000
Nominal value of share	₹1/-	₹1/-	₹1/-	₹1/-	₹1/-
Basic and Diluted EPS*	₹33.23	₹30.87	₹32.59	₹27.00	₹26.61

* As the face value of Equity share is consolidated from ₹ 1/- to ₹ 5/- per share subsequent to the date of Balance Sheet, EPS is calculated based on face value of ₹5/- per Equity Share**.**

Basic earnings per share are calculated by dividing the profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the profit or loss after tax for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented.

37. Disclosures as per Accounting Standard – 22 "Accounting for Taxes on Income":

Deferred Tax assets are recognized only if there is a virtual certainty backed by convincing evidence that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The breakup of Net Deferred Tax Assets is as under:

(₹ In million)

Particulars	As on 31.03.2017	
	Deferred Tax	
	Asset	Liability
Timing difference on account of difference in book depreciation & depreciation under Income Tax Act, 1961.	4.05	-
Provision for employees benefits	128.85	-
Others	-	-
Foreign Branches	-	0.31
TOTAL	132.9	0.31
Net Deferred Tax	132.59	-

(₹ In million)

Particulars	As on 31.03.2016	
	Deferred Tax	
	Asset	Liability
Timing difference on account of difference in book depreciation & depreciation under Income Tax Act, 1961.	-	9.32
Provision for employees benefits	89.70	-
Others	-	-
Foreign Branches	-	0.39
TOTAL	89.70	9.71
Net Deferred Tax	79.99	-

(₹ In million)

Particulars	As on 31.03.2015	
	Deferred Tax	
	Asset	Liability
Timing difference on account of difference in book depreciation & depreciation under Income Tax Act, 1961.	-	32.30
Provision for employees benefits	88.71	-
Others	-	-
Foreign Branches	-	0.36
TOTAL	88.71	32.66
Net Deferred Tax	56.05	-

(₹ In million)

Particulars	As on 31.03.2014	
	Deferred Tax	
	Asset	Liability
Timing difference on account of difference in book depreciation & depreciation under Income Tax Act, 1961.	-	8.8
Provision for employees benefits	112.86	-
Others	-	-
Foreign Branches	132.92	-
TOTAL	245.78	8.8
Net Deferred Tax	236.98	-

(₹ In million)

Particulars	As on 31.03.2013	
	Deferred Tax	
	Asset	Liability
Timing difference on account of difference in book depreciation & depreciation under Income Tax Act, 1961.	-	12.73
Provision for employees benefits	76.01	-
Others	-	-
Foreign Branches	-	0.12
TOTAL	76.01	12.85
Net Deferred Tax	63.16	-

38. The basis of apportionment of operating expenses to the Revenue Accounts has been stated in the Significant Accounting Policy No. 8.

39. (a) Till the F. Y. 2013-14, depreciation on fixed assets was charged on written-down value method at the higher of the rates specified in the Income Tax Rules, 1962 and those specified in Schedule XIV to the Companies Act, 1956. In respect of leasehold properties and intangible assets amortization was made over the period of lease/use. From the F.Y. 2014 – 15, the Corporation has changed the method of depreciation from written down value to straight line method. However, there is no material impact on the financial statements due to such change in deprecation method.

(b) Pursuant to the enactment of the Companies Act 2013, the corporation has applied the estimated useful lives as specified in schedule II. Accordingly, the un-amortized carrying value is being depreciated / amortized over the revised / remaining useful lives. The written down value of fixed assets whose lives have expired as at April 01, 2014 had been charged to Profit and Loss Account in the F.Y 2014-15.

40. <u>Contingent Liabilities for last five years is as follows: -</u>

(₹ In million)

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Claims, other than under policies not acknowledged as debts	11.00	11.00	11.00	0	0
Guarantees /LC given by or on behalf of the Corporation	15,864.37	10,617.68	8,352.71	9,161.47	6,595.92
Statutory demand / liabilities in dispute - Income-tax demands disputed, not provided for	17,298.90	17,027.14	22,496.97	21,199.25	19,519.29

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Partly paid up investments	-	-	-	-	-
Underwriting commitments outstanding	-	-	-	-	-
Reinsurance obligations to the extent not provided for in the accounts	-	-	-	-	-
Total	33,174.27	27,655.82	30,860.68	30,360.72	26,115.21

(a) Majority of the pending legal / arbitration matters with the Legal Department are very old. These cases are primarily against the erstwhile subsidiary companies and the Corporation has been impleaded as a proforma respondent because of its erstwhile status of the holding company. In MACT /Hit and Run matters, GIC is wrongly impleaded despite not being the administrator of the Solatium Scheme Consequently, no financial impact of such cases is envisaged.

41. Performance of Overseas Branches:

F.Y 2016-17 (₹ In million)

	Dubai	Malaysia	London
Gross Premium	23,820.00	8,468.87	7,477.80
Net Premium	23,028.13	8,145.63	6,703.31
Earned Premium	21,417.24	8,399.24	4791.42
Incurred Claims	19,119.22	4,167.54	2,492.66
Net Commission	5,585.09	2,374.48	1,509.98
Expenses of Management	289.11	46.04	139.00
Profit/(Loss) on Exchange	(479. 94)	1,649.34	781.88
Underwriting Profit/(Loss)	(4056.11)	3,460.52	1,431.40
Net Inv. Income in Rev. A/c	239.65	249.86	85.58
Revenue Profit/(Loss)	(3816.46)	3,710.30	1,516.97

F. Y. 2015-16 (₹ In million)

	Dubai	Malaysia	London
Gross Premium	20,616.91	7,854.39	5,024.93
Net Premium	19,763.57	7,555.30	4,291.26
Earned Premium	18,902.39	7,195.02	3,917.81
Incurred Claims	20,652.44	5,567.33	2,602.85
Net Commission	4,515.72	2,236.27	930.94
Expenses of Management	236.05	41.77	134.76
Profit/(Loss) on Exchange	10.52	(87. 28)	557.15
Underwriting Profit/(Loss)	(6491.30)	(737.63)	806.36
Net Inv. Income in Rev. A/c	263.57	173.41	135.06
Revenue Profit/(Loss)	(6227.73)	(564. 22)	941.43

F.Y .2014-15 (₹ In million)

	Dubai	Malaysia	London
Gross Premium	18,627.43	8,163.62	4,314.58
Net Premium	17,956.76	7,886.51	3,697.30
Earned Premium	17,577.44	8,901.74	3,742.81
Incurred Claims	19,849.53	8,721.15	2,135.04
Net Commission	4,213.32	2,232.01	792.84
Expenses of Management	225.72	35.66	124.30
Profit/(Loss) on Exchange	(653.50)	742.38	124.38
Underwriting Profit/(Loss)	(7364.64)	(1344.70)	815.01
Net Inv. Income in Rev. A/c	312.48	119.08	145.41
Revenue Profit/(Loss)	(7052.17)	(1225.62)	960.43

F. Y. 2013-14 (₹ In million)

	Dubai	Malaysia	London
Gross Premium	17,873.38	10,148.37	4,219.92
Net Premium	17,147.30	9,177.85	3,382.43
Earned Premium	16,190.94	8,145.00	3,689.09
Incurred Claims	19,005.88	6,158.22	3,557.10
Net Commission	4,264.25	3,004.60	916.58
Expenses of Management	291.23	28.30	114.40
Profit/(Loss) on Exchange	32.58	312.42	(540. 37)
Underwriting Profit/(Loss)	(7,337.83)	(733.70)	(1439.35)
Net Inv. Income in Rev. A/c	439.22	98.72	144.80
Revenue Profit/(Loss)	(6,898.61)	(634.98)	(1294.55)

F.Y. 2012-13 (₹ In million)

	Dubai	Malaysia	London
Gross Premium	15,262.95	6,769.51	3,979.20
Net Premium	14,706.07	6,566.91	3,393.28
Earned Premium	15,625.90	5,212.54	3,281.45
Incurred Claims	10,294.19	3,778.70	1,766.86
Net Commission	3,602.05	1,944.74	709.55
Expenses of Management	225.14	23.77	100.88
Profit/(Loss) on Exchange	(185.86)	81.97	246.82
Underwriting Profit/(Loss)	1,318.66	(452.71)	950.98
Net Inv. Income in Rev. A/c	332.33	235.44	166.06
Revenue Profit/(Loss)	1,650.99	(217.27)	1117.03

➢ **GENERAL**

42. Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Corporation. The amount of principal and interest outstanding is given below:

(₹ In million)

Particulars	As at 31.03.2017
(a) Amounts outstanding but not due as at March 31	1.23
(b)Amounts due but unpaid as at March 31	NIL
(c)Amounts paid after the Balance Sheet date	1.23

43. During the year, the Corporation had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017. The details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11. 2016	12,500	8,678	21,178
(+) Permitted receipts #	16,000	300,700	316,700
(-) Permitted payments	-	301,477	301,477
(-) Amount deposited in Banks	28,500	2,320	30,820
Closing cash in hand as on 30.12. 2016	-	5,581	5,581

For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

The Corporation has accepted SBNs from employees at the time of settlement of travel advance given to them and deposited the same in bank.

Note: For proper disclosure, the above figures are shown as absolute figures in Rupee instead of in million.

44. **Major Events occurring after Balance Sheet Date:**

Following is the detail of one major loss reported by New India Assurance Co. Ltd., which occurred during the month of April 2017:

(₹ In million)

Name of Insured	Cause of loss	DOL	100% loss	GIC's share of Gross loss	GIC's share of Net loss
Vedanta Ltd	Fire	17.04.2017	1,650.00	715.70	715.70

45. The Corporation has prepared Cash flow statement adopting the indirect method.

46. Tax liabilities in respect of foreign operation, if any, is accounted on actual basis.

47. Prior period items have not been separately disclosed, as the amount is not material.

48. The summary of the financial statements of the Corporation for the last five years is as per Annexure I.

49. The Dubai Branch of the Corporation had faced a case of internet fraud which had resulted in improper transfer of USD 1,427,040 from the Branch office USD Account with Bank of Baroda, Dubai BO to PNC Bank A/C of Washington, US.

Through concerted efforts, the amount of USD 1,427,025 (USD 1,427,040 less bank charges of USD 25) was recovered and remitted back to the account with Bank of Baroda Dubai BO on 20.08.2016. The said amount is placed in a fixed deposit with the said Bank since recovery.

50. The Accounting Ratios of the Corporation are stated in Annexure II.

51. Figures relating to the previous years have been regrouped / rearranged, wherever necessary.

For GBCA & ASSOCIATES
Chartered Accountants
{Firm Regn No. 103142W}

____
Chairman-cum-Managing Director

____
Director

SANJEEV LALAN
Partner
Membership No.:045329

Director

Director

For SAMRIA & CO		
Chartered Accountants	_______________	_______________
{Firm Regn No. 109043W}	Director & GM	Director & GM

ADHAR SAMRIA
Partner
Membership No.: 049174

Mumbai	_______________	__________________
Dated:04.08.2017	GM Finance & CFO	Company Secretary

Anexure VI

Notes on Adjustments for Restated Standalone Summary Financial Information

1 The Summary of results of restatements made in the audited Standalone financial statements for the respective years and its impact on the Profits of the Company:

(Amount in ₹ million)

Note Reference	Particulars	Year Ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
	Profit after tax as per audited standalone financial statements	31,276.68	28,483.89	26,937.20	22,531.75	23,446.22
	(A) Adjustments due to change in accounting policy					
1	Impact on Unexpired Risk Reserve relating to Marine Cargo	(1,509.48)	(254.13)	(107.81)	(311.49)	(406.99)
2	Impact on Unexpired Risk Reserve relating to London Branch	(806.13)	209.14	(37.23)	129.96	(114.86)
3	Impact on Deferred Commission of London Branch	554.71	(81.53)	32.62	(77.94)	(27.20)
4	Impact on Depreciation on Fixed Assets	2.22	4.89	6.61	20.01	18.07
5 & 6	Impact on Fair Value Change Account	-	-	-	-	-
	(B) Other Adjustments					
7	Impact on Dividend Income	(24.30)	-	-	-	-
8	Impact on Outstanding Loss Reserves under Fire, Marine Hull and Other Miscellaneous Class	(56.16)	-	-	-	-
9	Impact on Unexpired Risk Reserve relating to Agriculture	(1,697.19)	422.85	153.89	253.86	(188.00)
	(C) Changes in Tax impact					
	Current Tax	430.00	(257.32)	(100.00)	10.00	20.00
	MAT Credit	465.60	52.64	1,430.14	485.16	148.60
	Deferred Tax	(57.40)	174.38	(288.57)	177.11	(7.20)
	MAT Credit for Earlier Years	-	(2,205.63)	-	-	-
	Profit after tax as per restated standalone financial statements	28,578.55	26,549.18	28,026.85	23,218.42	22,888.64

Changes in Accouting Policies

Note 1 As per the Circular Number IRDA/F&A/CIR/CPM/056/03/2016 issued by IRDAI in April 2016, the Corporation has provided for Unexpired Risk Reserves on Marine Cargo premium at the rate of 50 percent of Net Written Premium in the Financial year 2016-17. Till Financial year 2015-16, the same was provided at the rate of 100 percent of Net Written Premium. For the purpose of Restated Standalone Summary Financial Information, this change in accounting policy and the consequential adjustments have been appropriately adjusted in the year 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Standalone Summary Financial Information as at 1 April 2012.

Note 2 The London Branch provides Reserves for Unexpired Risk (URR) on the Net Written Premium as per the local practice. Till financial year 2015-16, only short provision was accounted for at the Head Office and excess provision made by the Branch was ignored. From financial year 2016-17, as per IRDAI requirement, the accounting policy was changed to account for both, excess or short provision in URR, in the books of Head Office. Therefore, for the purpose of Restated Standalone Summary Financial Information, this change in accounting policy and the conseqential adjustments have been appropriately adjusted in the year 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Standalone Summary Financial Information as at 1 April 2012.

Note 3 The London Branch Office has accounted for deferred commission as per the local laws by creating the deferred commission payable as an asset as against the URR provided. Till Financial year 2015-16, the Head Office was accounting the Deferred Commission Asset as per the local practice at London Branch Office. From financial year 2016-17 the accounting policy was changed to recognise the same as expenses in the books of Head office and no asset is created for the same. For the purpose of Restated Standalone Summary Financial Information, this change is accounting policy and consequential adjustments have been appropriately adjusted in the year 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Standalone Summary Financial Information as at 1 April 2012.

Note 4 Depreciation on fixed assets is provided on straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Till Financial year 2015-16, the depreciation on fixed assets is charged on written down value method at higher of the rates specified in the Income Tax Rules, 1962 and those specified in Schedule XIV to the Companies Act 1956. For the purpose of Restated Standalone Summary Financial Information, this change is accounting policy and consequential adjustments have been appropriately adjusted in the year 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Standalone Summary Financial Information as at 1 April 2012.

Note 5 In case of Equity Exchange Traded Funds (ETF) the investment is valued on the same basis as traded equity shares, in compliance with Para 3.1 of the IRDAI (Investment) Regulations, 2016 of August 2016. Till Financial year 2015-16, the investment in case of Equity Exchange Traded Funds (ETF) was valued on NAV Basis. For the purpose of Restated Standalone Summary Financial Information, this change in accounting policy and consequential adjustments have been appropriately adjusted in the year 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Standalone Summary Financial Information as at 1 April 2012.

The impact due to the above change is as follows:

(Amount in ₹ million)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015	Year Ended 31.03.2014	Year Ended 31.03.2013
Net Increase in Fair Value Change Account (FVCA)	55.42	5.68	319.08	225.25

Note 6 Till Financial year 2013-14, Investments in equity shares that are actively traded were valued at fair value. Fair value for this purpose is lowest of the last quoted closing price at NSE/BSE in the month of March. As per the guidelines of IRDAI issued vide circular ref. no. IRDA/F&I/INV/CIR/213/10/2013 dated October 30, 2013, The corporation has chosen NSE as primary stock exchange and BSE as secondary exchange. Accordingly, the valuation of equity shares is made on the closing price of NSE. If such security is not listed / not traded on NSE on closing day, the closing price of BSE is considered. For the purpose of Restated Standalone Summary Financial Information, this change in accounting policy and consequential adjustments have been appropriately adjusted in the years 31 March 2014 and 31 March 2013.

The impact due to the above change is as follows:

(Amount in ₹ million)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
Net Decrease in Fair Value Change Account (FVCA)	5.45	2.90

Other Adjustments

Note 7 Adjustment made on account of observations made by C&AG Auditor in booking of Dividend Income and the consequential adjustments have been appropriately adjusted in the year 31st March, 2017

Note 8 Short provision was made in Outstanding Loss Reserve (OSLR) as observed by the C&AG Auditor and the consequential adjustments have been appropriately adjusted in the year 31st March, 2017

Note 9 In addition to the above changes in accounting policies, the Company has changed the basis of computation of URR on agriculture income as follows:

In case of Domestic Agriculture Business, the Company provides for unexpired risk reserve at the rate of 50% on the net premium income except in case of net premium received on Kharif Crop Insurance in which case no URR is provided in respect of premium received for the underwriting year. This is in accordance with IRDA Guidelines which provides that in case of short term policies, where the policy period lapses within the accounting year as the premium is earned fully within the year, no URR is required on such policies. Till Financial year 2015-16, URR was provided on total agriculture premium at the rate of 50 percent on a conservative basis with no bifurcation between Kharif and Rabi crops. For the purpose of Restated Standalone Summary Financial Information, this change in calculation and the consequential adjustments have been appropriately adjusted in the year 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Standalone Summary Financial Information as at 1 April 2012.

2 Reconciliation of Opening General reserve as on 1 April 2012

(Amount in ₹ million)

Note Reference	Particulars	Amount
	General Reserve as per Audited Balance Sheet as on 01 April 2012	**94,894.59**
	Increase / (Decrease) in Opening Balance of General Reserve in respect of	
1	Adjustment in URR of Marine Cargo Business	2,589.92
2	Adjustment on account of change in Policy of London Branch Excess URR	
	Fire	510.48
	Motor	0.17
	Aviaiton	106.72
	Engineering	1.75
3	Adjustment on account of change in policy of Deferred Commission of London Branch	(400.65)
4	Adjustment for Change in Depreciation	-
9	Adjustment in URR of Domestic Agriculture Business	1,054.56
	Restated Opening Balance of General Reserve as on 01 April 2012	**98,757.53**

3 Material Regroupings

Appropriate adjustments have been made in the Restated Standalone Summary Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities in order to bring them in line with the groupings as per the condensed audited financial statement of the Company as at and for year ended 31 March 2017.

Annexure VII

Restated Standalone Statement of Accounting Ratios

	Performance Ratio	Ratio / Percentage		Ratio / Percentage		Ratio / Percentage		Ratio / Percentage		Ratio / Percentage	
		Year Ending 31.03.2017		Year Ending 31.03.2016		Year Ending 31.03.2015		Year Ending 31.03.2014		Year Ending 31.03.2013	
		Total		Total		Total		Total		Total	
1	Gross Premium Growth Rate (segment wise)										
	(Gross premium for the current year divided by the gross premium for the previous year)										
	Fire Insurance	26.70	24.89	26.20	44.11	7.70	(12.12)	20.50	23.89	(6.86)	(1.27)
	Motor Insurance	55.81	24.79	9.40	42.16	18.20	(5.11)	(25.32)	12.74	40.91	43.11
	Aviation Insurance	875.64	30.24	(94.30)	(17.12)	151.00	46.32	(19.30)	(0.98)	(2.76)	(31.99)
	Engineering insurance	(6.61)	4.76	9.46	14.95	(11.71)	(1.38)	5.88	29.25	(12.56)	3.52
	W.C.	(15.75)	308.33	37.22	46.81	(17.23)	(49.05)	(51.43)	24.08	(1.09)	108.97
	Liability	74.89	22.47	2.49	136.81	48.52	(38.40)	(51.89)	60.02	11.34	(64.40)
	PA	21.37	123.91	55.66	(14.09)	6.06	(69.06)	(26.10)	(26.09)	41.82	10.55
	Health	93.91	14.27	25.24	8.53	27.64	28.48	(39.88)	73.63	25.22	(9.64)
	Agriculture	657.34	543.47	105.37	(4.61)	(16.20)	(31.46)	57.25	(78.32)	29.72	123.92
	Other Miscellaneous Insurance	274.75	(1.58)	(54.74)	6.22	19.88	(27.72)	(16.23)	40.92	2.69	(3.19)
	FL/Credit	12.22	33.85	20.93	27.64	(42.90)	(41.52)	(9.97)	19.95	11.49	(0.36)
	Marine Cargo	27.45	36.53	3.38	(23.88)	(0.07)	(14.90)	(33.31)	14.20	(5.90)	(12.90)
	Marine Hull	(3.79)	0.94	(17.23)	(1.10)	26.99	0.52	1.48	(15.28)	(20.06)	4.60
	Life	97.35	(103.88)	41.08	73.96	24.34	29.37	135.27	(59.69)	287.60	32.51
2	Gross Premium to Net worth ratio* :	186.67		113.98		107.14		125.06		149.06	
	(Gross premium for the current year divided by paid up capital and free reserves)										
3	Growth rate of Net Worth*	11.24		24.29		29.40		27.02		29.21	
	(Net worth as at the current balancesheet date divided by Net worth as at the previous balance sheet date)										
4	Net retention ratio (segment wise)										
	(Net premium divided by gross premium)										
	Fire Insurance	38.29	91.74	55.51	90.74	67.91	92.61	62.33	87.40	73.15	83.19
	Motor Insurance	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Aviation Insurance	72.34	89.14	(182.47)	83.51	88.80	85.20	67.92	84.44	76.92	76.38
	Engineering insurance	95.46	98.19	77.60	95.95	79.93	100.83	82.00	99.09	81.43	100.00
	W.C.	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Liability	87.98	100.00	90.48	100.00	87.23	100.00	79.04	100.00	78.90	100.00
	PA	100.00	100.00	99.85	100.00	99.45	100.00	99.35	100.00	99.40	100.00
	Health	96.52	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Agriculture	92.92	99.51	92.75	100.00	83.85	100.00	95.08	100.00	96.78	100.00
	Other Miscellaneous Insurance	91.28	87.33	27.68	100.00	82.61	100.00	85.73	100.00	90.19	100.00
	FL/Credit	75.75	100.00	72.55	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Marine Cargo	91.63	86.03	92.85	83.93	84.27	100.00	77.63	100.00	85.69	100.00
	Marine Hull	47.56	83.43	80.32	82.49	68.94	88.71	61.86	91.86	54.60	85.47
	Life	93.21	100.00	78.13	99.98	74.33	84.71	76.61	98.77	100.00	65.68
5	Net commission ratio (segment wise)										
	(Commission paid net of reinsurance commission divided by net written premium for that segment)										
	Fire Insurance	33.84	25.22	18.72	25.90	21.25	25.75	0.10	24.85	18.10	28.24
	Motor Insurance	14.53	25.53	15.28	26.73	14.98	23.71	12.84	26.56	18.34	21.33
	Aviation Insurance	14.19	15.72	(5.17)	18.56	6.81	17.12	21.77	13.90	9.91	17.82
	Engineering insurance	15.74	31.93	20.68	32.01	23.72	31.51	25.66	31.84	30.42	33.02
	W.C.	15.54	10.74	14.93	14.77	15.00	13.72	12.95	9.65	17.94	10.37
	Liability	8.74	22.36	12.93	17.01	15.50	26.77	20.71	16.76	15.73	23.39
	PA	30.47	31.34	36.26	30.58	17.50	33.98	16.22	20.70	16.35	20.70
	Health	19.90	20.25	22.45	16.94	17.37	17.91	16.51	17.62	16.52	12.88
	Agriculture	10.16	29.10	14.28	20.91	16.24	20.65	15.36	22.21	19.63	25.75
	Other Miscellaneous Insurance	17.87	39.71	68.81	33.22	18.06	33.82	20.93	34.19	23.92	37.63
	FL/Credit	17.30	29.33	22.35	30.51	16.57	30.67	19.88	9.45	17.11	36.43
	Marine Cargo	16.21	33.12	13.06	36.93	15.27	32.68	15.66	32.82	16.30	36.11

Annexure VII

Restated Standalone Statement of Accounting Ratios

No.	Performance Ratio	Ratio / Percentage		Ratio / Percentage		Ratio / Percentage		Ratio / Percentage		Ratio / Percentage	
		Year Ending 31.03.2017		Year Ending 31.03.2016		Year Ending 31.03.2015		Year Ending 31.03.2014		Year Ending 31.03.2013	
		Total		Total		Total		Total		Total	
	Marine Hull	10.27	13.20	19.27	20.81	17.22	18.81	4.30	22.10	7.02	23.73
	Life	0.95	(162.36)	1.16	12.96	3.41	19.75	4.60	7.72	0.06	4.80
6	Expenses of management to gross premium ratio	0.71		0.98		1.05		1.20		0.73	
	(Expenses of management divided by Gross premium)										
7	Expenses of management to Net written premium ratio	0.79		1.10		1.15		1.33		0.80	
	(Expenses of management divided by Net written premium)										
8	Net Incurred Claims to Net Earned Premium	82.28		84.81		87.70		88.92		82.58	
9	Combined ratio :	100.82		107.27		108.92		108.85		104.50	
	(Net Incurred Claims divided by Net Earned Premium plus expenses of management (including net commission) divided by Net written premium)										
10	Technical reserves to net premium ratio:	138.15		178.05		192.36		201.79		186.38	
	(Reserve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims (including IBNR and IBNER divided by net premium)(All on net basis)										
11	Underwriting balance ratio:	(3.17)		(7.43)		(9.59)		(6.76)		(3.35)	
12	Operating profit ratio:	6.59		9.50		11.29		12.14		12.52	
	(Underwriting profit/ loss plus investment income divided by net premium)										
13	Liquid assets to liabilities ratio:	38.93		42.11		34.87		35.42		36.91	
	(Liquid assets (Short Term Investments (Schedule 8) plus Short Term Loans (Schedule 9) plus Cash & Bank Balances (Schedule 11)) of the insurer divided by policyholders liabilities (to be discharged within 12 months) (claims outstanding (Schedule 13) plus reserve for unexpired risk and Premium Deficiency (Schedule 14))										
14	Net earnings ratio:	9.47		16.21		20.23		17.57		16.62	
	(Profit after tax divided by net premium)										
15	Return on net worth*	15.88		16.41		19.78		19.78		22.62	
	(Profit after tax divided by net worth)										
16	Available Solvency Margin (ASM) to Required Solvency Margin	2.41		3.80		3.32		2.93		2.64	
	(RSM) ratio (Ratio of Available Solvency Margin (ASM) at the end of the Quarter to the Required Solvency Margin (RSM) required to be maintained as per regulations.										
17	NPA ratio	0.78		1.10		0.79		0.86		0.36	
18	Earning Per share (Rs.)**										
	Restated Profit after tax attributable to equity shareholders for the year/period / Weighted Average Number of equity shares (Re1)	33.23		30.87		32.59		27.00		26.61	
19	Diluted Earning Per share (Rs.)										
	Restated Profit after tax attributable to equity shareholders for the year/period / Weighted Average dilutive Number of equity shares	33.23		30.87		32.59		27.00		26.61	

Annexure VII

Restated Standalone Statement of Accounting Ratios

Performance Ratio	Ratio / Percentage Year Ending 31.03.2017 Total	Ratio / Percentage Year Ending 31.03.2016 Total	Ratio / Percentage Year Ending 31.03.2015 Total	Ratio / Percentage Year Ending 31.03.2014 Total	Ratio / Percentage Year Ending 31.03.2013 Total
20 Return on Net worth (%)* Restated Profit after tax attributable to equity shareholders for the year/period / Average of Restated Net worth at the beginning and end of the year/period	16.73	17.50	21.63	21.24	25.00
21 Net Asset Value per share (Rs.) Restated Net worth at the end of the year/period / Total number of Equity shares outstanding at the end of the year/period	209.21	188.07	164.79	136.49	117.68

* Net Worth = Share Capital + Reserves & Surplus - Deferred Tax Asset - Foreign Currency Translation Reserve

** The face value of Equity share is conolidated from ₹ 1/- to ₹.5/- per share subsequent to the date of Balance Sheet, EPS, Diluted EPS and Net Assets per share3 is calculated based on face value of Rs.5/- per Equity Share

As per our report of even date

For GBCA & ASSOCIATES
Chartered Accountants
Firm Regn No. 103142W

For SAMRIA & CO
Chartered Accountants
Firm Regn No. 109043W

Chairman-cum-Managing Director

Director

Director

Director

SANJEEV LALAN
Partner
Membership No.: 045329

ADHAR SAMRIA
Partner
Membership No:049174

Director & GM

Director & GM

GM Finance & CFO

Company Secretary

Place: Mumbai
Date: 04.08.2017

Annexure VIII
Restated Standalone Statement on Segment Disclosure

Indian Business

For the year endd 31.03.2017 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	11,041.45	13,707.49	3,474.44	175.06	-	-	(6,315.54)
Motor	42,203.60	43,948.60	7,470.91	335.66	-	-	(9,551.57)
Aviation	223.36	116.36	85.47	5.44	-	-	16.09
Engineering	4,045.90	443.07	676.63	29.40	-	-	2,896.80
W.C.	193.73	53.11	27.54	1.16	-	-	111.92
Liability	1,143.26	610.31	125.86	10.68	-	-	396.41
PA	3,685.70	1,772.05	1,232.42	26.41	-	-	654.82
Health	23,642.06	21,633.87	6,131.95	208.47	-	-	(4,332.23)
Agriculture	80,625.37	65,346.16	9,046.55	645.00	-	-	5,587.66
Other Misc.	3,292.36	19.92	1,238.30	29.90	-	-	2,004.24
FL/Credit	1,291.26	(199.41)	240.99	12.01	-	-	1,237.67
Marine Cargo	1,908.77	1,893.24	344.73	11.37	-	-	(340.57)
Marine Hull	1,571.80	2,132.72	91.99	9.22	-	-	(662.13)
Life	2,468.30	3,246.09	32.14	23.79	-	-	(833.72)
TOTAL	**177,336.92**	**154,723.58**	**30,219.92**	**1,523.57**	**-**	**-**	**(9,130.15)**

Foreign Business

For the year endd 31.03.2017 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	44,451.25	30,169.98	12,596.55	449.82	(113.06)	-	1,121.84
Motor	13,717.00	9,938.14	3,786.37	130.47	(86.59)	-	(224.57)
Aviation	4,463.35	4,228.50	811.47	49.07	(9.28)	-	(634.97)
Engineering	4,128.25	3,252.44	1,341.81	36.54	(8.26)	-	(510.80)
W.C.	110.35	214.54	18.96	1.29	(0.35)	-	(124.79)
Liability	636.92	403.79	155.98	5.23	(2.51)	-	69.41
PA	783.89	588.81	331.98	6.75	(4.06)	-	(147.71)
Health	9,407.05	7,970.57	1,984.32	119.16	(25.87)	-	(692.87)
Agriculture	1,872.77	1,450.52	505.46	15.00	(16.50)	-	(114.71)
Other Misc.	591.06	(534.01)	518.58	11.76	0.69	-	595.42
FL/Credit	149.90	370.54	50.07	1.11	(7.79)	-	(279.61)
Marine Cargo	1,591.28	353.61	605.45	14.64	(7.65)	-	609.93
Marine Hull	4,014.77	3,187.99	533.41	28.04	(15.54)	-	249.79
Life	(118.56)	201.24	28.96	(0.12)	(0.70)	-	(349.34)
TOTAL	**85,799.28**	**61,796.66**	**23,269.37**	**868.76**	**(297.47)**	**-**	**(432.98)**

Total Business

For the year endd 31.03.2017 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	55,492.70	43,877.47	16,070.99	624.88	(113.06)	-	(5,193.70)
Motor	55,920.60	53,886.74	11,257.28	466.13	(86.59)	-	(9,776.14)
Aviation	4,686.71	4,344.86	896.94	54.51	(9.28)	-	(618.88)
Engineering	8,174.15	3,695.51	2,018.44	65.94	(8.26)	-	2,386.00
W.C.	304.08	267.65	46.50	2.45	(0.35)	-	(12.87)
Liability	1,780.18	1,014.10	281.84	15.91	(2.51)	-	465.82
PA	4,469.59	2,360.86	1,564.40	33.16	(4.06)	-	507.10
Health	33,049.11	29,604.44	8,116.27	327.63	(25.87)	-	(5,025.10)
Agriculture	82,498.14	66,796.68	9,552.01	660.00	(16.50)	-	5,472.95
Other Misc.	3,883.42	(514.09)	1,756.88	41.66	0.69	-	2,599.66
FL/Credit	1,441.16	171.13	291.06	13.12	(7.79)	-	958.06
Marine Cargo	3,500.05	2,246.85	950.18	26.01	(7.65)	-	269.36
Marine Hull	5,586.57	5,320.71	625.40	37.26	(15.54)	-	(412.34)
Life	2,349.74	3,447.33	61.10	23.67	(0.70)	-	(1,183.06)
TOTAL	**263,136.20**	**216,520.24**	**53,489.29**	**2,392.33**	**(297.47)**	**-**	**(9,563.13)**

Annexure VIII

Restated Standalone Statement on Segment Disclosure

Indian Business

For the year endd 31.03.2016 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	11,598.02	16,503.30	2,198.99	197.93	-	-	(7,302.20)
Motor	31,578.81	30,173.63	5,041.60	308.61	-	-	(3,945.03)
Aviation	587.63	884.01	8.05	0.80	-	-	(305.23)
Engineering	3,621.83	(341.44)	773.68	45.09	-	-	3,144.50
W.C.	181.77	106.15	31.39	1.97	-	-	42.26
Liability	821.52	25.46	109.47	8.75	-	-	677.84
PA	2,728.00	1,385.03	1,206.29	31.17	-	-	105.51
Health	14,807.38	11,185.33	3,697.54	154.01	-	-	(229.50)
Agriculture	8,869.56	14,067.97	1,675.45	88.70	-	-	(6,962.56)
Other Misc.	2,129.27	1,042.53	385.84	48.53	-	-	652.37
FL/Credit	1,272.27	2,256.62	265.83	15.33	-	-	(1,265.52)
Marine Cargo	1,587.66	1,363.88	220.82	12.77	-	-	(9.81)
Marine Hull	1,629.92	740.81	302.81	13.73	0.44	(584.60)	1,157.61
Life	1,817.36	1,071.53	16.74	17.27	-	-	711.81
TOTAL	**83,231.00**	**80,464.80**	**15,934.50**	**944.66**	**0.44**	**(584.60)**	**(13,527.94)**

Foreign Business

For the year endd 31.03.2016 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	33,577.61	17,988.87	10,245.72	482.20	478.32	-	5,339.14
Motor	9,889.97	8,818.04	3,177.04	107.86	403.54	-	(1,809.43)
Aviation	4,138.92	2,419.99	689.15	47.85	69.98	-	1,051.91
Engineering	3,727.61	2,684.15	1,254.70	39.55	125.11	-	(125.68)
W.C.	36.32	32.58	6.39	0.53	1.44	-	(1.73)
Liability	404.53	558.11	96.87	5.56	18.83	-	(237.18)
PA	496.05	185.88	144.64	3.50	18.32	-	180.35
Health	8,244.49	10,086.64	1,452.52	99.11	132.57	-	(3,261.21)
Agriculture	277.86	77.53	56.71	2.80	45.70	-	186.52
Other Misc.	1,447.15	866.83	521.88	16.39	32.33	-	74.38
FL/Credit	112.97	(36.57)	38.92	1.15	41.98	-	151.45
Marine Cargo	1,675.47	790.75	482.42	12.21	44.54	-	434.63
Marine Hull	4,288.06	3,432.56	823.95	35.70	93.98	-	89.83
Life	558.21	628.43	59.66	4.30	6.94	-	(127.24)
TOTAL	**68,875.23**	**48,533.79**	**19,050.59**	**858.71**	**1,513.58**	**-**	**1,945.72**

For the year endd 31.03.2016 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	45,175.63	34,492.17	12,444.71	680.13	478.32	-	(1,963.06)
Motor	41,468.78	38,991.67	8,218.64	416.47	403.54	-	(5,754.46)
Aviation	4,726.55	3,304.00	697.20	48.65	69.98	-	746.68
Engineering	7,349.44	2,342.71	2,028.38	84.64	125.11	-	3,018.82
W.C.	218.10	138.73	37.78	2.50	1.44	-	40.53
Liability	1,226.05	583.57	206.34	14.31	18.83	-	440.66
PA	3,224.05	1,570.91	1,350.93	34.67	18.32	-	285.86
Health	23,051.87	21,271.97	5,150.06	253.12	132.57	-	(3,490.71)
Agriculture	9,147.42	14,145.50	1,732.16	91.50	45.70	-	(6,776.04)
Other Misc.	3,576.42	1,909.36	907.72	64.92	32.33	-	726.75
FL/Credit	1,385.23	2,220.05	304.75	16.48	41.98	-	(1,114.07)
Marine Cargo	3,263.13	2,154.63	703.24	24.98	44.54	-	424.82
Marine Hull	5,917.98	4,173.37	1,126.76	49.43	94.42	(584.60)	1,247.44
Life	2,375.56	1,699.96	76.40	21.57	6.94	-	584.57
TOTAL	**152,106.23**	**128,998.59**	**34,985.09**	**1,803.37**	**1,514.02**	**(584.60)**	**(11,582.22)**

Annexure VIII
Restated Standalone Statement on Segment Disclosure

Indian Business

For the year endd 31.03.2015 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	10,419.28	7,581.54	2,419.44	170.00	(0.34)	-	247.96
Motor	27,839.70	29,329.84	4,516.74	305.88	-	-	(6,312.76)
Aviation	868.32	298.04	90.65	15.20	55.43	-	519.86
Engineering	3,807.19	2,826.67	835.07	44.67	-	-	100.78
W.C.	169.20	56.03	22.98	1.55	-	-	88.64
Liability	641.11	(156.12)	123.47	9.26	(0.08)	-	664.42
PA	2,067.10	1,298.18	372.58	21.71	-	-	374.63
Health	11,724.73	13,480.63	2,284.06	133.34	-	-	(4,173.30)
Agriculture	6,228.88	5,920.47	838.78	68.52	-	-	(598.89)
Other Misc.	3,449.44	2,043.76	667.67	39.32	-	-	698.69
FL/Credit	1,864.62	1,832.17	224.55	13.75	-	-	(205.85)
Marine Cargo	1,426.48	1,708.66	226.74	13.40	-	-	(522.32)
Marine Hull	1,151.80	1,606.41	280.70	17.98	0.17	584.60	(1,337.72)
Life	957.52	1,026.99	33.16	13.27	-	-	(115.91)
TOTAL	**72,615.37**	**68,853.27**	**12,936.59**	**867.85**	**55.18**	**584.60**	**(10,571.77)**

Foreign Business

For the year endd 31.03.2015 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	29,244.98	18,957.38	7,212.96	371.98	(202.49)	-	2,500.17
Motor	8,650.96	9,544.58	1,982.44	70.86	(177.27)	-	(3,124.19)
Aviation	3,847.87	3,789.84	782.60	60.21	(19.04)	-	(803.82)
Engineering	3,569.81	1,679.87	1,129.09	37.54	(53.58)	-	669.73
W.C.	43.59	21.40	4.04	0.30	(0.71)	-	17.14
Liability	314.96	98.63	64.40	2.67	(5.66)	-	143.60
PA	1,171.61	770.76	187.12	4.16	(10.66)	-	198.91
Health	6,941.26	7,810.56	1,415.39	97.39	(43.09)	-	(2,425.17)
Agriculture	349.70	334.83	58.69	3.88	(19.70)	-	(67.40)
Other Misc.	1,710.16	390.25	483.76	11.64	(18.71)	-	805.80
FL/Credit	135.81	156.56	30.65	0.94	(17.76)	-	(70.10)
Marine Cargo	2,223.64	1,833.89	668.24	16.74	(20.32)	-	(315.55)
Marine Hull	4,424.85	4,770.22	809.66	38.40	(31.78)	-	(1,225.21)
Life	346.79	(94.32)	44.27	2.68	(2.56)	-	391.60
TOTAL	**62,975.99**	**50,064.45**	**14,873.34**	**719.39**	**(623.33)**	**-**	**(3,304.52)**

For the year endd 31.03.2015 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	39,664.26	26,538.92	9,632.40	541.98	(202.82)	-	2,748.13
Motor	36,490.66	38,874.42	6,499.18	376.74	(177.27)	-	(9,436.95)
Aviation	4,716.19	4,087.88	873.25	75.41	36.39	-	(283.96)
Engineering	7,377.00	4,506.54	1,964.16	82.21	(53.58)	-	770.51
W.C.	212.79	77.43	27.02	1.85	(0.71)	-	105.78
Liability	956.07	(57.49)	187.87	11.93	(5.74)	-	808.02
PA	3,238.71	2,068.94	559.70	25.87	(10.66)	-	573.54
Health	18,665.99	21,291.19	3,699.45	230.73	(43.09)	-	(6,598.47)
Agriculture	6,578.58	6,255.30	897.47	72.40	(19.70)	-	(666.29)
Other Misc.	5,159.60	2,434.01	1,151.43	50.96	(18.71)	-	1,504.49
FL/Credit	2,000.43	1,988.73	255.20	14.69	(17.76)	-	(275.95)
Marine Cargo	3,650.12	3,542.55	894.98	30.14	(20.32)	-	(837.87)
Marine Hull	5,576.65	6,376.63	1,090.36	56.38	(31.61)	584.60	(2,562.93)
Life	1,304.31	932.67	77.43	15.95	(2.56)	-	275.69
TOTAL	**135,591.36**	**118,917.72**	**27,809.93**	**1,587.24**	**(568.15)**	**584.60**	**(13,876.29)**

Annexure VIII
Restated Standalone Statement on Segment Disclosure

Indian Business

For the year endd 31.03.2014 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	9,765.04	4,646.00	9.76	183.75	(0.14)	-	4,925.39
Motor	29,845.01	20,796.31	3,277.52	301.35	-	-	5,469.83
Aviation	487.37	(96.93)	88.29	7.05	(2.42)	-	486.54
Engineering	3,976.10	6,171.92	1,049.72	58.91	-	-	(3,304.45)
W.C.	283.19	126.90	23.97	2.19	-	-	130.13
Liability	747.00	767.91	100.61	7.26	(0.02)	-	(128.80)
PA	2,360.35	1,185.88	325.24	23.84	-	-	825.39
Health	13,718.07	9,064.59	1,700.99	121.65	-	-	2,830.84
Agriculture	6,008.37	5,351.76	1,073.23	72.10	-	-	(488.72)
Other Misc.	3,610.49	4,095.39	669.97	58.77	(0.10)	-	(1,213.74)
FL/Credit	2,505.30	3,609.26	472.04	28.03	-	-	(1,604.03)
Marine Cargo	1,816.89	426.96	214.23	15.61	(0.93)	-	1,159.16
Marine Hull	1,001.87	(337.28)	49.48	16.49	(2.33)	-	1,270.85
Life	558.25	705.94	37.05	12.43	-	-	(197.17)
TOTAL	**76,683.31**	**56,514.62**	**9,092.10**	**909.43**	**(5.94)**	**-**	**10,161.22**

Foreign Business

For the year endd 31.03.2014 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	26,917.85	32,710.71	7,475.54	459.53	638.71	-	(13,089.22)
Motor	8,367.42	8,133.71	2,340.64	76.87	746.15	-	(1,437.65)
Aviation	3,004.58	2,086.15	430.39	48.40	113.08	-	552.72
Engineering	3,192.56	5,435.17	1,136.80	45.36	140.88	-	(3,283.89)
W.C.	52.29	(79.77)	5.58	0.65	4.39	-	130.22
Liability	317.71	139.69	65.44	4.96	18.61	-	126.23
PA	2,096.39	1,618.73	368.38	19.46	59.55	-	149.37
Health	4,865.12	6,097.60	1,083.70	102.37	200.24	-	(2,218.31)
Agriculture	1,164.57	724.85	92.17	14.00	78.90	-	412.45
Other Misc.	1,702.22	1,252.94	676.77	10.23	69.70	-	(168.02)
FL/Credit	156.82	610.45	16.14	1.92	48.70	-	(422.99)
Marine Cargo	2,253.28	1,383.99	788.54	23.22	77.09	-	134.62
Marine Hull	4,884.61	4,147.61	980.02	44.50	113.76	-	(173.76)
Life	501.74	296.50	15.60	2.42	7.62	-	194.84
TOTAL	**59,477.16**	**64,558.33**	**15,475.71**	**853.89**	**2,317.38**	**-**	**(19,093.39)**

For the year endd 31.03.2014 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	36,682.89	37,356.71	7,485.30	643.28	638.57	-	(8,163.84)
Motor	38,212.43	28,930.02	5,618.16	378.22	746.15	-	4,032.18
Aviation	3,491.95	1,989.22	518.68	55.45	110.66	-	1,039.26
Engineering	7,168.66	11,607.09	2,186.52	104.27	140.88	-	(6,588.34)
W.C.	335.48	47.13	29.55	2.84	4.39	-	260.35
Liability	1,064.71	907.60	166.05	12.22	18.59	-	(2.57)
PA	4,456.74	2,804.61	693.62	43.30	59.55	-	974.76
Health	18,583.19	15,162.19	2,784.69	224.02	200.24	-	612.53
Agriculture	7,172.94	6,076.61	1,165.40	86.10	78.90	-	(76.27)
Other Misc.	5,312.71	5,348.33	1,346.74	69.00	69.60	-	(1,381.76)
FL/Credit	2,662.12	4,219.71	488.18	29.95	48.70	-	(2,027.02)
Marine Cargo	4,070.17	1,810.95	1,002.77	38.83	76.16	-	1,293.78
Marine Hull	5,886.48	3,810.33	1,029.50	60.99	111.45	-	1,097.09
Life	1,059.99	1,002.44	52.65	14.85	7.62	-	(2.33)
TOTAL	**136,160.47**	**121,072.95**	**24,567.81**	**1,763.32**	**2,311.44**	**-**	**(8,932.18)**

Annexure VIII
Restated Standalone Statement on Segment Disclosure

Indian Business

For the year endd 31.03.2013 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	10,108.74	6,955.34	1,709.27	79.31	32.67	-	1,397.49
Motor	29,211.80	21,845.58	6,268.41	209.88	236.27	(1,414.67)	2,538.87
Aviation	519.59	181.12	56.40	4.54	(5.38)	-	272.15
Engineering	4,053.74	2,214.83	1,167.07	28.94	38.83	-	681.73
W.C.	383.32	123.91	68.39	2.34	1.97	-	190.65
Liability	1,015.61	(90.45)	158.54	7.85	13.38	-	953.05
PA	2,311.07	2,690.75	443.90	16.77	5.32	-	(835.03)
Health	15,409.29	17,919.25	2,831.40	105.24	71.95	-	(5,374.65)
Agriculture	4,182.50	2,139.99	887.63	29.28	-	-	1,125.60
Other Misc.	3,523.86	3,030.04	961.57	26.80	35.83	-	(458.72)
FL/Credit	2,500.90	1,798.90	451.10	16.19	41.27	-	275.98
Marine Cargo	2,440.24	2,212.68	369.17	12.18	22.90	-	(130.89)
Marine Hull	1,788.66	(247.19)	70.33	8.45	17.32	-	1,974.39
Life	281.38	235.53	0.27	2.75	0.40	-	43.23
TOTAL	**77,730.70**	**61,010.28**	**15,443.46**	**550.52**	**512.73**	**(1,414.67)**	**2,653.84**

Foreign Business

For the year endd 31.03.2013 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	24,204.49	23,108.24	6,528.25	274.00	268.90	-	(5,437.10)
Motor	6,744.54	6,061.17	1,667.38	65.96	(33.50)	-	(1,083.47)
Aviation	3,954.73	5,100.65	503.91	31.31	250.25	-	(1,430.89)
Engineering	2,789.54	2,277.02	920.50	30.52	16.35	-	(422.15)
W.C.	34.82	(11.51)	4.83	0.32	(1.45)	-	39.73
Liability	469.10	390.51	57.07	2.04	8.07	-	27.55
PA	2,293.36	3,594.01	498.21	15.67	9.17	-	(1,805.36)
Health	3,858.93	5,690.66	456.14	53.43	(17.79)	-	(2,359.09)
Agriculture	1,075.07	1,033.39	492.83	7.52	84.10	-	(374.57)
Other Misc.	1,764.34	(3,300.77)	528.51	15.15	49.46	-	4,570.91
FL/Credit	142.73	118.22	51.91	0.87	(4.75)	-	(33.02)
Marine Cargo	2,259.26	1,699.60	759.79	17.22	59.69	-	(157.66)
Marine Hull	4,976.69	2,408.01	1,155.91	35.88	47.22	-	1,424.11
Life	209.77	243.90	16.00	3.12	0.97	-	(52.28)
TOTAL	**54,777.37**	**48,413.10**	**13,641.24**	**553.01**	**736.69**	**-**	**(7,093.29)**

For the year endd 31.03.2013 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/-Loss on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	34,313.23	30,063.58	8,237.52	353.31	301.57	-	(4,039.61)
Motor	35,956.34	27,906.75	7,935.79	275.84	202.77	(1,414.67)	1,455.40
Aviation	4,474.32	5,281.77	560.31	35.85	244.87	-	(1,158.74)
Engineering	6,843.28	4,491.85	2,087.57	59.46	55.18	-	259.58
W.C.	418.14	112.40	73.22	2.66	0.52	-	230.38
Liability	1,484.71	300.06	215.61	9.89	21.45	-	980.60
PA	4,604.43	6,284.76	942.11	32.44	14.49	-	(2,640.39)
Health	19,268.22	23,609.91	3,287.54	158.67	54.16	-	(7,733.74)
Agriculture	5,257.57	3,173.38	1,380.46	36.80	84.10	-	751.03
Other Misc.	5,288.20	(270.73)	1,490.08	41.95	85.29	-	4,112.19
FL/Credit	2,643.63	1,917.12	503.01	17.06	36.52	-	242.96
Marine Cargo	4,699.50	3,912.28	1,128.96	29.40	82.59	-	(288.55)
Marine Hull	6,765.35	2,160.82	1,226.24	44.33	64.54	-	3,398.50
Life	491.15	479.43	16.27	5.87	1.37	-	(9.05)
TOTAL	**132,508.07**	**109,423.38**	**29,084.70**	**1,103.51**	**1,249.42**	**(1,414.67)**	**(4,439.43)**

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Annexure IX

Restated Standalone Statement of Premium Income

(Amount in ₹ million)

	Particulars	For the year ended				
		31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**
A	**FIRE INSURANCE**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	81,264.91	64,761.24	47,016.45	49,985.30	40,699.24
	Less:Premium on Reinsurance ceded	21,043.08	13,454.79	7,616.66	10,199.60	8,139.61
	Net Premium	60,221.83	51,306.46	39,399.79	39,785.70	32,559.63
	Adjustment for change in reserve for unexpired risks	(4,729.13)	(6,130.82)	264.47	(3,102.81)	1,753.60
	Total Premium Earned (Net)	55,492.70	45,175.64	39,664.26	36,682.89	34,313.23
B	**MISCELLANEOUS INSURANCE**					
(1)	**MOTOR**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	66,243.95	44,882.91	38,522.95	34,329.67	41,987.92
	Less:Premium on Reinsurance ceded	-	-	-	-	-
	Net Premium	66,243.95	44,882.91	38,522.95	34,329.67	41,987.92
	Adjustment for change in reserve for unexpired risks	(10,323.35)	(3,414.13)	(2,032.29)	3,882.76	(6,031.58)
	Total Premium Earned (Net)	55,920.60	41,468.78	36,490.66	38,212.43	35,956.34
				-		
(2)	**AVIATION**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	6,623.86	4,531.75	6,863.95	4,263.96	4,443.18
	Less:Premium on Reinsurance ceded	859.35	974.13	961.89	762.10	1,045.54
	Net Premium	5,764.51	3,557.62	5,902.06	3,501.86	3,397.64
	Adjustment for change in reserve for unexpired risks	(1,077.80)	1,168.93	(1,185.87)	(9.91)	1,076.68
	Total Premium Earned (Net)	4,686.71	4,726.55	4,716.19	3,491.95	4,474.32
(3)	**ENGINEERING**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	8,781.60	8,906.03	7,958.22	8,592.13	7,499.61
	Less:Premium on Reinsurance ceded	281.91	1,245.46	854.40	930.69	875.04
	Net Premium	8,499.69	7,660.57	7,103.82	7,661.44	6,624.57
	Adjustment for change in reserve for unexpired risks	(325.54)	(311.13)	273.18	(492.78)	218.71
	Total Premium Earned (Net)	8,174.15	7,349.44	7,377.00	7,168.66	6,843.28
(4)	**WORKMENS' COMPENSATION**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	353.73	253.53	182.70	242.96	427.81
	Less:Premium on Reinsurance ceded	-	-	-	-	-
	Net Premium	353.73	253.53	182.70	242.96	427.81
	Adjustment for change in reserve for unexpired risks	(49.65)	(35.43)	30.08	92.52	(9.67)
	Total Premium Earned (Net)	304.08	218.10	212.78	335.48	418.14
(5)	**LIABILITY**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	2,334.04	1,505.30	1,153.48	1,005.15	1,521.80
	Less:Premium on Reinsurance ceded	196.65	89.05	116.62	128.82	269.67
	Net Premium	2,137.39	1,416.25	1,036.86	876.33	1,252.13
	Adjustment for change in reserve for unexpired risks	(357.21)	(190.20)	(80.78)	188.38	232.58
	Total Premium Earned (Net)	1,780.18	1,226.05	956.08	1,064.71	1,484.71

(Amount in ₹ million)

	Particulars	For the year ended				
		31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
(6)	**PERSONAL ACCIDENT**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	5,103.57	3,805.19	2,691.27	3,797.65	5,138.55
	Less:Premium on Reinsurance ceded	-	5.14	11.69	13.16	15.72
	Net Premium	5,103.57	3,800.05	2,679.58	3,784.49	5,122.83
	Adjustment for change in reserve for unexpired risks	(633.98)	(576.00)	559.13	672.25	(518.40)
	Total Premium Earned (Net)	4,469.59	3,224.05	3,238.71	4,456.74	4,604.43
(7)	**HEALTH**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	41,728.83	25,041.90	21,049.81	16,451.25	20,676.99
	Less:Premium on Reinsurance ceded	1,112.27	-	-	-	-
	Net Premium	40,616.56	25,041.90	21,049.81	16,451.25	20,676.99
	Adjustment for change in reserve for unexpired risks	(7,567.45)	(1,990.03)	(2,383.82)	2,131.94	(1,408.77)
	Total Premium Earned (Net)	33,049.11	23,051.87	18,665.99	18,583.19	19,268.22
(8)	**AGRICULTURE**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	97,523.27	12,917.86	6,442.37	7,763.19	6,587.20
	Less:Premium on Reinsurance ceded	6,788.71	916.69	994.39	361.80	150.43
	Net Premium	90,734.56	12,001.17	5,447.98	7,401.39	6,436.77
	Adjustment for change in reserve for unexpired risks	(8,236.42)	(2,853.75)	1,130.60	(228.45)	(1,179.20)
	Total Premium Earned (Net)	82,498.14	9,147.42	6,578.58	7,172.94	5,257.57
(9)	***OTHER MISCELLANEOUS***					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	9,087.61	3,545.47	5,906.65	5,713.21	5,861.95
	Less:Premium on Reinsurance ceded	851.81	1,465.22	778.18	532.83	437.37
	Net Premium	8,235.80	2,080.25	5,128.47	5,180.38	5,424.58
	Adjustment for change in reserve for unexpired risks	(4,352.38)	1,496.17	31.14	132.33	(136.38)
	Total Premium Earned (Net)	3,883.42	3,576.42	5,159.61	5,312.71	5,288.20
(10)	**FINANCIAL LIABILTY/CREDIT**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	2,010.10	1,766.68	1,455.34	2,544.72	2,779.26
	Less:Premium on Reinsurance ceded	446.00	450.00	-	-	-
	Net Premium	1,564.10	1,316.68	1,455.34	2,544.72	2,779.26
	Adjustment for change in reserve for unexpired risks	(122.94)	68.56	545.08	117.40	(135.63)
	Total Premium Earned (Net)	1,441.16	1,385.24	2,000.42	2,662.12	2,643.63

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
	TOTAL MISCELLANEOUS					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	239,790.56	107,156.62	92,226.74	84,703.89	96,924.27
	Less:Premium on Reinsurance ceded	10,536.70	5,145.69	3,717.17	2,729.40	2,793.77
	Net Premium	229,253.86	102,010.93	88,509.57	81,974.49	94,130.50
	Adjustment for change in reserve for unexpired risks	(33,046.72)	(6,637.01)	(3,113.55)	6,486.44	(7,891.66)
	Total Premium Earned (Net)	196,207.14	95,373.92	85,396.02	88,460.93	86,238.84
C	**MARINE INSURANCE**					
(1)	**MARINE CARGO**					
	Premium from Direct Business Written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	4,446.04	3,377.55	3,806.21	4,165.49	4,747.40
	Less:Premium on Reinsurance ceded	491.23	380.40	277.10	394.37	378.18
	Net Premium	3,954.81	2,997.15	3,529.11	3,771.12	4,369.22
	Adjustment for change in reserve for unexpired risks	(454.76)	265.98	121.01	299.05	330.28
	Total Premium Earned (Net)	3,500.05	3,263.13	3,650.12	4,070.17	4,699.50
(2)	**MARINE HULL**					
	Premium from Direct Business Written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	6,727.16	6,756.22	7,217.03	6,689.52	7,533.16
	Less:Premium on Reinsurance ceded	1,790.29	1,225.49	1,282.28	1,102.95	1,660.72
	Net Premium	4,936.87	5,530.73	5,934.75	5,586.57	5,872.44
	Adjustment for change in reserve for unexpired risks	649.70	387.25	(358.10)	299.91	892.91
	Total Premium Earned (Net)	5,586.57	5,917.98	5,576.65	5,886.48	6,765.35
	TOTAL MARINE					
	Premium from Direct Business Written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	11,173.20	10,133.77	11,023.24	10,855.01	12,280.56
	Less:Premium on Reinsurance ceded	2,281.52	1,605.89	1,559.38	1,497.32	2,038.90
	Net Premium	8,891.68	8,527.88	9,463.86	9,357.69	10,241.66
	Adjustment for change in reserve for unexpired risks	194.94	653.23	(237.09)	598.96	1,223.19
	Total Premium Earned (Net)	9,086.62	9,181.11	9,226.77	9,956.65	11,464.85
D	**LIFE INSURANCE**					
	Premium from Direct Business written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	3,625.72	2,306.48	1,573.22	1,256.97	954.71
	Less:Premium on Reinsurance ceded	247.52	403.90	376.31	248.68	174.15
	Net Premium	3,378.20	1,902.58	1,196.91	1,008.29	780.56
	Adjustment for change in reserve for unexpired risks	(1,028.46)	472.99	107.40	51.70	(289.41)
	Total Premium Earned (Net)	2,349.74	2,375.57	1,304.31	1,059.99	491.15
E	**TOTAL ALL CLASSES**					
	Premium from Direct Business Written	-	-	-	-	-
	Add: Premium on Reinsurance accepted	335,854.38	184,358.11	151,839.65	146,801.17	150,858.78
	Less:Premium on Reinsurance ceded	34,108.82	20,610.27	13,269.52	14,675.00	13,146.43
	Net Premium	301,745.56	163,747.84	138,570.13	132,126.17	137,712.35
	Adjustment for change in reserve for unexpired risks	(38,609.37)	(11,641.61)	(2,978.77)	4,034.29	(5,204.28)
	Total Premium Earned (Net)	263,136.19	152,106.23	135,591.36	136,160.46	132,508.07

Annexure X
Restated Standalone Statement of Claims Incurred

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
A	**FIRE INSURANCE**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	37,979.02	38,282.77	36,728.17	36,648.12	30,402.11
	Less: Reinsurance ceded	7,862.36	9,209.43	1,563.41	6,756.14	4,468.89
	Net Claims Paid	30,116.66	29,073.34	35,164.76	29,891.98	25,933.22
	Add : Claims Outstanding at the end of the year	86,761.87	73,001.06	67,582.23	76,208.07	68,743.34
	Less: Claims Outstanding at the beginning of the year	73,001.06	67,582.23	76,208.07	68,743.34	64,612.98
	Total Claims Incurred	43,877.47	34,492.17	26,538.92	37,356.71	30,063.58
B	**MISCELLANEOUS INSURANCE**					
(1)	**MOTOR**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	36,184.24	29,418.46	41,344.94	28,847.03	22,412.19
	Less: Reinsurance ceded	-	-	-	-	-
	Net Claims Paid	36,184.24	29,418.46	41,344.94	28,847.03	22,412.19
	Add : Claims Outstanding at the end of the year	78,863.60	61,161.10	51,587.89	54,058.41	53,975.42
	Less: Claims Outstanding at the beginning of the year	61,161.10	51,587.89	54,058.41	53,975.42	48,480.86
	Total Claims Incurred	53,886.74	38,991.67	38,874.42	28,930.02	27,906.75
(2)	**AVIATION**					
	Claims Paid					
	Direct	(0.01)	(11.70)	4.06	5.50	0.08
	Add : Reinsurance accepted	5,856.17	3,901.68	3,324.26	3,633.91	3,486.08
	Less: Reinsurance ceded	1,159.13	332.18	143.56	297.65	485.88
	Net Claims Paid	4,697.03	3,557.80	3,184.76	3,341.76	3,000.28
	Add : Claims Outstanding at the end of the year	8,197.97	8,550.14	8,803.94	7,900.82	9,253.36
	Less: Claims Outstanding at the beginning of the year	8,550.14	8,803.94	7,900.82	9,253.36	6,971.87
	Total Claims Incurred	4,344.86	3,304.00	4,087.88	1,989.22	5,281.77
(3)	**ENGINEERING**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	4,320.75	4,392.15	3,889.86	4,674.89	2,818.57
	Less: Reinsurance ceded	495.36	164.80	17.23	47.35	24.60
	Net Claims Paid	3,825.39	4,227.35	3,872.63	4,627.54	2,793.97
	Add : Claims Outstanding at the end of the year	16,367.96	16,497.84	18,382.48	17,748.57	10,769.02
	Less: Claims Outstanding at the beginning of the year	16,497.84	18,382.48	17,748.57	10,769.02	9,071.14
	Total Claims Incurred	3,695.51	2,342.71	4,506.54	11,607.09	4,491.85
(4)	**WORKMENS' COMPENSATION**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	119.40	90.00	79.21	114.38	92.32
	Less: Reinsurance ceded	-	-	-	-	-
	Net Claims Paid	119.40	90.00	79.21	114.38	92.32
	Add : Claims Outstanding at the end of the year	358.44	210.19	161.46	163.24	230.49
	Less: Claims Outstanding at the beginning of the year	210.19	161.46	163.24	230.49	210.41
	Total Claims Incurred	267.65	138.73	77.43	47.13	112.40
(5)	**LIABILITY**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	757.58	436.97	243.89	295.99	434.79
	Less: Reinsurance ceded	-	-	38.25	-	391.54
	Net Claims Paid	757.58	436.97	205.64	295.99	43.25
	Add : Claims Outstanding at the end of the year	1,982.66	1,726.14	1,579.54	1,842.67	1,231.06
	Less: Claims Outstanding at the beginning of the year	1,726.14	1,579.54	1,842.67	1,231.06	974.25
	Total Claims Incurred	1,014.10	583.57	(57.49)	907.60	300.06
(6)	**PERSONAL ACCIDENT**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	1,604.19	1,443.70	2,586.72	3,850.13	3,347.15
	Less: Reinsurance ceded	-	-	-	-	-
	Net Claims Paid	1,604.19	1,443.70	2,586.72	3,850.13	3,347.15
	Add : Claims Outstanding at the end of the year	2,772.65	2,015.98	1,888.77	2,406.55	3,452.07
	Less: Claims Outstanding at the beginning of the year	2,015.98	1,888.77	2,406.55	3,452.07	514.46
	Total Claims Incurred	2,360.86	1,570.91	2,068.94	2,804.61	6,284.76

(Amount in ₹ million)

	Particulars	For the year ended				
		31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
(7)	**HEALTH**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	31,490.15	21,544.53	17,748.46	16,018.91	19,728.34
	Less: Reinsurance ceded	821.48	-	-	-	-
	Net Claims Paid	30,668.67	21,544.53	17,748.46	16,018.91	19,728.34
	Add : Claims Outstanding at the end of the year	11,364.04	12,428.27	12,700.83	9,158.10	10,014.82
	Less: Claims Outstanding at the beginning of the year	12,428.27	12,700.83	9,158.10	10,014.82	6,133.25
	Total Claims Incurred	29,604.44	21,271.97	21,291.19	15,162.19	23,609.91
(8)	**AGRICULTURE**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	9,355.54	14,774.66	5,872.62	6,355.58	2,973.51
	Less: Reinsurance ceded	86.34	654.54	-	-	-
	Net Claims Paid	9,269.20	14,120.12	5,872.62	6,355.58	2,973.51
	Add : Claims Outstanding at the end of the year	59,122.25	1,594.77	1,569.39	1,186.71	1,465.68
	Less: Claims Outstanding at the beginning of the year	1,594.77	1,569.39	1,186.71	1,465.68	1,265.81
	Total Claims Incurred	66,796.68	14,145.50	6,255.30	6,076.61	3,173.38
(9)	***OTHER MISCELLANEOUS***					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	3,021.22	2,112.46	3,447.45	4,813.98	2,391.51
	Less: Reinsurance ceded	1,643.91	395.45	-	2.73	(3.91)
	Net Claims Paid	1,377.31	1,717.01	3,447.45	4,811.25	2,395.42
	Add : Claims Outstanding at the end of the year	6,438.71	8,330.11	8,137.76	9,151.20	8,614.12
	Less: Claims Outstanding at the beginning of the year	8,330.11	8,137.76	9,151.20	8,614.12	11,280.27
	Total Claims Incurred	(514.09)	1,909.36	2,434.01	5,348.33	(270.73)
(10)	**FINANCIAL LIABILTY/CREDIT**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	3,270.04	1,995.51	1,225.71	1,813.76	1,020.99
	Less: Reinsurance ceded	-	-	-	-	-
	Net Claims Paid	3,270.04	1,995.51	1,225.71	1,813.76	1,020.99
	Add : Claims Outstanding at the end of the year	3,773.87	6,872.78	6,648.24	5,885.22	3,479.27
	Less: Claims Outstanding at the beginning of the year	6,872.78	6,648.24	5,885.22	3,479.27	2,583.14
	Total Claims Incurred	171.13	2,220.05	1,988.73	4,219.71	1,917.12
	TOTAL MISCELLANEOUS					
	Claims Paid					
	Direct	(0.01)	(11.70)	4.06	5.50	0.08
	Add : Reinsurance accepted	95,979.28	80,110.12	79,763.12	70,418.56	58,705.45
	Less: Reinsurance ceded	4,206.22	1,546.97	199.04	347.73	898.11
	Net Claims Paid	91,773.05	78,551.45	79,568.14	70,076.33	57,807.42
	Add : Claims Outstanding at the end of the year	189,242.15	119,387.32	111,460.30	109,501.49	102,485.31
	Less: Claims Outstanding at the beginning of the year	119,387.32	111,460.30	109,501.49	102,485.31	87,485.46
	Total Claims Incurred	161,627.88	86,478.47	81,526.95	77,092.51	72,807.27
C	**MARINE INSURANCE**					
(1)	**MARINE CARGO**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	2,149.37	1,863.47	3,274.16	2,892.34	3,033.25
	Less: Reinsurance ceded	0.53	51.01	62.82	415.86	12.62
	Net Claims Paid	2,148.84	1,812.46	3,211.34	2,476.48	3,020.63
	Add : Claims Outstanding at the end of the year	5,997.05	5,899.04	5,556.87	5,225.66	5,891.19
	Less: Claims Outstanding at the beginning of the year	5,899.04	5,556.87	5,225.66	5,891.19	4,999.54
	Total Claims Incurred	2,246.85	2,154.63	3,542.55	1,810.95	3,912.28
(2)	**MARINE HULL**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	3,377.26	4,630.07	4,242.78	5,230.61	4,676.84
	Less: Reinsurance ceded	263.93	516.25	309.04	765.81	948.13
	Net Claims Paid	3,113.33	4,113.82	3,933.74	4,464.80	3,728.71
	Add : Claims Outstanding at the end of the year	11,948.36	9,740.98	9,681.43	7,238.54	7,893.01
	Less: Claims Outstanding at the beginning of the year	9,740.98	9,681.43	7,238.54	7,893.01	9,460.90
	Total Claims Incurred	5,320.71	4,173.37	6,376.63	3,810.33	2,160.82

(Amount in ₹ million)

	Particulars	For the year ended				
		31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
	TOTAL MARINE					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	5,526.63	6,493.54	7,516.94	8,122.95	7,710.09
	Less: Reinsurance ceded	264.46	567.26	371.86	1,181.67	960.75
	Net Claims Paid	5,262.17	5,926.28	7,145.08	6,941.28	6,749.34
	Add : Claims Outstanding at the end of the year	17,945.41	15,640.02	15,238.30	12,464.20	13,784.20
	Less: Claims Outstanding at the beginning of the year	15,640.02	15,238.30	12,464.20	13,784.20	14,460.44
	Total Claims Incurred	7,567.56	6,328.00	9,919.18	5,621.28	6,073.10
D	**LIFE INSURANCE**					
	Claims Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance accepted	2,968.49	1,802.16	995.13	769.32	409.82
	Less: Reinsurance ceded	319.47	295.48	321.32	144.22	36.97
	Net Claims Paid	2,649.02	1,506.68	673.81	625.10	372.85
	Add : Claims Outstanding at the end of the year	1,845.53	1,047.22	853.94	595.08	217.74
	Less: Claims Outstanding at the beginning of the year	1,047.22	853.94	595.08	217.74	111.16
	Total Claims Incurred	3,447.33	1,699.96	932.67	1,002.44	479.43
E	**TOTAL ALL CLASSES**					
	Claims Paid					
	Direct	(0.01)	(11.70)	4.06	5.50	0.08
	Add : Reinsurance accepted	142,453.42	126,688.59	125,003.36	115,958.95	97,227.47
	Less: Reinsurance ceded	12,652.51	11,619.14	2,455.63	8,429.76	6,364.72
	Net Claims Paid	129,800.90	115,057.75	122,551.79	107,534.69	90,862.83
	Add : Claims Outstanding at the end of the year	295,794.96	209,075.62	195,134.77	198,768.84	185,230.59
	Less: Claims Outstanding at the beginning of the year	209,075.62	195,134.77	198,768.84	185,230.59	166,670.04
	Total Claims Incurred	216,520.24	128,998.60	118,917.72	121,072.94	109,423.38

Annexure XI
Restated Standalone Statement of Commission Expenses

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
A	FIRE INSURANCE					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	16,262.10	12,741.56	9,805.57	9,979.05	8,448.37
	Less: Commission on Reinsurance Ceded	191.11	296.85	173.17	2,493.75	210.85
	Net Commission	16,070.99	12,444.71	9,632.40	7,485.30	8,237.52
	Break-up of Commission					
	Brokerage	3,214.67	2,406.92	1,359.92	1,310.06	1,212.34
	Commision Paid	12,856.32	10,037.79	8,272.48	6,175.24	7,025.18
	Total Commission	16,070.99	12,444.71	9,632.40	7,485.30	8,237.52
B	MISCELLANEOUS INSURANCE					
(1)	MOTOR					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	11,257.28	8,218.64	6,499.18	5,618.16	7,935.79
	Less: Commission on Reinsurance Ceded	-	-	-	-	-
	Net Commission	11,257.28	8,218.64	6,499.18	5,618.16	7,935.79
	Break-up of Commission					
	Brokerage	460.82	341.30	252.38	238.72	191.49
	Commision Paid	10,796.46	7,877.34	6,246.80	5,379.44	7,744.30
	Total Commission	11,257.28	8,218.64	6,499.18	5,618.16	7,935.79
(2)	AVIATION					
	Commission Paid					
	Direct	-	-	(78.26)	36.34	-
	Add : Reinsurance Accepted	940.30	722.00	952.09	589.02	629.63
	Less: Commission on Reinsurance Ceded	43.36	24.80	0.58	106.68	69.32
	Net Commission	896.94	697.20	873.25	518.68	560.31
	Break-up of Commission					
	Brokerage	486.05	343.03	373.70	333.94	284.43
	Commision Paid	410.89	354.17	499.54	184.74	275.88
	Total Commission	896.94	697.20	873.24	518.68	560.31
(3)	ENGINEERING					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	2,021.39	2,044.06	1,967.67	2,272.29	2,097.92
	Less: Commission on Reinsurance Ceded	2.95	15.68	3.51	85.77	10.35
	Net Commission	2,018.44	2,028.38	1,964.16	2,186.52	2,087.57
	Break-up of Commission					
	Brokerage	116.86	129.16	92.75	108.82	87.70
	Commision Paid	1,901.58	1,899.22	1,871.41	2,077.70	1,999.87
	Total Commission	2,018.44	2,028.38	1,964.16	2,186.52	2,087.57
(4)	WORKMENS' COMPENSATION					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	46.50	37.78	27.02	29.55	73.22
	Less: Commission on Reinsurance Ceded	-	-	-	-	-
	Net Commission	46.50	37.78	27.02	29.55	73.22
	Break-up of Commission					
	Brokerage	3.67	1.64	1.62	1.68	1.54
	Commision Paid	42.83	36.14	25.40	27.87	71.68
	Total Commission	46.50	37.78	27.02	29.55	73.22
(5)	LIABILITY					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	295.20	206.34	189.96	167.48	217.15
	Less: Commission on Reinsurance Ceded	13.36	-	2.09	1.43	1.54
	Net Commission	281.84	206.34	187.87	166.05	215.61
	Break-up of Commission					
	Brokerage	32.94	22.14	15.51	13.88	16.26
	Commision Paid	248.90	184.20	172.36	152.17	199.35
	Total Commission	281.84	206.34	187.87	166.05	215.61
(6)	PERSONAL ACCIDENT					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	1,564.40	1,350.96	561.28	694.42	943.37
	Less: Commission on Reinsurance Ceded	-	0.03	1.58	0.80	1.26
	Net Commission	1,564.40	1,350.93	559.70	693.62	942.11
	Break-up of Commission					
	Brokerage	81.66	47.07	44.09	62.65	53.74
	Commision Paid	1,482.74	1,303.86	515.61	630.97	888.37
	Total Commission	1,564.40	1,350.93	559.70	693.62	942.11

(Amount in ₹ million)

	Particulars	For the year ended				
		31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
(7)	**HEALTH**					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	8,155.20	5,150.06	3,699.45	2,784.69	3,287.55
	Less: Commission on Reinsurance Ceded	38.93	-	-	-	-
	Net Commission	8,116.27	5,150.06	3,699.45	2,784.69	3,287.55
	Break-up of Commission					
	Brokerage	168.64	162.69	264.06	153.50	88.62
	Commision Paid	7,947.63	4,987.37	3,435.39	2,631.19	3,198.93
	Total Commission	8,116.27	5,150.06	3,699.45	2,784.69	3,287.55
(8)	**AGRICULTURE**					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	9,553.56	1,732.18	897.46	1,176.63	1,380.46
	Less: Commission on Reinsurance Ceded	1.55	-		11.19	
	Net Commission	9,552.01	1,732.18	897.46	1,165.44	1,380.46
	Break-up of Commission					
	Brokerage	-	-	-	-	-
	Commision Paid	9,552.01	1,732.18	897.46	1,165.44	1,380.46
	Total Commission	9,552.01	1,732.18	897.46	1,165.44	1,380.46
(9)	***OTHER MISCELLANEOUS***					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	1,761.40	908.79	1,152.94	1,372.57	1,490.54
	Less: Commission on Reinsurance Ceded	4.52	1.07	1.48	25.87	0.46
	Net Commission	1,756.88	907.72	1,151.46	1,346.70	1,490.08
	Break-up of Commission					
	Brokerage	221.86	121.13	94.83	105.44	125.90
	Commision Paid	1,535.02	786.59	1,056.63	1,241.26	1,364.18
	Total Commission	1,756.88	907.72	1,151.46	1,346.70	1,490.08
(10)	**FINANCIAL LIABILTY/CREDIT**					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	291.06	304.75	255.20	488.18	503.01
	Less: Commission on Reinsurance Ceded	-	-	-	-	-
	Net Commission	291.06	304.75	255.20	488.18	503.01
	Break-up of Commission					
	Brokerage	9.51	4.82	2.26	3.84	6.94
	Commision Paid	281.55	299.93	252.94	484.34	496.07
	Total Commission	291.06	304.75	255.20	488.18	503.01
	TOTAL MISCELLANEOUS					
	Commission Paid					
	Direct	-	-	(78.26)	36.34	-
	Add : Reinsurance Accepted	35,886.29	20,675.56	16,202.25	15,192.99	18,558.64
	Less: Commission on Reinsurance Ceded	104.66	41.58	9.24	231.74	82.93
	Net Commission	35,781.63	20,633.98	16,114.75	14,997.59	18,475.71
	Break-up of Commission					
	Brokerage	1,582.02	1,172.98	1,141.20	1,022.47	856.62
	Commision Paid	34,199.61	19,461.00	14,973.55	13,975.12	17,619.09
	Total Commission	35,781.63	20,633.98	16,114.75	14,997.59	18,475.71
C	**MARINE INSURANCE**					
(1)	**MARINE CARGO**					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	956.59	703.24	895.01	1,025.42	1,219.47
	Less: Commission on Reinsurance Ceded	6.41	-	0.03	22.65	90.51
	Net Commission	950.18	703.24	894.98	1,002.77	1,128.96
	Break-up of Commission					
	Brokerage	82.77	87.70	74.70	88.71	85.55
	Commision Paid	867.41	615.54	820.28	914.06	1,043.41
	Total Commission	950.18	703.24	894.98	1,002.77	1,128.96
(2)	**MARINE HULL**					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	675.11	1,244.65	1,168.00	1,243.38	1,444.62
	Less: Commission on Reinsurance Ceded	49.71	117.89	77.66	213.88	218.38
	Net Commission	625.40	1,126.76	1,090.34	1,029.50	1,226.24
	Break-up of Commission					
	Brokerage	341.15	363.84	257.02	252.00	268.66
	Commision Paid	284.25	762.92	833.32	777.50	957.58
	Total Commission	625.40	1,126.76	1,090.34	1,029.50	1,226.24

(Amount in ₹ million)

	Particulars	For the year ended				
		31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
	TOTAL MARINE					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	1,631.70	1,947.89	2,063.01	2,268.80	2,664.09
	Less: Commission on Reinsurance Ceded	56.12	117.89	77.69	236.53	308.89
	Net Commission	1,575.58	1,830.00	1,985.32	2,032.27	2,355.20
	Break-up of Commission					
	Brokerage	423.92	451.54	331.72	340.71	354.21
	Commision Paid	1,151.66	1,378.46	1,653.60	1,691.56	2,000.99
	Total Commission	1,575.58	1,830.00	1,985.32	2,032.27	2,355.20
D	**LIFE INSURANCE**					
	Commission Paid					
	Direct	-	-	-	-	-
	Add : Reinsurance Accepted	61.10	76.40	77.43	52.65	16.38
	Less: Commission on Reinsurance Ceded	-	-	-	-	0.11
	Net Commission	61.10	76.40	77.43	52.65	16.27
	Break-up of Commission					
	Brokerage	14.63	17.85	10.53	4.76	5.57
	Commision Paid	46.47	58.55	66.90	47.89	10.70
	Total Commission	61.10	76.40	77.43	52.65	16.27
E	**TOTAL ALL CLASSES**					
	Commission Paid					
	Direct	-	-	(78.26)	36.34	-
	Add : Reinsurance Accepted	53,841.19	35,441.40	28,148.26	27,493.49	29,687.48
	Less: Commission on Reinsurance Ceded	351.89	456.31	260.10	2,962.02	602.78
	Net Commission	53,489.30	34,985.09	27,809.90	24,567.81	29,084.70
	Break-up of Commission					
	Brokerage	5,235.24	4,049.29	2,843.37	2,678.00	2,428.74
	Commision Paid	48,254.06	30,935.80	24,966.53	21,889.81	26,655.96
	Total Commission	53,489.30	34,985.09	27,809.90	24,567.81	29,084.70

Annexure XII

Restated Standalone Statement of Operating Expenses related to Insurance Business

(Amount in ₹ million)

	Particulars	For the year ended				
		31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**
1	Employees' remuneration & welfare benefits	964.37	859.96	686.24	774.08	480.50
2	Travel, conveyance and vehicle running expenses	81.35	89.76	69.20	68.39	42.91
3	Training expenses	22.33	23.43	9.88	41.09	5.61
4	Rents, rates and taxes	64.81	60.27	39.68	32.33	21.65
5	Repairs	208.02	212.64	288.49	347.12	229.16
6	Printing & stationery	4.08	2.73	4.41	4.42	3.61
7	Communication	15.74	12.34	11.66	12.72	11.83
8	Legal & professional charges	87.21	50.94	134.33	105.70	41.78
9	Auditors' fees, expenses etc.					
	(a) as auditor	7.13	8.24	7.08	5.00	7.86
	(b) as advisor or in any other capacity, in respect of	-	-	-	-	-
	(i) Taxation matters	0.30	0.30	0.30	0.25	0.25
	(ii) Others	-	-	0.01	0.08	0.24
10	Advertisement and publicity	61.44	54.41	48.85	55.83	26.43
11	Interest & Bank Charges	15.14	11.73	7.89	9.05	16.83
12	IT Expenses	98.69	198.60	-	-	-
13	Depreciation	91.88	92.19	85.36	52.01	38.51
14	Service Tax Expenses A/c	3.74	4.56	5.13	9.38	-
15	Swatchh Bharat Cess	349.40	-	-	-	-
16	Others	316.71	121.27	188.74	245.86	176.35
	Total	2,392.34	1,803.37	1,587.25	1,763.31	1,103.52

Annexure XIII
Restated Standalone Statement of Share Capital

(Amount in ₹ million)

Particulars	As at				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1 Authorised Capital					
10,000,000,000 Equity Shares of `1/- Each	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
2 Issued & Subscribed Capital					
4,300,000,000 Equity Shares of `1/- Each	4,300.00	4,300.00	4,300.00	4,300.00	4,300.00
3 Called-up Capital					
4,300,000,000 Equity Shares of `1/- Each (Includes 4,060,000,000 shares of ` 1/ issued by capitalisation of Capital Redemption Reserve and General Reserve and 50,000,000 partly paid shares (` 0.50 per share paid) made fully paid-up shares by capitalisation of General Reserve)	4,300.00	4,300.00	4,300.00	4,300.00	4,300.00
Total	4,300.00	4,300.00	4,300.00	4,300.00	4,300.00

Annexure XIIIA
Restated Standalone Statement of Pattern of Shareholding

Shareholders	As at 31.03.2017		As at 31.03.2016		As at 31.03.2015		As at 31.03.2014		As at 31.03.2013	
	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters										
Indian	4,300,000,000	100%	4,300,000,000	100%	4,300,000,000	100%	4,300,000,000	100%	4,300,000,000	100%

Annexure XIV
Restated Standalone Statement of Reserves and Surplus

(Amount in ₹ million)

Particulars	As at 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1 General Reserve					
Opening Balance	147,885.94	129,752.94	109,314.94	101,102.15	98,757.53
Less : Transfer from Reserve for Pension,Gratuity & Leave Encashment					
Add : Transfer from Profit & Loss A/c	-	18,133.00	20,438.00	8,212.79	2,344.62
	147,885.94	147,885.94	129,752.94	109,314.94	101,102.15
2 Catastrophe Reserve	-	-	-	-	-
3 Foreign Currency Translation Reserve	4,857.08	9,994.34	7,745.73	9,067.88	4,137.67
4 Balance of Profit in Profit & Loss Account	27,863.37	9,635.64	7,718.80	4,003.67	(4,134.91)
Total	180,606.39	167,515.92	145,217.47	122,386.49	101,104.91

Annexure XV
Restated Standalone Statement of Borrowings

(Amount in ₹ million)

Particulars	As at				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
	N I L				

The Corporation does not have any secured or unsecured loans. It is a debt free corporation with no borrowings.

Annexure XVI
Restated Standalone Statement of Investments - Shareholders' Funds

(Amount in ₹ million)

Particulars	As at 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
LONG TERM INVESTMENT					
Government securities	44,538.57	39,572.91	31,637.07	25,644.31	19,802.89
Other approved securities	956.24	1,162.63	1,222.23	1,268.93	1,186.63
Guaranteed Equity	0.18	0.17	0.15	0.14	0.13
Investment in Subsidiary	1,407.14	734.59	734.59	-	-
Other approved investments					
Equity shares	126,435.55	100,971.99	101,558.34	73,255.40	55,907.63
Foreign Equity	728.98	728.98	728.98	598.98	598.98
Preference shares	6.62	13.78	12.20	11.34	9.91
Debentures/Bonds	9,571.05	8,569.91	6,373.89	6,419.25	5,503.53
Investments in infrastructure/housing sector					
Other approved investments					
Equity shares	5,919.38	4,818.44	4,855.79	4,235.21	3,894.24
Debentures/Bonds	23,304.41	19,046.59	11,307.45	11,494.10	8,305.48
Other investments					
Equity shares	2,851.82	2,419.83	1,945.33	885.69	1,113.70
Debentures/Bonds	2,483.99	3,067.73	6,232.28	2,575.74	1,693.39
Venture fund	623.27	643.94	542.51	477.46	400.09
Preference Shares	8.85	10.19	9.01	17.06	18.51
SHORT TERM INVESTMENT					
Government securities	2,532.86	3,175.52	862.59	732.98	793.91
Other approved securities	251.98	217.90	124.39	55.81	61.63
Other approved investments					
Debentures/Bonds	1,248.00	1,211.44	809.33	954.34	626.10
Commercial Papers	82.49	-	-	-	133.43
Mutual fund	6,901.17	992.30	557.94	450.96	-
Preference Shares	7.53	-	-	-	-
Investments in infrastructure/housing sector					
Other approved investments					
Debentures/Bonds	2,446.08	2,238.02	1,713.03	1,033.95	1,123.66
Other investments					
Debentures/Bonds	835.50	790.82	616.01	273.83	272.46
Preference shares	1.60	-	-	-	-
Total	**233,143.26**	**190,387.68**	**171,843.11**	**130,385.48**	**101,446.30**

Aggregate amount of Company's investments and the market value thereof:

(Amount in ₹ million)

Particulars	As at 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2012
Aggregate amount of Company's investments other than equity securities, mutual fund, investments in subsidiary and derivative instruments	88,899.04	79,721.38	61,461.99	50,959.10	39,931.62
Market value of above Investments	91,818.58	80,647.93	62,224.96	48,559.31	39,365.14
Aggregate amount of Company's investments in Mutual Fund, Equity and investments in subsidiary (at Historical cost)	37,004.20	29,100.21	23,666.29	20,606.04	16,334.11

Annexure XVIA

Restated Standalone Statement of Investments - Policyholders' Funds

(Amount in ₹ million)

Particulars	As at 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
LONG TERM INVESTMENT					
Government securities	80,121.69	74,431.36	71,860.01	65,037.25	59,239.81
Other approved securities	1,720.21	2,186.75	2,776.16	3,218.17	3,549.78
Guaranteed Equity	0.32	0.33	0.35	0.36	0.37
Other approved investments					
Equity shares	227,448.46	189,914.83	230,678.22	184,009.81	165,152.12
Preference shares	11.91	25.92	27.71	28.76	29.65
Debentures/Bonds	17,217.63	16,118.86	14,477.57	16,280.05	15,415.60
Investments in infrastructure/housing sector					
Other approved investments					
Equity shares	10,648.53	9,062.84	11,029.37	10,741.03	11,649.54
Debentures/Bonds	41,922.95	35,824.08	25,683.58	29,150.52	24,845.62
Other investments					
Equity shares	3,870.96	3,234.77	2,828.63	2,246.23	3,331.59
Debentures/Bonds	4,468.52	5,770.00	14,155.93	6,532.41	5,065.72
Venture fund	1,121.21	1,211.17	1,232.25	1,210.90	1,196.86
Preference shares	15.92	19.17	20.46	43.27	55.37
SHORT TERM INVESTMENT					
Government securities	4,556.43	5,972.72	1,959.27	1,858.92	2,374.97
Other approved securities	453.29	409.83	282.53	141.54	184.37
Other approved investments					
Debentures/Bonds	2,245.06	2,278.57	1,838.29	1,532.29	1,872.97
Commercial Papers	148.39	-	-	-	399.16
Mutual fund(includes CPSE-ETF)	12,414.72	1,866.38	1,267.31	1,143.70	-
Preference Shares	13.54	-	-	-	-
Investments in infrastructure/housing sector					
Other approved investments					
Debentures/Bonds	4,400.32	4,209.42	3,890.95	2,622.23	3,361.39
Other investments					
Debentures/Bonds	1,503.00	1,487.46	1,399.16	694.48	815.07
Preference Shares	2.89	-	-	-	-
Total	**414,305.95**	**354,024.46**	**385,407.75**	**326,491.92**	**298,539.96**

Aggregate amount of Company’s investments and the market value thereof:

(Amount in ₹ million)

Particulars	As at 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2012
Aggregate amount of Company’s investments other than equity securities, mutual fund, investments in subsidiary , investment in property and derivative instruments	159,922.96	149,945.31	139,603.87	128,350.79	118,406.34
Market value of above Investments	165,175.03	151,687.97	141,336.92	123,152.63	117,759.72
Aggregate amount of Company’s investments in Mutual Fund, Equity and investments in subsidiary and investment in property (at Historical cost)	64,036.54	53,351.95	52,086.76	52,259.56	48,863.05

Annexure XVII
Restated Standalone Statement of Loans

(Amount in ₹ million)

Particulars	As at				
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**
1 Security-wise Classification					
Secured					
(a) On mortgage of property					
(aa) In India	549.17	735.42	757.97	797.73	921.84
(bb) Outside India	-	-	-	-	-
(b) On Shares, Bonds, Government Securities	-	-	-	-	-
(c) Investments In State Govt. Loans for Housing and Fire fighting	2,603.69	2,853.95	3,112.09	3,374.19	3,638.68
Unsecured	68.39	68.39	68.39	68.59	68.59
Total	3,221.25	3,657.76	3,938.45	4,240.51	4,629.11
2 Borrower-Wise Classification					
(a) Central and State Governments	2,600.95	2,853.95	3,112.09	3,374.19	3,638.68
(b) Banks and Financial Institutions	-	-	-	-	-
(c) Subsidiaries	-	-	-	-	-
(d) Industrial Undertakings	596.02	782.98	816.56	848.65	949.59
(e) Others	24.28	20.83	9.80	17.67	40.84
Total	3,221.25	3,657.76	3,938.45	4,240.51	4,629.11
3 Performance-Wise Classification					
(a) Loans classified as standard	-	-	-	-	-
(aa) In India	2,552.64	2,955.62	3,075.67	3,338.80	3,777.77
(bb) Outside India	-	-	-	-	-
(b) Non-performing loans less provisions	-	-	-	-	-
(aa) In India	-	-	191.65	204.43	102.19
(bb) Outside India	-	-	-	-	-
Provisions **	668.61	702.14	671.13	697.28	749.15
Total	3,221.25	3,657.76	3,938.45	4,240.51	4,629.11
	3,221.25	3,657.76	3,938.45	4,240.51	4,629.11
4 Maturity-Wise Classification					
(a) Short - Term	345.32	296.99	331.19	290.62	372.77
(b) Long - Term	2,875.93	3,360.77	3,607.26	3,949.89	4,256.34
Total	3,221.25	3,657.76	3,938.45	4,240.51	4,629.11

** Includes Provision for Bad and Doubtful Loans

Annexure XVIII
Restated Standalone Statement of Fixed Assets

FY 2016-17

(Amount in ₹ million)

Particulars	Cost/Gross Block				Depreciation				Net Block	
	As at 01.04.2017	Additions	Deductions	As at 31.03.2017	Upto 31.03.2016	twelve months ended 31.03.2017	On Sales/ Adjustment	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
Leasehold Land "Suraksha"	247.25	-	-	247.25	89.29	3.43	-	92.72	154.53	157.97
Freehold Land	560.13	-	-	560.13	-	-	-	-	560.13	560.13
Buildings	1,004.71	-	-	1,004.71	228.32	7.39	-	235.72	769.00	776.39
Furniture & Fittings	21.13	11.81	-	32.95	18.97	0.84	(0.23)	20.04	12.90	2.16
I.T. Equipments	126.62	9.27	0.48	135.41	108.49	12.56	0.18	120.87	14.54	18.13
I.T. Software	355.71	0.06	-	355.77	158.32	59.06	-	217.38	138.39	197.39
Vehicles	52.10	11.19	11.98	51.31	19.34	6.28	6.66	18.96	32.35	32.76
Office Equipments	17.97	1.17	0.59	18.55	12.89	2.00	0.17	14.72	3.83	5.08
AC & Water Coolers	12.69	0.35	-	13.04	11.73	0.12	-	11.85	1.19	0.96
Elevators	2.07	-	-	2.07	2.07	-	-	2.07	0.00	0.00
Canteen Appliances	0.47	-	-	0.47	0.40	0.03	-	0.42	0.05	0.08
Electrical Installation	10.00	0.01	-	10.00	9.87	0.04	-	9.91	0.09	0.13
Fire Alarm Systems	3.41	-	-	3.41	2.41	0.12	-	2.53	0.88	1.00
Total	2,414.27	33.86	13.05	2,435.09	662.09	91.88	6.78	747.19	1,687.90	1,752.18
Previous Period Total	1,996.45	424.02	6.20	2,414.27	575.50	92.19	5.60	662.09	1,752.18	

FY 2015-16

(Amount in ₹ million)

Particulars	Cost/Gross Block				Depreciation				Net Block	
	As at 01.04.2015	Additions	Deductions	As at 31.03.2016	Upto 31.03.2015	Tweleve months ended 31.03.2016	On Sales/ Adjustment	Upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
Leasehold Land "Suraksha"	247.25	-	-	247.25	85.85	3.43	-	89.29	157.97	161.40
Freehold Land	560.13	-	-	560.13	-	-	-	-	560.13	560.13
Buildings	611.49	393.22	-	1,004.71	218.16	10.16	-	228.32	776.39	393.33
Furniture & Fittings	21.23	0.06	0.15	21.13	18.80	0.40	0.22	18.97	2.16	2.43
I.T. Equipments		5.67	0.58	126.62	97.78	11.67	0.97	108.49	18.13	23.74
I.T. Software	343.17	12.54	-	355.71	99.93	58.39	-	158.32	197.39	243.24
Vehicles	44.13	11.60	3.63	52.10	15.61	6.18	2.45	19.34	32.76	28.52
Office Equipments	17.28	0.72	0.03	17.97	11.32	1.78	0.21	12.89	5.08	5.96
AC & Water Coolers	12.52	0.19	0.02	12.69	11.62	0.11	0.01	11.73	0.96	0.90
Elevators	2.07	-	-	2.07	2.07	-	-	2.07	0.00	0.00
Canteen Appliances	0.47	-	-	0.47	0.37	0.03	-	0.40	0.08	0.11
Electrical Installation	11.77	0.02	1.80	10.00	11.57	0.03	1.74	9.87	0.13	0.19
Fire Alarm Systems	3.41	-	-	3.41	2.41	-	-	2.41	1.00	1.00
Total	1,996.45	424.02	6.20	2,414.27	575.50	92.19	5.60	662.09	1,752.18	1,420.95
Previous Period Total	1,674.41	327.16	5.12	1,996.45	493.23	85.36	3.09	575.50	1,420.95	

The figures are inclusive of Appreciation/Depreciation due to foreign currency fluctuation

FY 2014-15

(Amount in ₹ million)

Particulars	Cost/Gross Block				Depreciation				Net Block	
	As at 01.04.2014	Additions	Deductions	As at 31.03.2015	Upto 31.03.2014	Tweleve month ended 31.03.2015	On Sales/ Adjustment	Upto31.03.2015	As at 31.03.2015	As at 31.03.2014
Leasehold Land "Suraksha"	247.25	-	-	247.25	82.42	3.43	-	85.85	161.40	164.84
Freehold Land	560.13	-	-	560.13	-	-	-	-	560.13	560.13
Buildings	514.43	97.07	-	611.49	212.39	5.78	-	218.16	393.33	302.04
Furniture & Fittings	20.08	1.45	0.30	21.23	18.37	0.69	0.27	18.80	2.43	1.71
I.T. Equipments	112.21	10.71	1.39	121.53	87.44	11.62	1.27	97.78	23.75	24.77
I.T. Software	135.64	207.53	-	343.17	43.06	56.87	-	99.93	243.23	92.58
Vehicles	40.24	7.07	3.18	44.13	12.23	4.77	1.38	15.61	28.52	28.02
Office Equipments	14.21	3.13	0.06	17.28	9.43	1.91	0.02	11.32	5.96	4.78
AC & Water Coolers	12.53	0.18	0.18	12.52	11.67	0.10	0.15	11.62	0.90	0.85
Elevators	2.07	-	-	2.07	2.07	-	-	2.07	0.00	0.00
Canteen Appliances	0.47	-	-	0.47	0.34	0.03	-	0.37	0.11	0.14
Electrical Installation	11.74	0.03	-	11.77	11.53	0.04	-	11.57	0.19	0.21
Fire Alarm Systems	3.41	-	-	3.41	2.29	0.12	-	2.41	1.00	1.12
	-	-	-							
Total	1,674.41	327.17	5.12	1,996.46	493.23	85.36	3.09	575.50	1,420.95	1,181.18
Previous Period Total	1,020.42	667.80	13.81	1,674.41	454.70	52.01	13.47	493.23	1,181.18	

The figures are inclusive of Appreciation/Depreciation due to foreign currency fluctuation

FY 2013-14

(Amount in ₹ million)

Particulars	Cost/Gross Block				Depreciation				Net Block	
	As at 01.04.2013	Additions	Deductions	As at 31.03.2014	Upto 31.03.2013	Tweleve month ended 31.03.2014	On Sales/ Adjustment	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
Leasehold Land "Suraksha"	247.25	-	-	247.25	78.98	3.43	-	82.42	164.84	168.27
Freehold Land	-	560.13	-	560.13	-	-	-	-	560.13	-
Buildings	434.03	80.40	-	514.43	207.52	4.87	-	212.39	302.04	226.51
Furniture & Fittings	19.68	0.40	-	20.08	18.06	0.33	0.02	18.37	1.71	1.62
I.T. Equipments	106.13	13.47	7.39	112.21	81.33	13.69	7.59	87.44	24.77	24.79
I.T. Software	133.39	2.25	-	135.64	20.26	22.80	-	43.06	92.58	113.13
Vehicles	35.91	9.46	5.13	40.24	12.15	4.68	4.61	12.23	28.02	23.76
Office Equipments	13.99	1.51	1.29	14.21	9.05	1.63	1.26	9.43	4.78	4.94
AC & Water Coolers	12.40	0.13	0.00	12.53	11.58	0.10	0.00	11.67	0.85	0.83
Elevators	2.07	-	-	2.07	2.07	0.00	-	2.07	0.00	0.00
Canteen Appliances	0.47	-	-	0.47	0.31	0.03	-	0.34	0.14	0.17
Electrical Installation	11.69	0.05	-	11.74	11.22	0.31	-	11.53	0.21	0.47
Fire Alarm Systems	3.41	-	-	3.41	2.17	0.12	-	2.29	1.12	1.24
Total	1,020.42	667.80	13.81	1,674.41	454.70	52.01	13.47	493.23	1,181.18	565.72
Previous Period Total	912.69	110.19	2.46	1,020.42	418.67	38.51	2.48	454.70	565.72	

The figures are inclusive of Appreciation/Depreciation due to foreign currency fluctuation

FY 2012-13

(Amount in ₹ million)

Particulars	Cost/Gross Block				Depreciation				Net Block	
	As at 01.04.2012	Additions	Deductions	As at 31.03.2013	Upto 31.03.2012	Tweleve month ended 31.03.2013	On Sales/ Adjustment	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Leasehold Land "Suraksha"	247.25	-	-	247.25	75.55	3.43	-	78.98	168.27	171.70
Buildings	434.03	-	-	434.03	203.08	4.44	-	207.52	226.51	230.95
Furniture & Fittings	19.02	0.68	0.03	19.68	17.52	0.59	0.05	18.06	1.62	1.51
I.T. Equipments	95.08	12.65	1.61	106.13	73.37	9.62	1.65	81.33	24.79	21.71
I.T. Software	51.30	82.09	-	133.39	6.73	13.53	-	20.26	113.13	44.57
Vehicles	23.26	12.65	-	35.91	8.81	3.34	-	12.15	23.76	14.45
Office Equipments	12.89	1.92	0.82	13.99	7.09	2.74	0.78	9.05	4.94	5.80
AC & Water Coolers	12.35	0.06	-	12.40	11.41	0.16	-	11.58	0.83	0.93
Elevators	2.07	-	-	2.07	2.05	0.02	-	2.07	0.00	0.02
Canteen Appliances	0.44	0.03	-	0.47	0.28	0.03	-	0.31	0.17	0.16
Electrical Installation	11.58	0.10	-	11.69	10.74	0.48	-	11.22	0.47	0.85
Fire Alarm Systems	3.41	-	-	3.41	2.05	0.12	-	2.17	1.24	1.36
					-	-	-			
Total	912.69	110.19	2.46	1,020.42	418.67	38.51	2.48	454.70	565.72	494.02
Previous year's Total	848.33	90.32	25.96	912.69	399.38	43.94	24.65	418.67	494.02	

The figures are inclusive of Appreciation/Depreciation due to foreign currency fluctuation

Annexure XIX
Restated Standalone Statement of Cash and Bank Balances

(Amount in ₹ million)

Particulars	As at				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1 Cash & stamps	0.08	0.08	0.16	0.32	0.34
2 Bank Balances					
(a) Deposit Accounts - Short term (due within 12 months)	95,270.53	85,294.23	66,651.12	70,793.60	74,233.84
(b) Current Accounts	4,992.42	4,605.30	2,397.76	2,664.18	667.00
(c) Remittances in Transit	-	-	-	-	-
3 Money at Call and Short Notice					
(a) With Bank	418.74	298.94	263.04	290.72	107.27
(b) With other Institutions	21,225.88	7,415.46	7,968.79	8,890.38	7,334.34
Total	121,907.65	97,614.01	77,280.87	82,639.20	82,342.79
Balances with non-scheduled banks	Nil	Nil	Nil	Nil	Nil

Annexure XX

Restated Standalone Statement of Advances and Other Assets

(Amount in ₹ million)

	Particulars	As at 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
	Advances					
1	Reserve Deposits with Ceding Companies	43,842.89	29,847.17	25,570.34	25,255.61	21,428.78
2	Application Money for Investments	200.00	-	-	277.55	-
3	Prepayments	58.66	80.30	78.35	46.50	62.22
4	Advances to Directors/Officers	5.73	5.16	5.26	4.80	2.95
5	Advance Tax Paid and TDS	17,272.94	11,864.95	26,130.35	26,467.72	23,346.18
	Less: Provision for Taxation	16,911.32	9,854.99	21,416.20	17,985.89	13,817.74
		361.62	2,009.96	4,714.15	8,481.83	9,528.44
6	Others	171.82	2,902.83	2,392.40	1,110.24	62.95
7	Deferred Commission	-	-	-	-	-
	Total (A)	44,640.72	34,845.42	32,760.50	35,176.53	31,085.34
	Other Assets					
1	Income accrued on investments	8,389.39	8,267.28	7,550.17	6,692.38	6,043.15
2	Due from other entities carrying on insurance	103,425.98	35,225.91	36,952.02	32,846.40	36,548.67
	business (including reinsurers)	-	-	-	-	-
3	Deposit U/S-7 of Insurance Act	-	-	295.31	297.37	299.43
4	Sundry Debtors	1,312.51	174.34	3,394.90	961.93	7.63
5	Sundry Deposits	411.91	360.56	289.64	252.49	269.47
6	LPA Assets	-	-	-	-	-
7	MAT Credit Entitlement	16,745.08	14,956.27	13,018.67	7,935.23	3,815.23
8	Service Tax Unutilised Credit	404.21	428.53	343.26	684.40	-
	Total (B)	130,689.08	59,412.89	61,843.97	49,670.20	46,983.58
	Total (A+B)	175,329.80	94,258.31	94,604.47	84,846.73	78,068.92

Annexure XXI

Restated Standalone Statement of Current Liabilities

(Amount in ₹ million)

Particulars	As at 31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1 Balances Due to other insurance companies	14,996.76	16,595.93	14,850.03	16,268.96	12,034.74
2 Deposits held on re-insurance ceded	20,789.35	18,336.85	14,538.20	8,533.02	11,031.96
3 Sundry Creditors	879.96	692.21	664.17	681.01	136.92
4 Claims Outstanding	295,794.95	209,075.61	195,134.77	198,768.86	185,230.60
5 LPA Liabilities	-	-	-	-	-
6 Service Tax Liability	173.38			-	-
Total	332,634.40	244,700.60	225,187.17	224,251.85	208,434.22

Annexure XXII
Restated Standalone Statement of Provisions

(Amount in ₹ million)

	Particulars	As at				
		31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
1	Reserve for Unexpired Risk	121,079.92	82,470.48	70,828.93	67,850.15	71,435.95
2	Reserve for Premium Deficiency	-	-	584.60	-	-
	For Fringe Benefit Tax	-	-	-	-	-
	For MAT Tax	-	-	-	-	-
3	For proposed dividends	-	-	-	-	-
4	For dividend distribution tax	-	-	-	-	-
5	For Doubtful Loans, Investment and Debts	7,908.88	5,313.26	6,471.68	5,364.54	4,115.69
6	For Leave Encashment	332.09	245.18	227.34	221.46	165.62
7	Provision for Pension	44.93	93.97	31.11	235.60	59.89
8	Provision for Gratuity	48.44	33.47	75.67	(12.10)	-
9	Provision for Settlement	15.22	14.02	12.19	10.65	8.80
10	For Salary Arrears	-	-	130.00	77.20	29.70
11	For PLLI Arrears	25.00	-	16.80	16.80	15.50
12	Provision for Taxation	12,092.75	13,092.75	-	-	-
	Less: Advance Tax Paid and TDS	9,722.76	10,565.10	-	-	-
		2,369.99	2,527.65	-	-	-
	Total	131,824.46	90,698.03	78,378.32	73,764.30	75,831.15

Annexure XXIII
Restated Standalone Statement of Miscellaneous Expenditure

(Amount in ₹ million)

Particulars	For the year ended				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
	N I L				

Annexure XXIV
Restated Standalone Statement of Other Income

(Amount in ₹ million)

Particulars	For the year ended				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Other Income:					
Profit on Exchange	-	806.67	-	1,009.71	288.60
Profit on sale of Assets (Net)	-	-	(0.32)	-	-
Sundry Balances Written Back (Net)	-	-	-	-	-
Interest on Income-tax Refund	166.82	-	2,327.67	54.70	307.53
Motor Pool Service changrs	-	-	-	32.36	-
(Provision) / Doubtful Debts written back	-	1,578.53	-	-	-
Miscellaneous Receipts	5.26	11.95	9.21	3.17	7.86
Total	**172.08**	**2,397.15**	**2,336.56**	**1,099.94**	**603.99**
Profit Before Tax	**32,702.25**	**29,866.28**	**28,320.42**	**23,048.77**	**23,102.79**
Other Income proportion of profit	**0.53%**	**8.03%**	**8.25%**	**4.77%**	**2.61%**

Annexure XXV

Restated Standalone Statement of Capitalisation

(Amount in ₹ million)

Particulars	Year Ended 31.03.2017	As adjusted for issue
Shareholders' funds		
Share capital	4,300.00	
Share application money	-	
Reserve and surplus	175,749.31	
Deferred Tax Asset	(132.59)	
Total Shareholder's Funds (Net worth) (A)	**179,916.72**	
Debt		
Long term borrowings -	-	
Short term borrowings -	-	
Other borrowings (current maturity of long term borrowings) -	-	
Total debt (B) -	-	
Total (A+B)	**179,916.72**	
Long term debt/equity ratio -	-	
Total debt equity ratio -	-	

Note 1 : The above has been computed on the basis of Restated Standalone Financial Statements

Note 2 : The Corresponding post IPO Capitalisation data for each of the above amounts given in the table is not determinable at this stage pending the Completion of Book Building process and hence the same have not been provided in the above Statement.

Annexure XXVI
Restated Standalone Statement of Tax Shelter

(Amount in ₹ million)

Particulars	For the year ended				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Surplus as per Revenue Account	19,885.78	15,521.77	15,649.78	16,033.89	17,247.27
Income as per Profit & Loss Account	12,816.47	14,344.51	12,670.64	7,014.88	5,855.52
Surplus as restated	**32,702.25**	**29,866.28**	**28,320.42**	**23,048.77**	**23,102.79**
Tax Rate	21.34%	21.34%	20.96%	20.96%	20.01%
Tax thereon at above rate	**6,979.18**	**6,373.94**	**5,936.10**	**4,831.13**	**4,622.34**
Adjustments on account of permanent differences:					
Exemption u/s 10(34)-Dividend Income	5,484.41	5,257.63	4,742.23	4,548.42	4,054.98
Exemption u/s 10(23F)-Dividend Income-VCF	4.28	2.04	0.15	0.60	0.08
Exemption u/s 10(15)-Interest on Tax free Bonds	12.38	11.54	15.85	18.05	20.54
Exemption u/s 115JB(5A)-Income from Life Insurance Business	-	708.60	393.99	69.90	23.03
Any other amount allowable as deduction		60.22	60.22	60.22	60.22
Total Permanent Difference	**5,501.07**	**6,040.03**	**5,212.44**	**4,697.19**	**4,158.85**
Adjustments on account of temporary differences:					
Difference between book and tax depreciation	-	-	-	-	-
Total temporary differences	-	-	-	-	-
Expenses disallowed	300.50	420.77	1,110.75	1,255.63	102.77
Total adjustments	300.50	420.77	1,110.75	1,255.63	102.77
Tax on adjustments	64.13	89.80	232.82	263.19	20.56
Gross Taxable Profit	**27,501.66**	**24,247.01**	**24,218.73**	**19,607.18**	**19,046.69**
Brought forward losses adjusted	-	-	-	-	-
Taxable Profit	**27,501.66**	**24,247.01**	**24,218.73**	**19,607.18**	**19,046.69**
Tax liability on Taxable Profit	5,869.29	5,174.70	5,076.37	4,109.76	3,810.81
Tax liability on Taxable Profit (adjusted for rounding off)	5,886.69	5,180.26	5,083.44	4,120.00	3,815.23
Tax liability of London Branch	303.31	199.74	86.56	-	224.77
Tax provision made	6,190.00	5,380.00	5,170.00	4,120.00	4,040.00

Annexure XXVII
Restated Standalone Statement of Debtors

(Amount in ₹ million)

Particulars	For the year ended				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Receivables outstanding for a period not exceeding 90 days from the date they became due for payment					
- Due from other entities carrying insurance business (including reinsurers)	86,703.74	22,392.32	25,119.93	21,522.19	25,054.98
-Sundry Debtors	1,312.51	174.34	3,394.90	961.93	7.63
Other Debts	16,722.24	12,833.59	11,832.09	11,324.21	11,493.69
Total	**104,738.49**	**35,400.25**	**40,346.92**	**33,808.33**	**36,556.30**

Annexure XXVIII
Restated Standalone Statement of Dividend -Paid

(Amount in ₹ million)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2015	Year Ended 31.03.2014	Year Ended 31.03.2013
Number of equity shares at the year end*	4,300,000,000	4,300,000,000	4,300,000,000	4,300,000,000	4,300,000,000
Face value per Equity Share (Re.)*	1	1	1	1	1
Dividend: Paid					
- Interim dividend Paid (Rs. Millions)	-	-	-	1,182.50	-
- Final dividend (Rs. Millions)	8,600.00	5,400.00	3,311.00	4,687.00	-
Rate of dividend (%)	200.00%	125.58%	77.00%	136.50%	0.00%
Dividend distribution tax (in Rs. Millions)	1,750.79	1099.33	562.70	997.53	-

* The face value of Equity share is consolidated from ₹1/- to ₹5/- per share subsequent to the date of Balance Sheet.

Annexure XXIX
Restated Standalone Statement of Related Party Transactions

A. List of Related Parties

Subsidiary Company

2016-17	2015-16	2014-15	2013-14	2012-13
GIC Re South Africa Ltd., Johannesburg, S.A.	GIC Re South Africa Ltd., Johannesburg, S.A.	GIC Re South Africa Ltd., Johannesburg, S.A.	GIC Re India Corporate Member Limited, Londor	-
GIC Re India Corporate Member Limited, London, U.K	GIC Re India Corporate Member Limited, London, U.K	GIC Re India Corporate Member Limited, London, U.K	-	-

Associate Companies

2016-17	2015-16	2014-15	2013-14	2012-13
India International Pte. Limited, Singapore	India International Pte.Limited,Singapore	India International Pte. Limited, Singapore	India Interantional Pte.Limited, Singapore	India Inernational Pte.Limited, Singapore
Agriculture Insurance Company of India Limited, New Delhi, India	Agriculture Insurance Company of India Limited, New Delhi, India	Agriculture Insurance Company of India Limited, New Delhi, India	Agriculture Insurance Company of India Limited, New Delhi, India	Agriculture Insurance Company of India Limited, New Delhi, India
GIC Bhutan Re Ltd, Bhutan	GIC Bhutan Re Ltd, Bhutan	GIC Bhutan Re Ltd, Bhutan	Ken India Assurance Co.Ltd Kenya	Ken India Assurance Co.Ltd Kenya
-	-	-	Asian Reinsurance Corporation, Bangkok	Asian Reinsurance Corporation, Bangkok
-	-	-	East Africa Reinsurance Co Ltd.Kenya	East Africa Reinsurance Co Ltd.Kenya

Key Management Personnel

2016-17	2015-16	2014-15	2013-14	2012-13
Mrs. Alice G. Vaidyan, Chairman cum Managing Director	Mrs. Alice G. Vaidyan, Chairman cum Managing Dir	Mr. A.K. Roy, Chairman cum Managing Director	Mr. A.K. Roy, Chairman cum Managing Director	Mr. A.K. Roy, Chairman cum Managing Director
Mr. Pauly Sukumar N, Chief Marketing Officer	Mr. K Sanath Kumar, Acting CMD	Mr. G C Gaylong, Chief Marketing Officer & Chief of Internal Audit	Mr. P. Venkatramaiah, Chief of Internal Audit, Chief Financial Officer & Chief Marketing Officer	Mr. S. Yugandhar Rao, Chief Financial Officer
Mr. Satyajit Tripathy, Chief Investment Officer	Mr. A.K. Roy, Chairman cum Managing Director	Mr. N. Mohan, Chief Investment Officer	Ms. Madhulika Bhaskar, Chief Risk Officer	Mr. R Sundaram, Chief Risk Officer
Mr. G C Gaylong, Chief of Internal Audit	Mr. G C Gaylong, Chief of Internal Audit & Chief Ma	Mrs. Alice G. Vaidyan, Chief Financial Officer	Ms. Suchita Gupta,Company Secretary & Chief Compliance Officer	Ms. Madhulika Bhaskar, Chief Risk Officer
Mr. V C Jain, Chief Financial Officer	Mr. Satyajit Tripathy, Chief Investment Officer	Ms. Madhulika Bhaskar, Chief Risk Officer	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer
Ms. Madhulika Bhaskar, Chief Risk Officer	Mr. R.K. Deka, Chief of Internal Audit	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	Ms. Padmaja R., Appointed Actuary (Life Insurance)	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)
Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	Mrs. Alice G. Vaidyan, Chief Financial Officer	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)	-	Ms. Padmaja R., Appointed Actuary (Life Insurance)-
Ms. Priscilla Sinha, Appointed Actuary (General Insurance)	Mr. V C Jain, Chief Financial Officer	Ms. Padmaja R., Appointed Actuary (Life Insurance)-	-	-
Ms. Padmaja R., Appointed Actuary (Life Insurance)	Ms. Madhulika Bhaskar, Chief Risk Officer	-	-	-
-	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	-	-	-
-	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)	-	-	-
-	Ms. Padmaja R., Appointed Actuary (Life Insurance)-	-	-	-

B.Transactions with Related Parties

1. Subsidiary Companies

(Amount in ₹ million)

Name of the Company	GIC Re South Africa Ltd., Johannesburg, S.A.					GIC Re India Corporate Member Limited, London, U.K.				
	2016-17	2015-16	2014-15	2013-14	2012-13	2016-17	2015-16	2014-15	2013-14	2012-13
Premium Accepted	1,741.11	1,014.43	-	-	-	1,398.60	1,518.62	680.42	-	-
Premium Ceded	-	-	-	-	-	-	-	-	-	-
Net Premium	1,741.11	1,014.43	-	-	-	1,398.60	1,518.62	680.42	-	-
Commission Paid	515.97	271.55	-	-	-	552.87	641.51	286.44	-	-
Commission Recovered	-	-	-	-	-	-	-	-	-	-
Net Commission	515.97	271.55	-	-	-	552.87	641.51	286.44	-	-
Claims Paid	727.19	73.13	-	-	-	957.93	839.79	379.74	-	-
Claims Recovered	-	-	-	-	-	-	-	-	-	-
Net Claims	727.19	73.13	-	-	-	957.93	839.79	379.74	-	-
Balance on 31st March (-) Indicates amount payable by GIC	-	(13.41)	-	-	-	-	113.99	36.63	-	-

2. Associates Companies

(Amount in ₹ million)

Name of the Company	Agriculture Insurance Company of India Limited					India International Pte Limited				
	2016-17	2015-16	2014-15	2013-14	2012-13	2016-17	2015-16	2014-15	2013-14	2012-13
Premium Accepted	30,826.96	5,204.25	1,005.90	1,382.00	4,043.77	1,028.37	960.89	5,536.54	5,377.50	1,864.44
Premium Ceded	8.62	0.15	3.38	1.73	105.97	3.97	3.54	-	125.49	(0.48)
Net Premium	30,818.34	5,204.10	1,001.71	1,380.27	3,937.80	1,024.40	957.35	5,536.54	5,252.01	1,864.92
Commission Paid	3,214.88	609.64	154.15	217.43	755.79	238.32	218.92	545.39	656.73	464.43
Commission Recovered	1.55	-	0.47	0.05	-	-	0.43	-	-	(0.15)
Net Commission	3,213.33	609.64	153.68	217.38	755.89	238.32	218.50	545.39	656.73	464.58
Claims Paid	4,193.01	4,701.87	772.71	1,461.51	1,717.99	1,514.14	1,203.64	5,191.59	4,586.57	1,513.74
Claims Recovered	-	-	-	-	-	-	-	-	-	0.23
Net Claims	4,193.01	4,701.87	772.71	1,461.51	1,717.99	1,514.14	1,203.64	5,191.59	4,586.57	1,513.74
Balance on 31st March (-) Indicates amount payable by GIC	-	-	259.62	(26.47)	-	-	52.43	617.93	-	16.03

(Amount in ₹ million)

Name of the Company	GIC Bhutan Re Ltd, Bhutan				
	2016-17	2015-16	2014-15	2013-14	2012-13
Premium Accepted	16.64	13.55	20.30	194.09	294.95
Premium Ceded	-	-	-	15.14	-
Net Premium	16.64	13.55	20.30	178.95	294.95
Commission Paid	0.03	-	1.70	58.28	78.83
Commission Recovered	-	-	-	3.18	-
Net Commission	0.03	-	1.70	55.10	78.83
Claims Paid	-	-	7.85	1,054.34	(150.63)
Claims Recovered	-	-	-	9.39	-
Net Claims	-	-	7.85	1,044.95	(150.63)
Balance on 31st March (-) Indicates amount payable by GIC	-	8.66	2.50	118.03	82.13

C. Key Managerial Remuneration

For FY 2016-17 (Amount in ₹ million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS Perks	Other perquisite
1	Mrs. Alice G. Vaidyan	Chairman cum Managing Director	2.76	0.25	-	-	0.02	-	0.05
2	Mr. Pauly Sukumar N	Chief Marketing Officer	2.19	0.13	0.20	-	0.02	-	0.06
3	Mr. Satyajit Tripathy	Chief Investment Officer	1.97	0.12	0.18	0.05	0.02	-	0.08
4	Mr. G C Gaylong	Chief of Internal Audit	2.41	0.15	0.22	-	0.02	-	0.07
5	Mr. V C Jain	Chief Financial Officer	2.13	0.13	0.19	-	0.02	-	0.08
6	Ms. Madhulika Bhaskar	Chief Risk Officer	1.85	0.13	-	-	0.02	-	0.08
7	Ms. Suchita Gupta	Chief Compliance Officer	2.06	0.13	0.19	-	0.02	-	0.08
8	Ms. Priscilla Sinha	Appointed Actuary (General Insurance)	4.08	-	-	-	-	-	-
9	Ms. Padmaja R.	Appointed Actuary (Life Insurance)	-	-	-	-	-	-	3.40*

* Professional fees

For FY 2015-16 (Amount in ₹ million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS Perks	Other perquisite
1	Mrs. Alice Vaidyan (23.01.16 to 31.03.16)	Chairman-cum-Managing Director	1.59	0.26	-	-	-	-	-
2	Mrs. Alice Vaidyan (01.04.15 to 04.09.15)	Chief Financial Officer	0.67	0.03	-	-	0.01	-	-
3	Mr. K.Sanath Kumar (31.07.15 to 18.02.16)	Acting Chairman-cum-Managing Director	2.21	0.28	-	-	-	-	-
4	Mr. A.K. Roy (01.04.15 to 31.07.15)	Chairman-cum-Managing Director	0.72	0.03	0.03	-	0.01	-	0.18
5	Mr. G.C.Gaylong (27.01.16 to 31.03.16)	Director	0.98	0.14	0.02	-	-	-	-
6	Mr. V.C.Jain (04.09.15 to 31.03.16)	Chief Financial Officer	1.81	0.25	0.06	-	0.01	-	-
7	Mr. Satyajit Tripathy	Chief Investment Officer	2.25	0.26	0.09	0.05	0.02	-	0.01
8	Mr. R. K. Deka (DOR 31.01.2016)	Chief of Internal Audit	5.95	0.38	0.08	-	0.02	-	0.08
9	Ms. Madhulika Bhaskar	Chief Risk Officer	2.40	0.27	-	-	0.02	-	-
10	Ms. Suchita Gupta (01.04.15 to 31.03.16)	Company Secretary & Chief Compliance Officer	2.31	0.31	0.11	-	0.02	-	-
11	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	2.09*
12	Ms. Padmaja R.	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	2.96*

* Professional fees

For FY 2014-15 (Amount in ₹ million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perks	Loan Perks	Vehicle Perks	LTS Perks	Other perquisite
1	Mr. A.K. Roy	Chairman-cum-Managing Director	2.59	0.22	0.13	-	0.02	-	-
2	Mrs. Alice Vaidyan	Chief Financial Officer	1.44	0.19	-	-	0.02	-	0.01
3	Mr. G.C. Gaylong: DOJ 30.06.2014	Chief Marketing Officer & chief of Internal Audit	1.05	0.05	0.07	-	-	-	-
4	Mr. N. Mohan	Chief Investment Officer	1.63	0.07	0.11	-	0.02	-	-
5	Ms. Madhulika Bhaskar	Chief Risk Officer	1.41	0.06	-	-	0.02	-	0.14
6	Suchita Gupta	Company Secretary & Chief Compliance Officer	1.19	0.06	0.08	-	0.02	0.43	-
7	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	1.99*
8	Ms. Padmaja R.	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	2.58*

* Professional fees

For FY 2013-14 (Amount in ₹ million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perks	Loan Perks	Vehicle Perks	LTS Perks	Other perks
1	Mr. A.K. Roy	Chairman-cum-Managing Director	1.92	0.09	0.13	-	0.02	-	-
2	Mr. P. Venkatramaiah,	Chief of Internal Audit, Chief Financial Officer & Chief Marketing Offic	1.43	0.07	0.08	-	0.02	-	-
3	Ms. Madhulika Bhaskar	Chief Risk Officer	1.22	0.06	-	-	0.02	-	-
4	Ms. Suchita Gupta,	Company Secretary & Chief Compliance Officer	1.28	0.06	0.09	-	0.02	-	-
5	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	1.53*
6	Ms. Padmaja R.	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	1.20*

* Professional fees

For FY 2012-13 (Amount in ₹ million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perks	Loan Perks	Vehicle Perks	LTS Perks	Other perks
1	Mr. A K Roy	Chairman cum Managing Director	2.01	0.09	0.13	-	0.02	-	-
2	Mr. S. Yugandhara Rao	Chief Financial Officer	0.63	0.07	0.04	-	0.01	0.06	-
3	Mr. R. Sundaram	Chief Risk Officer	1.23	0.06	0.10	-	0.02	-	-
4	Ms. Madhulika Bhaskar	Chief Risk Officer	1.14	0.06	-	-	0.02	0.08	-
5	Ms. Suchita Gupta,	Company Secretary & Chief Compliance Officer	1.29	0.09	0.09	-	0.02	-	-
6	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	1.20*
7	Ms. Padmaja R.: DOJ Oct 2013	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	-

* Professional fees

Annexure XXX

Restated Standalone Statement of Aggregate Book Value and Market Value of Quoted Investments

Asset Type	Equity					Others				
Years	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
Book value as reported to IRDA	76,100.94	75,299.96	70,522.34	68,665.80	63,476.37	263,587.22	228,179.29	199,805.08	178,438.01	155,554.09
Fair Value Change Account *	299,607.19	233,640.14	280,958.52	205,319.37	175,985.66	755.95	919.70	510.17	-	-
Carrying Value as per Balance Sheet	375,708.14	308,940.10	351,480.85	273,985.17	239,462.04	264,343.17	229,099.00	200,315.25	178,438.01	155,554.09
Market Value	375,660.12	308,865.05	351,504.52	273,755.95	239,377.77	276,309.51	235,194.58	205,387.12	173,306.60	157,124.86

* Fair Value Change Account - Unrealized gains/losses arising due to changes in the fair value of listed equity shares and mutual fund units are taken under the head "Fair Value Change Account" and on realization reported inProfit and Loss Account.

To,

The Board of Directors of

GENERAL INSURANCE CORPORATION OF INDIA

1. We have examined the attached Restated Consolidated Summary Financial Information of General Insurance Corporation of India (the 'Corporation') and its Subsidiaries; GIC Re India Corporate Member Limited and GIC Re South Africa Limited which comprises of the Restated Consolidated Summary statement of Assets and Liabilities as at 31st March 2017, 31st March 2016, 31st March 2015 and 31st March 2014, the Restated Consolidated Summary statement of Revenue Accounts of Fire, Miscellaneous, Marine and Life Insurance, the Restated Consolidated Summary Statement of Profit and Loss Account, the Restated Consolidated Summary Statement of Cash Flows and other financial information (as described more in detail in paragraph 6 below, referred as "Other Restated Consolidated Summary Financial Information") for the years ended 31st March 2017, 31st March 2016, 31st March 2015 and 31st March 2014 and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Corporation on August 4, 2017, prepared by the management of the Corporation in terms of the requirements of:
   a) Section 26(1)(b) of the Companies Act, 2013 (**"the Act"**) read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (**"the Rules"**);
   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, in pursuance of provisions of provisions of Securities and Exchange Board of India Act, 1992 (**"ICDR Regulations"**)
   c) the Issuance of capital by Indian Insurance Companies transacting other than Life Insurance Business Regulations, 2015 issued by the Insurance Regulatory and Development Authority of India (the **"IRDAI Regulations"**); and
   d) the Guidance Note on Reports in Company's Prospectus (Revised) issued by the Institute of Chartered Accountants of India ('ICAI') ("**Guidance Note**") to the extent applicable in connection with the proposed issue of equity shares of the Corporation by way of an offer for sale by the selling shareholders.
2. The preparation of the Restated Consolidated Financial Information is the responsibility of the Management of the Corporation for the purpose set out in paragraph 10 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Corporation complies with the Act, the Rules, the IRDAI Regulations and ICDR Regulations.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 15, 2017 in connection with the proposed issue of equity shares of the Corporation;

b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI ("The Guidance Note"); and

c) IRDAI (Preparation of financial statements and auditors' report of insurance companies) Regulation, 2000.

4. The Restated Consolidated Summary Financial Information has been extracted by the Corporation's Management from:

a. the group's consolidated audited financial statements for the years ended 31st March 2017 and 31st March 2016 which have been approved by Board of Directors at their meetings held on May 29, 2017 and June 29, 2016 respectively.

b. the group's consolidated audited financial statements for the years ended 31st March 2015 and 31st March 2014 which have been approved by Board of Directors at their meetings held on August 4, 2017.

5. For the purpose of our examination, we have relied upon Auditors' Report dated August 4, 2017, for the years ended March 31, 2015 and March 31,2014, auditors' report dated June 29, 2016 for the year ended March 31, 2016 and auditors' report dated May 29, 2017 for the year ended March 31, 2017.

6. In accordance with the requirements of Section 26 (1) (b) of the Companies Act, 2013 read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations, the IRDAI regulations and the Guidance Note, as amended from time to time, we report that:

a) The Restated Consolidated Summary Statement of Assets and Liabilities as at 31st March 2017, 31st March 2016, 31st March 2015 and 31st March 2014, examined by us, as set out in Annexure I to this report read with the summary of significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Consolidated Summary Financial Statements enclosed as Annexure VI to this report. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Corporation for the relevant financial years.

b) The Restated Consolidated Summary Statement of Revenue Account and Restated Consolidated Statement of Profit and Loss Account for the years ended 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 as set out in Annexure II and Annexure III to this report read with the summary of significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Consolidated Summary Financial Statements enclosed as Annexure VI to this report. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Corporation for the relevant financial years.

c) The Restated Consolidated Summary Statement of Cash Flows for the years ended 31st March 2017, 31st March 2016, 31st March 2015 and 31st March 2014 as set out in Annexure IV to this report read with the summary of significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Consolidated Summary Financial Statements enclosed as Annexure VI to this report. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Corporation for the relevant financial years.

d) We draw attention to the fact that the Joint Auditors report on the consolidated financial statements of the Corporation for the year ended 31 March 2017 has, without qualifying the opinion, drawn attention to the following matter in the report for the that year:

"We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (net) Rs. 9389.03 million as at 31st March, 2017, total revenues of Rs. 326.55 million and net cash flows amounting to Rs. 227.01 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs.3977.12 million for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management except for an Indian Associate Agricultural Insurance Company of India Limited, whose unaudited accounts are considered for the purpose of consolidation and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors."

e) We draw attention to the fact that the Joint Auditors report on the consolidated financial statements of the Corporation for the years ended 31 March 2016 has, without qualifying the opinion, drawn attention to the following matter in the report for the that year:

"We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (net) Rs. 7751.77 million as at 31st March, 2016, total revenues of Rs. 156.46 million and net cash flows amounting to Rs. 1349.54 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 1373.35 million for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors."

f) We draw attention to the fact that the Joint Auditors report on the consolidated financial statements of the Corporation for the years ended 31 March 2015 has, without qualifying the opinion, drawn attention to the following matter in the report for the that year:

"We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (net) Rs. 3754.91 million as at 31st March, 2015, total revenues of Rs. 129.97 million and net cash flows amounting to Rs. 206.41 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 899.08 million for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors."

g) We draw attention to the fact that the Joint Auditors report on the consolidated financial statements of the Corporation for the years ended 31 March 2014 has, without qualifying the opinion, drawn attention to the following matter in the report for the that year:

"We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (net) Rs. 74.20 million as at 31st March, 2014 and net cash flows amounting to Rs. 1.48 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 1136.57 million for the year ended 31st March, 2014, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors."

h) We draw attention to the fact that the Joint Auditors report on the consolidated financial statements of the Corporation for the years ended 31 March 2017, 31 March 2015 and 31 March 2014 has, without qualifying the opinion, drawn attention to the following matter in the report for the that year:

"We draw attention to Significant Accounting Policy No.1.7, for the reasons stated therein, the impact of Profit for the year or Assets and Liabilities due to deviation in Accounting Policies of the Corporation and its Subsidiaries cannot be evaluated. As the impact thereof is not material our opinion is not modified in respect of this matter."

i) Based on the above and according to the information and explanations given to us, we further report that the Restated Consolidated Summary Financial Information:

   i. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods based on the significant accounting policies adopted by the Corporation as at 31st March 2017;

   ii. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

   iii. do not contain any extra-ordinary items that need to be disclosed separately other than those presented in the Restated Consolidated Summary Financial Information and do not contain any qualifications requiring adjustments.

7. We have also examined the following Other Restated Consolidated Summary Financial Information of the Corporation, proposed to be included in the Draft Red Herring Prospectus, Red Herring Prospects and the Prospectus, as set out in the Annexures prepared by the management of the Corporation and approved by the Board of Directors on August 4, 2017, relating to the Corporation for the years ended 31st March 2017, 31st March 2016, 31st March 2015 and 31st March 2014:

   i. Notes on Adjustments for Restated Consolidated Summary Financial Information, included in Annexure VI;
   ii. Restated Consolidated Statement of Accounting Ratios, included in Annexure VII;
   iii. Restated Consolidated Statement on Segment Disclosure, included in Annexure VIII;
   iv. Restated Consolidated Statement of Premium income, included in Annexure IX;
   v. Restated Consolidated Statement of Claims Incurred, included in Annexure X
   vi. Restated Consolidated Statement of Commission Expenses, included in Annexure XI;
   vii. Restated Consolidated Statement of Operating Expenses related to Insurance business, included in Annexure XII;
   viii. Restated Consolidated Statement of Share Capital, included in Annexure XIII;
   ix. Restated Consolidated Statement of Pattern of Shareholding, included in Annexure XIII A;
   x. Restated Consolidated Statement of Reserves and Surplus, included in Annexure XIV;
   xi. Restated Consolidated Statement of Borrowings, included in Annexure XV;
   xii. Restated Consolidated Statement of Investments - Shareholders, included in Annexure XVI;
   xiii. Restated Consolidated Statement of Investments - Policyholders, included in Annexure XVI A;
   xiv. Restated Consolidated Statement of Loans, included in Annexure XVII
   xv. Restated Consolidated Statement of Fixed Assets, included in Annexure XVIII;
   xvi. Restated Consolidated Statement of Cash and Bank Balances, included in Annexure XIX;
   xvii. Restated Consolidated Statement of Advances and other assets, included in Annexure XX;
   xviii. Restated Consolidated Statement of Current liabilities, included in Annexure XXI

xix. Restated Consolidated Statement of Provisions, included in Annexure XXII;

xx. Restated Consolidated Statement of Miscellaneous expenditure, included in Annexure XXIII;

xxi. Restated Consolidated Statement of Other Income, included in Annexure XXIV

xxii. Restated Consolidated Statement of Capitalization, included in Annexure XXV;

xxiii. Restated Consolidated Statement of Tax Shelter, included in Annexure XXVI.

xxiv. Restated Consolidated Statement of Debtors, included in Annexure XXVII;

xxv. Restated Consolidated Statement of Dividend, included in Annexure XXVIII;

xxvi. Restated Consolidated Statement of Related Party Transactions, included in Annexure XXIX;

xxvii. Restated Consolidated Statement of Aggregate Book Value and Market Value of Quoted Investments, included in Annexure XXX.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or other firms of Chartered Accountants, nor should this report be construed as an opinion on any of the consolidated financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. According to the information and explanations given to us, in our opinion, the above Restated Consolidated Summary Financial Information contained in Annexure I to Annexure XXX accompanying this report read along with the Summary of Significant Accounting Policies in Annexure V and Notes on Adjustments for Restated Consolidated Summary Financial Statements enclosed as Annexure VI to this report are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable, SEBI Regulations, ICDR Regulations, IRDAI Regulations and the Guidance note issued in this regard by the ICAI, as amended from time to time.

11. Our report is intended solely for use of the management and for inclusion in the Draft Red Herring Prospectus, Red Herring Prospects and the Prospectus in connection with the proposed issue of equity shares of the Corporation. Our report should not be used, referred to or distributed for any other purpose except with our consent in writing.

FOR G B C A & ASSOCIATES
CHARTERED ACCOUNTANTS
ICAI FIRM REGN. NO.103142W

SANJEEV LALAN
PARTNER
MEMBERSHIP NO. 045329

FOR SAMRIA & CO.
CHARTERED ACCOUNTANTS
ICAI FIRM REGN. NO. 109043W

ADHAR SAMRIA
PARTNER
MEMBESHIPNO.049174

Place: Mumbai

Date: August 4, 2017

Annexure I
Restated Consolidated Summary Statement of Revenue Account

In Respect of Fire Insurance Business

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014
1.	Premiums earned (Net)	55,958.89	46,372.06	39,817.41	36,682.89
2.	Profit on sale of Investments (Net)	3,782.28	3,352.13	4,558.68	2,610.22
3.	Forex Gain/(Loss)	(137.40)	480.53	(202.94)	638.57
4.	Interest, Dividend & Rent - Gross	6,257.73	5,545.82	6,116.80	5,697.64
	Total (A)	65,861.50	55,750.54	50,289.95	45,629.32
1.	Claims Incurred (Net)	42,532.76	35,070.45	26,635.63	37,356.71
2.	Commission (Net)	16,239.17	12,613.72	9,718.85	7,485.30
3.	Operating Expenses related to Insurance Business	709.20	737.11	746.32	643.28
4.	Expenses relating to Investments	9.88	7.39	8.34	5.99
5.	Premium Deficiency	-	-	-	-
	Total (B)	59,491.01	48,428.67	37,109.14	45,491.28
	Operating Profit /- Loss from Fire Business C = (A-B)	6,370.49	7,321.87	13,180.81	138.04
	APPROPRIATIONS				
	Transfer to Shareholders' Account	6,370.49	7,321.87	13,180.81	138.04
	Transfer to Catastrophe Reserve				
	Transfer to Other Reserves (to be specified)				
	Total (C)	6,370.49	7,321.87	13,180.81	138.04

As required by Section 40C (2) of the Insurance Act, 1938, we certify that, all expenses of management, wherever incurred, whether directly or indirectly, in respect of Fire Insurance Business have been fully debited in the Fire Insurance Revenue Accounts as expenses.

In Respect of Miscellaneous Insurance Business

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014
1.	Premiums earned (Net)	196,292.65	95,409.87	85,486.90	88,460.93
2.	Profit on sale of Investments (Net)	6,455.89	5,921.28	7,069.05	4,548.92
3.	Forex Gain/(Loss)	(180.69)	893.26	(311.03)	1,477.64
4.	Interest, Dividend & Rent - Gross	10,672.95	9,795.80	9,485.29	9,929.45
	Total (A)	213,240.80	112,020.21	101,730.21	104,416.94
1.	Claims Incurred (Net)	161,700.35	86,508.17	81,557.92	77,092.51
2.	Commission (Net)	35,770.30	20,628.51	16,160.95	14,997.58
3.	Operating Expenses related to Insurance Business	1,711.90	1,057.76	735.17	1,005.37
4.	Expenses relating to Investments	15.54	12.99	12.94	10.43
5.	Premium Deficiency	-	-	-	-
	Total (B)	199,198.09	108,207.43	98,466.98	93,105.89
	Operating Profit/-Loss from Miscellaneous Business C = (A-B)	14,042.71	3,812.78	3,263.23	11,311.05
	APPROPRIATIONS				
	Transfer to Shareholders' Account	14,042.71	3,812.78	3,263.23	11,311.05
	Transfer to Catastrophe Reserve				
	Transfer to Other Reserves (to be specified)				
	Total (C)	14,042.71	3,812.78	3,263.23	11,311.05

As required by Section 40C (2) of the Insurance Act, 1938, we certify that, all expenses of management, wherever incurred, whether directly or indirectly, in respect of Miscellaneous Insurance Business have been fully debited in the Fire Insurance Revenue Accounts as expenses.

In Respect of Marine Insurance Business

(Amount in ₹ million)

Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014
1. Premiums earned (Net)	9,103.90	9,189.16	9,248.95	9,956.65
2. Profit on sale of Investments (Net)	844.26	901.87	943.04	667.82
3. Forex Gain/(Loss)	(25.87)	139.42	(51.95)	187.60
4. Interest, Dividend & Rent - Gross	1,395.77	1,491.93	1,265.39	1,457.72
Total (A)	11,318.06	11,722.38	11,405.43	12,269.79
1. Claims Incurred (Net)	7,569.45	6,330.22	9,933.67	5,621.28
2. Commission (Net)	1,574.01	1,828.83	1,997.49	2,032.27
3. Operating Expenses related to Insurance Business	67.79	79.25	105.74	99.82
4. Expenses relating to Investments	2.04	1.97	1.73	1.53
5. Premium Deficiency	-	(584.60)	584.60	-
Total (B)	9,213.29	7,655.67	12,623.23	7,754.90
Operating Profit/-Loss from Marine Business C = (A-B)	2,104.77	4,066.71	(1,217.80)	4,514.89
APPROPRIATIONS				
Transfer to Shareholders' Account	2,104.77	4,066.71	(1,217.80)	4,514.89
Transfer to Catastrophe Reserve				
Transfer to Other Reserves (to be specified)				
Total (C)	2,104.77	4,066.71	(1,217.80)	4,514.89

As required by Section 40C (2) of the Insurance Act, 1938, we certify that, all expenses of management, wherever incurred, whether directly or indirectly, in respect of Marine Insurance Business have been fully debited in the Fire Insurance Revenue Accounts as expenses.

In Respect of Life Insurance Business

(Amount in ₹ million)

Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014
1. Premiums earned (Net)	2,391.44	2,411.27	1,394.51	1,059.99
2. Profit on sale of Investments (Net)	37.72	46.96	48.37	22.71
3. Forex Gain/(Loss)	(19.02)	11.11	(2.79)	7.61
4. Interest, Dividend & Rent - Gross	69.37	82.15	75.56	49.57
Total (A)	2,479.51	2,551.49	1,515.65	1,139.88
1. Claims Incurred (Net)	3,490.56	1,750.28	986.03	1,002.44
2. Commission (Net)	59.35	74.36	78.38	52.65
3. Operating Expenses related to Insurance Business	24.94	25.96	64.30	14.84
4. Expenses relating to Investments	1.23	0.67	0.54	0.05
5. Premium Deficiency	-	-	-	-
Total (B)	3,576.08	1,851.27	1,129.25	1,069.98
Operating Profit/-Loss from Life Business C = (A-B)	(1,096.57)	700.22	386.40	69.90
APPROPRIATIONS				
Transfer to Shareholders' Account	(1,096.57)	700.22	386.40	69.90
Transfer to Catastrophe Reserve				
Transfer to Other Reserves (to be specified)				
Total (C)	(1,096.57)	700.22	386.40	69.90

As required by Section 40C (2) of the Insurance Act, 1938, we certify that, all expenses of management, wherever incurred, whether directly or indirectly, in respect of Life Insurance Business have been fully debited in the Life Insurance Revenue Accounts as expenses.

As per our report of even date

For GBCA & ASSOCIATES
Chartered Accountants
Firm Regn No. 103142W

For SAMRIA & CO
Chartered Accountants
Firm Regn No. 109043W

Chairman-cum-Managing Director

Director

SANJEEV LALAN
Partner
Membership No.: 045329

ADHAR SAMRIA
Partner
Membership No:049174

Director

Director

Director & GM

Director & GM

GM Finance & CFO

Company Secretary

Place: Mumbai
Date: 04.08.2017

Annexure II
Restated Consolidated Summary of Profit and Loss Account

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014
1.	Operating Profit/(Loss)				
	(a) Fire Insurance	6,370.49	7,321.87	13,180.81	138.04
	(b) Marine Insurance	2,104.77	4,066.71	(1,217.80)	4,514.89
	(c) Miscellaneous Insurance	14,042.71	3,812.78	3,263.23	11,311.05
	(d) Life Insurance	(1,096.57)	700.22	386.40	69.90
2.	Income from Investments				
	(a) Interest, Dividend & Rent - Gross	10,198.94	8,928.04	7,467.23	6,731.65
	(b) Profit on sale of Investments	6,185.13	5,435.61	5,553.46	3,095.14
	Less: Loss of sale of Investment	-	-	-	-
3.	Other Income:				
	Profit on Exchange	0.01	829.66	-	1,009.71
	Profit on sale of Assets (Net)	-	-	(0.32)	-
	Sundry Balances Written Back (Net)	-	-	-	-
	Interest on Income-tax Refund	166.82	-	2,327.67	54.70
	Motor Pool Service changrs	-	-	-	32.35
	(Provision) / Doubtful Debts written back	-	1,573.30	-	-
	Miscellaneous Receipts	14.38	23.34	20.78	3.19
	Total (A)	37,986.68	32,691.53	30,981.46	26,960.62
4.	Provision for Doubtful Loans & Investment	293.99	420.09	32.01	1,248.85
5	Provision for Doubtful Debts	2,305.58	-	1,075.12	-
6	Amortisation of premium on Investments	185.15	185.60	181.02	200.69
7	Diminution in the value of investments written off	556.44	1,359.92	588.08	1,111.48
8	Other Expenses :	-	-	-	-
	Expenses relating to Investments	18.21	14.49	10.83	7.10
	Loss on Exchange	240.75	-	291.87	-
	(Profit)/Loss on sale of Assets (Net)	4.93	(1.07)	-	(0.20)
	Sundry Balances Written off (Net)	-	-	-	-
	Interest Motor Pool & Others	56.30	7.52	318.01	1,368.40
	Corporate Social Responsibility Expenses	160.27	490.94	179.48	-
	Total (B)	3,821.62	2,477.49	2,676.42	3,936.32
	Profit Before Tax	34,165.06	30,214.04	28,305.04	23,024.30
	Provision for Taxation :				
	Current Tax	6,190.00	5,381.11	5,170.80	4,120.00
	Wealth Tax	-	-	11.36	4.18
	MAT Credit	(1,908.13)	(1,937.60)	(5,083.44)	(4,120.00)
	Deferred Tax	(53.32)	(23.96)	180.94	(173.83)
	Provision for Tax in respect of earlier years	(224.93)	(101.34)	14.71	-
	MAT Credit of earlier year	119.32	-	-	-
	Profit After Tax	30,042.12	26,895.83	28,010.67	23,193.95
	Share of Profit in Asoociates Companies	1,364.11	1,338.32	899.08	1,136.57
	Profit for the year	31,406.23	28,234.15	28,909.75	24,330.52
	Appropriations	-	-	-	-
	(a) Balance brought forward from last year	21,999.29	18,397.47	13,857.46	4,606.75
	(b) Interim dividend	-	-	-	1,182.50
	(c) Proposed Final dividend	-	-	-	-
	(d) Dividend distribution tax	-	-	-	200.97
	Dividend Paid	8,600.00	5,400.00	3,311.00	4,687.00
	Dividend distribution Tax Paid	1,750.79	1,099.33	562.70	796.55
	(e) Transfer to General Reserve	-	18,133.00	20,496.04	8,212.79
	Balance carried forward to Balance Sheet	43,054.73	21,999.29	18,397.47	13,857.46

As per our report of even date

For GBCA & ASSOCIATES
Chartered Accountants
Firm Regn No. 103142W

For SAMRIA & CO
Chartered Accountants
Firm Regn No. 109043W

Chairman-cum-Managing Director

Director

SANJEEV LALAN
Partner
Membership No.: 045329

ADHAR SAMRIA
Partner
Membership No:049174

Director

Director

Director & GM

Director & GM

GM Finance & CFO

Company Secretary

Place: Mumbai
Date: 04.08.2017

Annexure III
Restated Consolidated Summary of Assets and Liabilities

(Amount in ₹ million)

Particulars	For the year ended			
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
SOURCES OF FUNDS				
Share Capital	4,300.00	4,300.00	4,300.00	4,300.00
Reserves and Surplus	195,387.01	179,877.82	155,941.79	132,240.80
Borrowings	-	-	-	-
Deferred Tax Liability	-	-	-	-
Fair Value Change Account	300,371.52	234,567.32	281,475.91	205,319.37
Total	500,058.53	418,745.14	441,717.70	341,860.17
APPLICATION OF FUNDS				
Investments	662,119.91	556,859.61	567,577.47	466,791.74
Loans	3,221.25	3,657.76	3,938.45	4,240.51
Fixed Assets	1,693.91	1,759.02	1,429.17	1,181.17
Goodwill on Consolidation	378.67	378.67	378.67	-
Deferred Tax Asset	161.44	106.79	87.01	236.98
Current Assets:				
Cash and Bank Balances	122,314.29	97,793.63	77,488.76	82,640.68
Advances and Other Assets	180,904.92	100,471.98	98,264.81	84,858.90
Sub-Total (A)	303,219.21	198,265.61	175,753.57	167,499.58
Current Liabilities	338,091.86	250,720.72	227,741.62	224,325.51
Provisions	132,644.00	91,561.60	79,705.02	73,764.30
Sub-Total (B)	470,735.86	342,282.32	307,446.64	298,089.81
Net Current Assets (C)=(A-B)	(167,516.65)	(144,016.71)	(131,693.07)	(130,590.23)
Miscellaneous Expenditure	-	-	-	-
Total	500,058.53	418,745.14	441,717.70	341,860.17
CONTINGENT LIABILITIES	33,174.27	27,655.82	30,860.68	30,360.72

As per our report of even date

For GBCA & ASSOCIATES
Chartered Accountants
Firm Regn No. 103142W

For SAMRIA & CO
Chartered Accountants
Firm Regn No. 109043W

Chairman-cum-Managing Director

Director

SANJEEV LALAN
Partner
Membership No.: 045329

ADHAR SAMRIA
Partner
Membership No:049174

Director

Director

Director & GM

Director & GM

GM Finance & CFO

Company Secretary

Place: Mumbai
Date: 04.08.2017

Annexure IV
Restated Consolidated Summary Statement of Cash Flow
As per Indirect Method

(Amount in ₹ million)

	For the year ended							
	31st March 2017		31st March 2016		31st March 2015		31st March 2014	
A) CASH FLOW FROM OPERATING ACTIVITIES								
Net Profit before taxation as per Profit & Loss A/c		34,165.06		30,214.04		28,305.04		23,024.30
Adjustments for:								
Exchange -Loss/Gain charged	603.73		(2,353.99)		860.59		(3,321.14)	
Provision for diminution in value of investment	556.44		1,359.92		588.08		1,111.49	
Provision for doubtful loans, investments & Debts	2,595.65		(1,158.44)		1,107.13		1,248.85	
Amortisation of Premium on Investment	185.15		185.61		181.03		200.69	
Depreciation	94.55		94.51		86.92		52.01	
Share of profit in Associate Companies	1,364.11		1,338.32		899.08		1,136.57	
Profit /Loss on sale of Assets	4.93		(1.07)		0.32		(0.21)	
Provision for Leave Encashment & Salary Arrears	(2,448.64)		2,421.18		(56.49)		270.10	
Sundry Balances Written off/ -back	-	2,955.92	-	1,886.04	-	3,666.66	-	698.36
Operating Profit before working capital changes		37,120.98		32,100.08		31,971.70		23,722.66
Changes in Unexpired Risk Reserves	38,565.40		11,178.43		4,305.48		(3,585.80)	
Changes in Premium Deficiency Reserve	-		(584.60)		584.60		-	
Changes in Provisions for Outstanding Claims	83,977.70		14,728.61		(2,971.01)		13,538.26	
Changes in Income accrued on Investments	(122.12)		(717.11)		(857.78)		(649.25)	
Changes in Balances with Insurance Companies	(78,530.22)		3,035.23		(1,654.43)		1,664.91	
Changes in Advance and Deposits	(477.84)		904.61		(8,243.24)		(7,055.79)	
Changes in Goodwill	-		-		(378.67)		-	
Changes in other Current Liabilities	442.34	43,855.26	116.40	28,661.57	(31.04)	(9,246.09)	556.59	4,468.92
Cash generated from operations		80,976.24		60,761.65		22,725.61		28,191.58
Income Tax Paid (Net)		(159.25)		(633.80)		3,623.28		1,042.42
Net Cash from Operating Activities		80,816.99		60,127.85		26,348.89		29,234.00
B) CASH FLOWS FROM INVESTING ACTIVITIES								
Purchase of Fixed Assets		(35.28)		(425.93)		(336.41)		(667.80)
Proceeds from sale of Fixed Assets		0.91		2.63		1.17		0.54
Foreign Currency Translation Reserve		(5,546.25)		2,201.21		(1,334.53)		4,930.21
Changes in Capital Reserve		-		-		(0.51)		0.51
Changes in net Investments		(39,761.19)		(37,455.55)		(25,096.24)		(29,653.69)
Net Cash used in Investing Activities		(45,341.81)		(35,677.64)		(26,766.52)		(25,390.23)
C) CASH FLOWS FROM FINANCING ACTIVITIES								
Dividend Paid		(8,600.00)		(5,400.00)		(3,311.00)		(5,869.50)
Dividend Tax Paid		(1,750.79)		(1,099.33)		(562.70)		(997.52)
Net Cash from Financing Activities		(10,350.79)		(6,499.33)		(3,873.70)		(6,867.02)
D) Effect of Foreign Exchange on Cash & Cash equivalents(Net)		(603.73)		2,353.99		(860.59)		3,321.14
Net increase in Cash and Cash equivalents (A+B+C+D)		24,520.66		20,304.87		(5,151.92)		297.89
Cash and Cash equivalents at beginning of period		97,793.63		77,488.76		82,640.68		82,342.79
Cash and Cash equivalents at the end of period		122,314.29		97,793.63		77,488.76		82,640.68

As per our report of even date

For GBCA & ASSOCIATES
Chartered Accountants
Firm Regn No. 103142W

For SAMRIA & CO
Chartered Accountants
Firm Regn No. 109043W

Chairman-cum-Managing Director

Director

SANJEEV LALAN
Partner
Membership No.: 045329

ADHAR SAMRIA
Partner
Membership No:049174

Director

Director

Director & GM

Director & GM

GM Finance & CFO

Company Secretary

Place: Mumbai
Date: 04.08.2017

ANNEXURE V

RESTATED CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

I. SIGNIFICANT ACCOUNTING POLICIES:

1. PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements relate to General Insurance Corporation of India ("the Corporation"), its subsidiary companies and the Corporation's share of profit/loss in its associate companies (together referred as the group). The list of subsidiary companies and associates which are included in the consolidation of financial statements are as under**:**

Sl.No.	Name of the company	Ownership %	Country of incorporation
	Subsidiaries		
1.	GIC Re South Africa Ltd.	100	Johannesburg, SA
2.	GIC Re India Corporate Member Ltd.	100	London, U.K.
	Associates		
1.	Agriculture Insurance Company of India Ltd.	35	India
2.	Indian International Insurance Pte. Ltd.	20	Singapore
3.	GIC Bhutan Re Ltd.	26	Bhutan

The consolidated financial statements have been prepared on the following basis:

1.1 The financial statements of the Corporation and its subsidiary companies have been combined on a line-by-line basis by adding together the value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions and resulting profits or losses (unless cost cannot be recovered) in accordance with Accounting Standard (AS) 21 - “Consolidated Financial Statements”.

1.2 The difference between the costs of investment in the subsidiaries over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve on Consolidation as the case may be. The ‘Goodwill’ / ‘Capital Reserve’ is determined separately for each subsidiary company.

1.3 Investments in Associate Companies are accounted for using equity method in accordance with Accounting Standard (AS) 23 - “Accounting for Investments in Associates in consolidated financial statements”. Accordingly, the share of profit/loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to/deducted from the cost of investments. The carrying value is reduced for the distributions received from the associates.

1.4 The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is described as Goodwill or Capital Reserve as the case may be. Goodwill or Capital Reserve is included in the carrying amount of investment in associate.

1.5 The Corporation accounts for its share in the change in the net assets of the associate, post-acquisition, after eliminating unrealised profits and losses resulting from the transaction between the Corporation and its associate to the extent of its share, through its statement of profit and loss to the extent such change is attributable to the associates’ Statement of Profit and Loss.

1.6 Financial Statements of Foreign Subsidiaries, being non-integral operations, have been converted in Indian Rupees at following exchange rates –

(i) Revenue and Expenses: At the average of the year

(ii) Assets and Liabilities: At the end of the year. The resultant translation exchange difference is transferred to "Foreign Currency Translation Reserve".

1.7 The financial statements of the Subsidiaries and Associates used in the consolidation are drawn up to the same reporting date as that of the Corporation i.e. 31st March or up to 31st December in case where the subsidiaries or associates close their financial year on that date. The subsidiaries of GIC Re have prepared the accounts in accordance with International Financial Reporting Standards (IFRS)/UK Generally Accepted Accounting Principles (GAAP) as per the required local laws of the respective country, resulting in to some variations as compared to Indian GAAP followed by the holding company. GIC Re, India, Corporate Member Ltd., retrocedes full 100% of the business to GIC Re while GIC Re South Africa Ltd. retrocedes almost 90% of the Non-Life business to GIC Re. Since the business retained by the Subsidiary is very insignificant, for the purpose of preparing the CFS, accounting adjustments have not been made to align the accounts of the subsidiaries to confirm with the accounting polices followed by the Corporation.

Following are the material differences with the accounting policies followed by the Corporation:

1.8.1 Unexpired risk reserve (URR) – GIC Re South Africa Ltd. has calculated Unexpired Risk Reserve (URR) at 50% on treaty business and 1/365 th method for facultative business. No provision for URR is required by GIC Re India Corporate Member Ltd. since the subsidiary reinsures all of its underwriting business to GIC Re.

1.8.2 IBNR provisions are recognised as per the terms provided by the Financial Services Board (FSB) of South Africa. No provision for IBNR is required by GIC Re India Corporate Member Ltd. since the subsidiary reinsures all of its underwriting business to GIC Re.

1.8.3 Provision for taxation including deferred tax is accounted as per local tax laws and in accordance with the provisions of local GAAP.

1.8.4. Statutory Reserves are created in accordance with the requirements of local laws.

1.8.5. Deferred Commission is accounted in accordance with the provisions of local GAAP.

1.8.6. Depreciation is accounted in accordance with the provisions of local GAAP.

1.8.7. The amounts lying under Fixed Deposits and Negotiable Certificates of Deposits with a validity of less than one year relating to GIC Re South Africa Ltd. have been classified as investments by the Statutory Auditors of the Subsidiary. The same classification has been adopted while preparing the Consolidated Financial Statements.

2. ACCOUNTING CONVENTION

The accompanying financial statements are drawn up in accordance with the provisions of Section 11(1) of the Insurance Act, 1938 and to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements also conform to the stipulation specified under the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations, 2002. The said statements are prepared on historical cost convention and on accrual basis except as otherwise stated and conform to the statutory provisions and practices prevailing in the General Insurance Industry in India.

3 REINSURANCE BUSINESS

3.1 Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as on the date of financial statement. The estimates and assumptions used in accompanying financial statements are based upon management’s evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

3.2 Reinsurance Revenues

Premium is accounted based on accounts rendered by ceding companies upon receipt of accounts. At the year end, estimates are made for accounts not yet received, based on available information and current trends. In respect of Insurance Pool Business where GIC Re is one of the members of the Pool, only the Corporation's share of revenue is recorded in the books of accounts.

4 OUTSTANDING CLAIMS

4.1 Estimated liability for outstanding claims in respect of Reinsurance business is based on advices received as of different dates up to the date of finalization of claim figures in the books for submission of the data to the “Appointed Actuary” and wherever such advices are not received, on estimates based on available information, current trends, past underwriting experience of the management and actuarial estimation bases.

4.2 Provision for claims incurred but not reported (IBNR) is made as certified by the appointed actuary.

5 RECEIVABLES

Provisions for doubtful debts for receivables are provided as under:-

(i) Companies in liquidation.

(ii) Foreign Companies having non-moving balances over a period of three years.

(iii) Non realizable balances of foreign companies having moving balances.

6 FOREIGN CURRENCY TRANSACTIONS:

Revenue transactions in foreign currencies are converted at the daily rate of exchange on the day accounts are received and transactions are booked.

6.1 Non-Monetary items including fixed assets and investments abroad are reported using the exchange rate applicable on the date of acquisition.

6.2 Monetary items such as receivables, payables and balances in bank accounts held in foreign currencies are converted using the closing rates of exchange at the balance sheet date.

6.3 The exchange gain/ (loss) relating to revenue transaction, due to conversion of foreign currencies is accounted for as revenue in respective revenue accounts. The common exchange gain/(loss) due to conversion is apportioned between Revenue Account and Profit and Loss Account in same proportion as stated in Significant Accounting Policy No. 8.

7 RESERVE FOR UNEXPIRED RISK (URR)

The URR provisions are made as under:

7.1 Non-Life Business:

(i) For HO and Malaysia Branch:

Reserve for Unexpired Risk in respect of Marine Insurance (Hull) and Terrorism Risk Business (included in Fire and Engineering) is made at 100% of Net Premium, while for all other classes of insurance is made at 50% of Net Premium of the period for which accounts are prepared.

(iii) London and Dubai Branch –

Reserve for Unexpired Risk is provided as per local practice. Adjustment for excess or short provision in URR, as per IRDAI requirement, is accounted at Head Office.

7.2 Life Business:

Reserve for Unexpired Risk is provided as determined by Appointed Actuary based on accepted actuarial methods.

8. APPORTIONMENT OF INTEREST, DIVIDENDS AND RENTS

The income from interest, dividends and rent is apportioned between Profit and Loss Account and Revenue Accounts in the ratio of Shareholders' Fund and Policyholders' Fund respectively at the beginning of the year. The same is further apportioned amongst the revenue accounts on the basis of the respective Policyholders' Fund at the beginning of the year. Shareholders' fund consists of share capital and free reserves. Policyholders' Fund consists of provisions for outstanding claims and reserves for unexpired risks.

9. FIXED ASSETS

Fixed assets are stated at cost less depreciation. Cost of shares in Co-operative Societies/Companies for property rights acquired is included under the head 'Buildings' under Fixed Assets.

Tangible Fixed Assets are stated at cost (including incidental expenses relating to acquisition and installation) less accumulated depreciation.

Intangible Fixed Assets representing software are recorded at its acquisition price and are amortized over their estimated useful life on a straight-line basis, commencing from the date the assets are available for use. The management has estimated the useful life for such software as three years. The useful life of the asset is reviewed by the management at each Balance Sheet date.

10. DEPRECIATION

Depreciation is provided on straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 and residual value of the assets shall be Re. 1/-.

Depreciation is provided on pro-rata basis on additions to fixed assets and on assets sold / discarded / demolished / destroyed during the year.

11. RETIREMENT BENEFITS TO EMPLOYEES

Liabilities on account of retirement benefits to the employees such as pension, gratuity and leave encashment are provided for on accrual basis, based on actuarial valuation and in compliance with Accounting Standard 15.

12. APPORTIONMENT OF EXPENSES

(i) Head office business :

Operating expenses relating to insurance business are apportioned to the Revenue Accounts on the basis of Reinsurance Premium accepted during the period for which accounts are prepared, giving weightage of 75% for Marine business & 100 % for Fire, Miscellaneous & Life Reinsurance business.

(ii) Foreign business:

Operating expenses relating to insurance business are also apportioned to the revenue accounts of branches on the same basis as mentioned in Note-8 above.

(iii) Investment Expenses:

Expenses relating to investment are apportioned between Revenue and Profit & Loss Account in the same proportion as stated in Significant Accounting Policy No.8.

13 INVESTMENTS

13.1 Prudential norms as prescribed by appropriate regulatory authority are followed in regard to:

(i) Revenue recognition,

(ii) Classification of assets into performing and non-performing and

(iii) Provisioning against performing and non-performing assets.

13.2 The cost of investments includes premium on acquisition and other related expenses.

13.3 Short term money market instruments such as Collateralized Borrowing and Lending Operations (CBLO), Commercial Paper and Treasury bill, which are discounted at the time of contract at the agreed rate are accounted at their discounted value.

13.4 a) Unrealized gains/ (losses) arising due to changes in the fair value of listed equity shares and mutual fund units are taken under the head “Fair Value Change Account” and on realization reported in Profit and Loss Account.

b) Pending realization, the credit balance in the “Fair Value Change Account” is not available for distribution.

13.5 The cost of investments includes premium on acquisition and other related expenses.

13.6 Short term money market instruments such as Collateralized Borrowing and Lending Operations (CBLO), Commercial Paper and Treasury bill, which are discounted at the time of contract at the agreed rate are accounted at their discounted value.

13.7 a) Unrealized gains/(losses) arising due to changes in the fair value of listed equity shares and mutual fund units are taken under the head “Fair Value Change Account” and on realization reported in Profit and Loss Account.

b) Pending realization, the credit balance in the “Fair Value Change Account” is not available for distribution.

13.8 Final Dividend is accounted for as income in the year of declaration and Interim dividend is accounted as income where the warrants are dated 31st March or earlier.

13.9 Dividends/Interest on shares/debentures under objection/pending deliveries is accounted for on realization/payment.

13.10 Profit or Loss on sale of investments is apportioned between Profit and Loss Account and Revenue Accounts in the ratio of Shareholders’ Fund and Policyholders’ Fund respectively at the beginning of the year. The same are further apportioned amongst the revenue accounts on the basis of the respective Policyholders’ Fund at the beginning of the year. Shareholders’ fund consists of Share Capital and Free Reserves. Policyholders’ fund consists of provisions for outstanding claims and reserves for unexpired risks.

Profit/Loss on sale of investments is computed at average book value of investments on the date of sale.

13.11 Debt securities including Government securities and Redeemable Preference shares have been considered as ‘held to maturity’ securities and have been measured at historical cost subject to amortization of premium paid over residual period. The call date has been considered as maturity date for amortization of Perpetual Bonds.

13.12 In case of repos transaction, difference between the selling and buying value is treated as interest income.

13.13 Income received from the Fixed Maturity Mutual fund (Dividend Option) is booked as dividend.

13.14 Investments are apportioned between Shareholders' fund & Policyholders' fund in the ratio of balance available in the respective funds at the beginning of the year.

14. AMORTIZATION OF PREMIUM AND PROVISION FOR DOUBTFUL LOANS, INVESTMENTS AND DEBTS

Amortization of premium, provision for doubtful loans, doubtful debts and diminution in the value of investments written off, are recognized in the profit & loss account.

15. COMPLIANCE WITH ACCOUNTING STANDARDS

The Corporation has complied with relevant accounting standards prescribed by ICAI to the extent applicable and IRDAI guidelines in preparation of its financial statements.

16. PREMIUM DEFICIENCY:

Non-Life Business: Premium deficiency reserve as calculated by non-life appointed actuary is worked out separately for each segmental revenue level basis viz. fire, marine and miscellaneous as per IRDAI circular no. IRDAI /Reg/7/119/2016 dated 07 April 2016

Life Re business: As per IRDAI circular no. IRDAI /Reg/7/121/2016 dated 13 April 2016, PDR is calculated by Life Re Appointed Actuary.

II NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS:

The accounts of the subsidiary company, GIC Re India Corporate Member Ltd., London, UK, and Associates, Agricultural Insurance Company of India Limited, India International Pte. Ltd., Singapore and GIC Re Bhutan Ltd., Bhutan, which are combined in the consolidated financial statements, are prepared on calendar year basis in accordance with the local requirements and these have been consolidated as such. There is no material change during the quarter January to March requiring adjustments to the figures reported in the audited/ unaudited accounts as received.

1. Investments

1.1. Provision for standard assets has been made as per prudential norms for Income recognition, Asset Classification and provisioning and other related methods as prescribed by appropriate regulatory authorities.

(₹ In million)

Year	2016-17	2015-16	2014-15	2013-14
Amount	460.03	419.70	377.72	345.51

1.2. The book value of investments valued on Fair Value basis

(₹ In million)

Year	2016-17	2015-16	2014-15	2013-14
Amount	75,923.10	75,083.60	70,440.56	68,257.24

2. Re-insurance - Life Reinsurance Business -URR:

During the year, the Corporation has made a provision towards unexpired risk reserve for life business as determined by Life Appointed Actuary.

(₹ In million)

Year	2016-17	2015-16	2014-15	2013-14
Amount	988.00	599.27	443.96	411.68

3. Employees Benefits

The Corporation has classified the various benefits provided to employees as under:

(i) Pension Superannuation Scheme

(ii) Defined Benefit Plan

(a) Leave Encashment

(b) Gratuity

(c) Provident Fund

(iii) Settlement Benefit

During the year Corporation has recognized the following amounts in the Profit and Loss Account:

(₹ In million)

Particulars	2016-17	2015-16	2014-15	2013-14
Pension Superannuation Scheme (Employees' Pension Fund)	64.77	133.79	40.77	232.24
Leave Encashment (Earned leave and Sick Leave)	86.85	17.84	5.88	55.85
Gratuity(Employees Gratuity Fund)	48.44	33.47	87.77	(6.71)
Provident Fund(Employees Provident Fund)	-	-	4.89	4.93
Settlement Benefit	1.19	1.83	1.55	1.85

A) Change in the Present Value of Obligation

(₹ In million)

Particulars	Pension			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present Value of Obligation as 1 April	1,414.83	1,303.84	1,159.32	905.06
Interest Cost	107.78	96.87	88.92	79.36
Past Service Cost	-	-	-	-
Current Service Cost	49.77	41.21	92.57	57.64
Curtailment Cost / (Credit)	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-
Benefit Paid	(73.14)	(130.31)	(53.17)	(65.87)
Actuarial Gain/(Loss) on Obligation	124.00	103.22	16.21	183.13
Present Value of Obligation at 31March	1,623.23	1,414.83	1,303.84	1,159.32

(₹ In million)

Particulars	Gratuity			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present Value of Obligation as 1 April	371.20	301.23	183.86	183.10
Interest Cost	28.29	22.80	14.03	16.36
Past Service Cost	-	-	-	-
Current Service Cost	22.70	22.52	14.41	9.45
Curtailment Cost / (Credit)	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-
Benefit Paid	(20.29)	(19.28)	(4.17)	(6.69)
Actuarial Gain/(Loss) on Obligation	27.85	43.92	93.09	(18.36)
Present Value of Obligation at 31March	429.74	371.20	301.23	183.86

(₹ In million)

Particulars	Leave Salary *			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present Value of Obligation as 1 April	245.18	227.34	221.46	165.62
Interest Cost	17.90	17.78	17.09	14.81
Past Service Cost	-	-	-	-
Current Service Cost	17.06	37.26	31.88	39.72
Curtailment Cost / (Credit)	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-
Benefit Paid	-	-	-	-
Actuarial Gain/(Loss) on Obligation	51.89	(37.20)	(43.10)	1.32
Present Value of Obligation at 31March	332.03	245.18	227.34	221.46

* EL + SL

(₹ In million)

Particulars	Settlement			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present Value of Obligation as 1 April	14.02	12.19	10.65	8.80
Interest Cost	1.02	0.95	0.97	0.80
Past Service Cost	-	-	-	-
Current Service Cost	0.71	0.70	0.58	0.93
Curtailment Cost / (Credit)	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-
Benefit Paid	-	-	-	-
Actuarial Gain/(Loss) on Obligation	(0.54)	0.18	-	0.12
Present Value of Obligation at 31March	15.22	14.02	12.20	10.65

B) Change in the Fair value of Plan Assets

(₹ In million)

Particulars	Pension			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Fair Value of Plan Assets as at 1 April	1,320.86	1,272.74	923.72	845.17
Expected return on Plan Assets	121.16	111.96	95.94	78.50
Actuarial Gain/(Loss) on Obligation	95.60	(44. 49)	60.98	9.39
Contribution	113.82	70.92	245.26	56.53
Benefit Paid	(73. 14)	(130. 31)	(53. 17)	(65. 87)
Fair Value of Plan Assets at 31 March	1,578.31	1,320.86	1,272.74	923.72
Unpaid Amount	-	-	-	-
Fair Value of Plan (Net) Assets at 31 March	1578.30	1,320.86	1,272.74	923.72
Actual return	216.77	107.51	156.92	87.89

(₹ In million)

Particulars	Gratuity			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Fair Value of Plan Assets as at 1 April	337.72	225.55	195.96	187.83
Expected return on Plan Assets	27.68	20.32	15.15	14.79
Actuarial Gain/(Loss) on Obligation	2.72	35.46	18.62	(0.63)
Contribution	33.47	75.68	-	0.67
Benefit Paid	(20. 29)	(19. 28)	(4. 17)	(6. 69)
Fair Value of Plan Assets at 31 March	381.30	337.72	225.55	195.96
Unpaid Amount	-	-	-	-
Fair Value of Plan (Net) Assets at 31 March	381.30	337.72	225.55	195.96
Actual return	30.40	55.77	33.76	14.16

(₹ In million)

Particulars	Leave Salary*			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Fair Value of Plan Assets as at 1 April	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Actuarial Gain/(Loss) on Obligation	-	-	-	-
Contribution	-	-	-	-
Benefit Paid	-	-	-	-
Fair Value of Plan Assets at 31 March	-	-	-	-
Unpaid Amount	-	-	-	-
Fair Value of Plan (Net) Assets at 31 March	-	-	-	-
Actual return	-	-	-	-

* EL + SL

(₹ In million)

Particulars	Settlement			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Fair Value of Plan Assets as at 1 April	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Actuarial Gain/(Loss) on Obligation	-	-	-	-
Contribution	-	-	-	-
Benefit Paid	-	-	-	-
Fair Value of Plan Assets at 31 March	-	-	-	-
Unpaid Amount	-	-	-	-
Fair Value of Plan (Net) Assets at 31 March	-	-	-	-
Actual return	-	-	-	-

C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

(₹ In million)

Particulars	Pension			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Fair Value of Plan Assets as at 1 April	1,623.23	1,414.83	1,303.84	1,159.32
Expected return on Plan Assets	1,578.31	1,320.86	1,272.74	923.72
Actuarial Gain/(Loss) on Obligation	(44. 93)	(93. 97)	(31. 11)	(235.60)

(₹ In million)

Particulars	Gratuity			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Fair Value of Plan Assets as at 1 April	429.74	371.20	301.23	183.86
Expected return on Plan Assets	381.30	337.72	225.55	195.96
Actuarial Gain/(Loss) on Obligation	(48. 44)	(33. 47)	(75. 68)	12.10

(₹ In million)

Particulars	Leave salary*			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Fair Value of Plan Assets as at 1 April	332.03	245.18	227.34	221.46
Expected return on Plan Assets	-	-	-	-
Actuarial Gain/(Loss) on Obligation	(332. 03)	(245. 18)	(227. 34)	(221. 46)

* EL + SL

(₹ In million)

Particulars	Settlement			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Fair Value of Plan Assets as at 1 April	15.22	14.02	12.20	10.65
Expected return on Plan Assets	-	-	-	-
Actuarial Gain/(Loss) on Obligation	(15.22)	(14. 02)	(12. 20)	(10. 65)

D) Expenses recognized in the Profit and Loss Account

(₹ In million)

Particulars	Pension			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Current Service Cost	49.77	41.21	92.57	57.64
Interest Cost	107.78	96.87	88.92	79.36
Curtailment Cost / (Credit)	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-
Expected Return on Plan Assets	(121. 16)	(111. 96)	(95. 94)	(78. 50)
Net actuarial Gain/(Loss) recognized in the period	28.39	107.67	(44. 77)	173.74
Total Expenses recognized in the Profit & Loss A/c	64.77	133.79	40.77	232.24

(₹ In million)

Particulars	Gratuity			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Current Service Cost	22.70	22.52	14.41	9.45
Interest Cost	28.29	22.80	14.03	16.36
Curtailment Cost / (Credit)	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-
Expected Return on Plan Assets	(27. 68)	(20. 32)	(15. 15)	(14. 79)
Net actuarial Gain/(Loss) recognized in the period	25.13	8.47	74.48	(17. 73)
Total Expenses recognized in the Profit & Loss A/c	48.44	33.47	87.77	(6. 71)

(₹ In million)

Particulars	Leave Salary *			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Current Service Cost	17.06	37.26	31.88	39.72
Interest Cost	17.90	17.78	17.09	14.81
Curtailment Cost / (Credit)	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Net actuarial Gain/(Loss) recognized in the period	51.89	(37. 20)	(43.10)	1.32
Total Expenses recognized in the Profit & Loss A/c	86.85	17.84	5.88	55.85

* EL + SL

(₹ In million)

Particulars	Settlement			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Current Service Cost	0.71	0.70	0.58	0.93
Interest Cost	1.02	0.95	0.97	0.80
Curtailment Cost / (Credit)	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Net actuarial Gain/(Loss) recognized in the period	(0.54)	0.18	-	0.12
Total Expenses recognized in the Profit & Loss A/c	1.19	1.83	1.55	1.85

E) Plan Assets (In %)

Particulars	Pension			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Government Securities (Central & State)	55.00	55.00	55.06	54.00
High Quality Corporate Bonds	0.00	0.00	39.76	46.00
Others	45.00	45.00	5.18	0.00

(In %)

Particulars	Gratuity			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Government Securities (Central & State)	0.00	0.00	55.06	54.00
High Quality Corporate Bonds	0.00	0.00	39.76	40.00
Others	100.00	100.00	5.18	6.00

(In %)

Particulars	Leave Salary *			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Government Securities (Central & State)	0.00	0.00	0.00	0.00
High Quality Corporate Bonds	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00

* EL + SL

(In %)

Particulars	Settlement			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Government Securities (Central & State)	0.00	0.00	0.00	0.00
High Quality Corporate Bonds	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00

F) <u>Actuarial Assumption</u>

(In %)

Particulars	Pension			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Discount Rate	7.30	7.82	7.85	9.10
Expected return on assets	9.00	9.00	9.00	9.00
Salary Escalation	8.00	8.00	10.00	16.00
Attrition/ withdrawal Rate	2.00	2.00	2.00	3.00
Indian Assured Lives Mortality	2006-08	2006-08	2006-08	2006-08

(In %)

Particulars	Gratuity			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Discount Rate	7.30	7.82	7.72	9.10
Expected return on assets	8.00	8.00	8.00	8.00
Salary Escalation	10.00	10.00	12.00	12.00
Attrition/ withdrawal Rate	3.00	3.00	3.0	3.00
Indian Assured Lives Mortality	2006-08	2006-08	2006-08	2006-08

(In %)

Particulars	Leave Salary *			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Discount Rate	7.30	7.82	7.72	9.10
Expected return on assets	8.00	8.00	0.00	0.00
Salary Escalation	10.00	10.00	12.00	12.00
Attrition/ withdrawal Rate	3.00	3.00	3.00	3.00
Indian Assured Lives Mortality	2006-08	2006-08	2006-08	2006-08

* EL + SL

(In %)

Particulars	Settlement			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Discount Rate	7.30	7.82	7.72	9.10
Expected return on assets	0.00	0.00	0.00	0.00
Salary Escalation	10.00	10.00	12.00	10.00
Attrition/ withdrawal Rate	3.00	3.00	3.00	3.00
Indian Assured Lives Mortality	1994-96	1994-96	1994-96	1994-96

G) **Other Disclosures** (₹ In million)

Particulars	Pension			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Experience Adjustment				
On obligation	124.00	103.22	16.21	183.13
On plan assets	(95. 60)	4.45	(60. 98)	9.39
Present Value of obligation	1,623.23	1,414.83	1,303.84	1,159.32
Fair Value of plan assets	1,578.31	1,320.86	1,272.74	923.72
Excess of obligation over plan assets	(44. 93)	(93. 97)	(31. 11)	(235. 60)

(₹ In million)

Particulars	Gratuity			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Experience Adjustment				
On obligation	27.85	43.92	93.09	(18. 36)
On plan assets	(2. 72)	(35. 46)	18.62	0.63
Present Value of obligation	429.74	371.20	301.23	183.86
Fair Value of plan assets	381.30	337.72	225.55	195.96
Excess of obligation over plan assets	(48. 44)	(33. 47)	(75. 68)	12.10

(₹ In million)

Particulars	Leave Salary*			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Experience Adjustment				
On obligation	51.89	(37.20)	(43.10)	1.32
On plan assets	-	-	-	-
Present Value of obligation	332.03	245.18	227.34	221.46
Fair Value of plan assets	-	-	-	-
Excess of obligation over plan assets	(332. 03)	(245. 18)	(227. 34)	(221. 46)

* EL + SL

(₹ In million)

Particulars	Settlement			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Experience Adjustment				
On obligation	(0. 54)	0.18	-	0.12
On plan assets	-	-	-	-
Present Value of obligation	15.22	14.02	12.20	10.65
Fair Value of plan assets	-	-	-	-
Excess of obligation over plan assets	15.22	14.02	12.20	10.65

Actuarial gain/loss has been charged to Profit and Loss Account.

4. Related party Disclosures as per Accounting Standard - 18 “Related Party Transaction” issued by ICAI:

4.1 Key Management Personnel:

Key Managerial Personnel			
2016-17	2015-16	2014-15	2013-14
Mrs. Alice G. Vaidyan, Chairman cum Managing Director	Mrs. Alice G. Vaidyan, Chairman cum Managing Director	Mr. A.K. Roy, Chairman cum Managing Director	Mr. A.K. Roy, Chairman cum Managing Director
Mr. Pauly Sukumar N, Chief Marketing Officer	Mr. K Sanath Kumar, Acting CMD	Mr. G C Gaylong, Chief Marketing Officer & Chief of Internal Audit	Mr. P. Venkatramaiah, Chief of Internal Audit, Chief Financial Officer & Chief Marketing Officer
Mr. Satyajit Tripathy, Chief Investment Officer	Mr. A.K. Roy, Chairman cum Managing Director	Mr. N. Mohan, Chief Investment Officer	Ms. Madhulika Bhaskar, Chief Risk Officer
Mr. G C Gaylong, Chief of Internal Audit	Mr. G C Gaylong, Chief of Internal Audit & Chief Marketing Officer	Mrs. Alice G. Vaidyan, Chief Financial Officer	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer
Mr. V C Jain, Chief Financial Officer	Mr. Satyajit Tripathy, Chief Investment Officer	Ms. Madhulika Bhaskar, Chief Risk Officer	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)
Ms. Madhulika Bhaskar, Chief Risk Officer	Mr. R.K. Deka, Chief of Internal Audit	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	Ms. Padmaja R., Appointed Actuary (Life Insurance)-
Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	Mrs. Alice G. Vaidyan, Chief Financial Officer	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)	
Ms. Priscilla Sinha, Appointed Actuary (General Insurance)	Mr. V C Jain, Chief Financial Officer	Ms. Padmaja R., Appointed Actuary (Life Insurance)-	-
Ms. Padmaja R., Appointed Actuary (Life Insurance)	Ms. Madhulika Bhaskar, Chief Risk Officer	-	-

Key Managerial Personnel			
2016-17	2015-16	2014-15	2013-14
	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	-	-
	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)	-	-
	Ms. Padmaja R., Appointed Actuary (Life Insurance)-	-	-

Details of Key Managerial Personnel Remuneration for the year ended 31.03.2017 is as follows:

(₹ In million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
1	Mrs. Alice G. Vaidyan	Chairman cum Managing Director	2.76	0.25	-	-	0.02	-	0.05
2	Mr. Pauly Sukumar N	Chief Marketing Officer	2.19	0.13	0.20	-	0.02	-	0.06
3	Mr. Satyajit Tripathy	Chief Investment Officer	1.97	0.12	0.18	0.05	0.02	-	0.08
4	Mr. G C Gaylong	Chief of Internal Audit	2.41	0.15	0.22	-	0.02	-	0.07
5	Mr. V C Jain	Chief Financial Officer	2.13	0.13	0.19	-	0.02	-	0.08
6	Ms. Madhulika Bhaskar	Chief Risk Officer	1.85	0.13	-	-	0.02	-	0.08
7	Ms. Suchita Gupta	Chief Compliance Officer	2.06	0.13	0.19	-	0.02	-	0.08
8	Ms. Priscilla Sinha	Appointed Actuary (General Insurance)	4.08	-	-	-	-	-	0.00
9	Ms. Padmaja R.	Appointed Actuary (Life Insurance)	-	-	-	-	-	-	3.40*

* Professional fees

Details of Key Managerial Personnel Remuneration for the year ended 31.03.2016 is as follows:

(₹ In million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
1	Mrs. Alice Vaidyan (23.01.16 to 31.03.16)	Chairman-cum-Managing Director	1.59	0.26	-	-	-	-	-
2	Mrs. Alice Vaidyan (01.04.15 to 04.09.15)	Chief Financial Officer	0.67	0.03	-	-	0.01	-	-
3	Mr. K.Sanath Kumar (31.07.15 to 18.02.16)	Acting Chairman-cum-Managing Director	2.21	0.28	-	-	-	-	-
4	Mr. A.K. Roy (01.04.15 to 31.07.15)	Chairman-cum-Managing Director	0.72	0.03	0.03	-	0.01	-	0.18
5	Mr. G.C.Gaylong (27.01.16 to 31.03.16)	Chief Marketing Officer & chief of Internal Audit	0.98	0.14	0.02	-	-	-	-
6	Mr. V.C.Jain (04.09.15 to 31.03.16)	Chief Financial Officer	1.81	0.25	0.06	-	0.01	-	-
7	Mr. Satyajit Tripathy	Chief Investment Officer	2.25	0.26	0.09	0.05	0.02	-	0.01
8	Mr. R.K. Deka (DOR 31.01.2016)	Chief of Internal Audit	5.95	0.38	0.08	-	0.02	-	0.08
9	Ms. Madhulika Bhaskar	Chief Risk Officer	2.40	0.27	-	-	0.02	-	-
10	Ms. Suchita Gupta (01.04.15 to 31.03.16)	Company Secretary & Chief Compliance Officer	2.31	0.31	0.11	-	0.02	-	-
11	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	2.09*
12	Ms. Padmaja R	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	2.96*

* Professional fees

Details of Key Managerial Personnel Remuneration for the year ended 31.03.2015 is as follows:

(₹ In million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
1	Mr. A.K. Roy	Chairman-cum-Managing Director	2.59	0.22	0.13	-	0.02	-	-
2	Mrs. Alice Vaidyan	Chief Financial Officer	1.44	0.19	-	-	0.02	-	0.01
3	Mr. G.C. Gaylong: DOJ 30.06.2014	Chief Marketing Officer & chief of Internal Audit	1.05	0.05	0.07	-	-	-	-
4	Mr. N. Mohan	Chief Investment Officer	1.63	0.07	0.11	-	0.02	-	-
5	Ms. Madhulika Bhaskar	Chief Risk Officer	1.41	0.06	-	-	0.02	-	0.14
6	Ms. Suchita Gupta,	Company Secretary & Chief Compliance Officer	1.19	0.06	0.08	-	0.02	0.43	-
7	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	1.99*
8	Ms. Padmaja R.	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	2.58*

* Professional fees

Details of Key Managerial Personnel Remuneration for the year ended 31.03.2014 is as follows:

(₹ In million)

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
1	Mr. A.K. Roy	Chairman-cum-Managing Director	1.92	0.09	0.13	-	0.02	-	-
2	Mr. P. Venkatramaiah,	Chief of Internal Audit, Chief Financial Officer & Chief Marketing Officer	1.43	0.07	0.08	-	0.02	-	-
3	Ms. Madhulika Bhaskar	Chief Risk Officer	1.22	0.06	-	-	0.02	-	-
4	Ms. Suchita Gupta,	Company Secretary & Chief Compliance Officer	1.28	0.06	0.09	-	0.02	-	-
5	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	1.53*
6	Ms. Padmaja R.	Appointed Actuary (Life Insurance)-	-	-	-	-	-	-	1.20*

* Professional fees

5. Share (EPS) as per Accounting Standards 20 issued by ICAI:

	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Profit after Tax(₹ In million)	31,406.24	28,234.15	28, 909.75	24, 330.52
Number of equity shares	430,00,00,000	430,00,00,000	430,00,00,000	430,00,00,000
Nominal value of share	₹1/-	₹1/-	₹1/-	₹1/-
Basic and Diluted EPS*	36.52	32.83	33.62	28.29

*** As the face value of Equity share is consolidated from ₹ 1/- to ₹ 5/- per share subsequent to the date of Balance Sheet, EPS is calculated based on face value of ₹ 5/- per Equity Share.**

6. Disclosures as per Accounting Standard – 22 "Accounting for Taxes on Income":

Deferred Tax assets are recognized only if there is a virtual certainty backed by convincing evidence that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The breakup of Net Deferred Tax Assets is as under:

(₹ In million)

Particulars	As on 31.03.2017	
	Deferred Tax	
	Asset	Liability
Timing difference on account of difference in book depreciation & depreciation under Income Tax Act, 1961.	4.05	----
Provision for employees benefits	128.85	----
Others	------	----
Foreign Subsidiary	28.86	---
Foreign Branches	-	0.31
TOTAL	161.76	0.31
Net Deferred Tax	161.45	

(₹ In million)

Particulars	As on 31.03.2016	
	Deferred Tax	
	Asset	Liability
Timing difference on account of difference in book depreciation & depreciation under Income Tax Act, 1961.	------	9.32
Provision for employee's benefits	89.71	----
Others	-----	----
Foreign Branches	-----	0.39
Foreign Subsidiary	26.79	
TOTAL	116.50	9.71
Net Deferred Tax	106.79	-----

(₹ In million)

Particulars	As on 31.03.2015	
	Deferred Tax	
	Asset	Liability
Timing difference on account of difference in book depreciation & depreciation under Income Tax Act, 1961.	--	32.30
Provision for employees' benefits	88.71	--
Others	---	--
Foreign Branches	---	0.36
Foreign Subsidiary	30.96	
TOTAL	119.67	32.66
Net Deferred Tax	87.01	

(₹ In million)

Particulars	As on 31.03.2014	
	Deferred Tax	
	Asset	Liability
Timing difference on account of difference in book depreciation & depreciation under Income Tax Act, 1961.	-	8.80
Provision for employees' benefits	112.86	-
Others	-	-
Foreign Branches	132.93	-
TOTAL	245.79	8.80
Net Deferred Tax	236.99	-

7. **Contingent Liabilities for the last four years are as follows:** (₹ In million)

Particulars	2016-17	2015-16	2014-15	2013-14
Claims, other than under policies not acknowledged as debts	11.00	11.00	11.00	--
Guarantees / LC given by or on behalf of the Corporation	15,864.37	10,617.68	8,352.71	9,161.47
Statutory demand / liabilities in dispute - Income-tax demands disputed, not provided for	17,298.90	17,027.14	22,496.97	21,199.25
Partly paid up investments	-	-	-	-
Underwriting commitments outstanding	-	-	-	-
Reinsurance obligations to the extent not provided for in the accounts	-	-	-	-
Total	33,174.27	27,655.82	30,860.68	30,360.72

8 Reinsurance obligations to the extent not provided for in the accounts NIL (Previous year NIL) in view of Significant Accounting Policy No. 3.1.

9. Majority of the pending legal / arbitration matters with the Legal Department are very old. These cases are primarily against the erstwhile subsidiary companies and the Corporation has been impleaded as a proforma respondent because of its erstwhile status of the holding company. In MACT /Hit and Run matters, GIC is wrongly impleaded despite not being the administrator of the Solatium Scheme.

Consequently, no financial impact of such cases is envisaged.

10. Segment Reporting:

(₹ In million)

TOTAL BUSINESS

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017
Fire	55,958.89	42,532.76	16,239.17	709.20	(137.4)		(3,659.64)
Motor	55,920.60	53,886.74	11,257.44	466.14	(86.59)		(9,776.31)
Aviation	4,686.72	4,344.87	897.15	54.51	(9.28)		(619.09)
Engineering	8,174.15	3,695.51	2,018.44	65.94	(8.26)		2,386.00
W.C.	304.08	267.65	46.49	2.44	(0.35)		(12.85)
Liability	1,780.18	1,014.10	281.84	15.91	(2.51)		465.82
PA	4,469.59	2,360.85	1,564.40	33.15	(4.06)		507.13
Health	33,049.12	29,604.44	8,116.27	327.63	(25.87)		(5,025.10)
Agriculture	82,498.14	66,796.68	9,552.01	660	(16.5)		5,472.95
Other Misc.	3,968.92	(441.62)	1,745.19	73.06	(19.48)		2,572.80
FL/Credit	1,441.15	171.13	291.07	13.12	(7.79)		958.05
Marine Cargo	3,517.32	2,248.74	948.61	30.53	(10.34)		279.11
Marine Hull	5,586.58	5,320.71	625.40	37.26	(15.54)		(412.33)
Life	2,391.44	3,490.57	59.35	24.94	(19.02)		(1,202.43)
TOTAL	**263,746.88**	**215,293.13**	**53,642.83**	**2,513.83**	**(362.99)**	**0.00**	**(8,065.89)**

TOTAL BUSINESS

(₹ in million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016
Fire	46,372.06	35,070.45	12,613.70	737.11	480.53		(1,568.69)
Motor	41,468.78	38,991.68	8,218.64	416.47	403.54		(5,754.47)
Aviation	4,726.55	3,303.99	697.20	48.65	69.98		746.68
Engineering	7,349.43	2,342.70	2,028.38	84.64	125.11		3,018.81
W.C.	218.09	138.73	37.79	2.50	1.44		40.52
Liability	1,226.05	583.57	206.35	14.31	18.83		440.66
PA	3,224.05	1,570.91	1,350.93	34.66	18.32		285.87
Health	23,051.87	21,271.97	5,150.06	253.12	132.57		(3,490.72)
Agriculture	9,147.42	14,145.50	1,732.18	91.50	45.70		(6,776.06)
Other Misc.	3,612.38	1,939.05	902.24	95.41	35.79		711.46
FL/Credit	1,385.25	2,220.07	304.74	16.49	41.98		(1,114.05)
Marine Cargo	3,271.18	2,156.86	702.07	29.82	45.00		427.43
Marine Hull	5,917.98	4,173.36	1,126.76	49.43	94.42	(584.60)	1,247.45
Life	2,411.27	1,750.28	74.36	25.96	11.11		571.78
TOTAL	**153,382.36**	**129,659.12**	**35,145.42**	**1,900.08**	**1,524.32**	**(584.60)**	**(11,213.34)**

TOTAL BUSINESS

(₹ in million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015
Fire	39,817.42	26,635.60	9,718.86	746.32	(202.95)		2,513.67
Motor	36,490.66	38,874.41	6,499.18	376.74	(177.27)		(9,436.94)
Aviation	4,716.19	4,087.88	873.25	75.41	36.39		(283.96)
Engineering	7,377.00	4,506.54	1,964.16	82.21	(53.58)		770.52
W.C.	212.78	77.43	27.02	1.85	(0.71)		105.77
Liability	956.08	(57.49)	187.87	11.92	(5.74)		808.03
PA	3,238.70	2,068.94	559.70	25.87	(10.66)		573.53
Health	18,665.99	21,291.18	3,699.44	230.74	(43.09)		(6,598.47)
Agriculture	6,578.58	6,255.30	897.46	72.40	(19.70)		(666.29)
Other Misc.	5,250.49	2,464.98	1,197.66	(156.66)	(18.90)		1,725.61
FL/Credit	2,000.43	1,988.75	255.21	14.68	(17.76)		(275.97)
Marine Cargo	3,672.29	3,557.03	907.15	49.36	(20.35)		(861.59)
Marine Hull	5,576.66	6,376.64	1,090.34	56.38	(31.60)	584.60	(2,562.91)
Life	1,394.51	986.03	78.38	64.30	(2.79)		263.01
TOTAL	**135,947.77**	**119,113.25**	**27,955.67**	**1,651.53**	**(568.72)**	**584.60**	**(13,925.98)**

TOTAL BUSINESS

(₹ in million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014
Fire	36,682.89	37,356.70	7,485.34	643.28	638.57		(8,163.83)
Motor	38,212.43	28,930.02	5,618.16	378.22	746.15		4,032.17
Aviation	3,491.95	1,989.22	518.68	55.45	110.66		1,039.27
Engineering	7,168.66	11,607.10	2,186.52	104.28	140.88		(6,588.35)
W.C.	335.48	47.13	29.55	2.84	4.39		260.35
Liability	1,064.72	907.60	166.05	12.22	18.59		(2.57)
PA	4,456.74	2,804.61	693.62	43.30	59.55		974.77
Health	18,583.20	15,162.19	2,784.69	224.02	200.24		612.52
Agriculture	7,172.94	6,076.61	1,165.40	86.10	78.90		(76.27)
Other Misc.	5,312.71	5,348.33	1,346.70	69.00	69.60		(1,381.77)
FL/Credit	2,662.10	4,219.70	488.16	29.95	48.70		(2,027.02)
Marine Cargo	4,070.17	1,810.95	1,002.78	38.84	76.16		1,293.77
Marine Hull	5,886.48	3,810.33	1,029.49	60.99	111.44		1,097.10
Life	1,059.99	1,002.44	52.65	14.84	7.62		(2.33)
TOTAL	**136,160.46**	**121,072.94**	**24,567.80**	**1,763.32**	**2,311.43**	**0.00**	**(8,932.19)**

11-Financial Information pursuant to schedule III of Companies Act, 2013 31.03.2017

Name of the Entities	Net Worth *		Share in Profit/(Loss)	
	Percentage of Net Assets	Amount (₹ In million)	Percentage of Profit/(Loss)	Amount (₹ In million)
Parent Company				
General Insurance Corporation of India (GIC Re)	92.20	179,916.73	91.00	28,578.52
Subsidiaries Companies (Foreign)				
a. GIC Re South Africa Ltd., Johannesburg	0.52	1,007.76	(0.44)	(139.07)
b. GIC Re India Corporate Member Ltd., London , UK	0.00	2.92	(0.01)	(3.92)
Associates Foreign (investment as per Equity method)				
a. India International Pte. Ltd., Singapore	1.87	3,636.31	0.57	177.92

b. GIC Re Bhutan Ltd., Bhutan	0.00	2.37	0.01	6.07
Associates Indian (investment as per Equity method)				
a. Agriculture Insurance Company of India Ltd. New Delhi	4.96	9,685.41	3.61	1,133.18
Total	99.55	194,251.50	94.74	29,752.70
Adjustments arising out of consolidation	0.45	885.44	5.26	1,653.53
Share of Minority in Subsidiaries				
Consolidated Net Worth * / Net Profit	100.00	195,136.94	100.00	31,406.23

* Net Worth = Share Capital+ Reserve & Surplus-Deferred Tax Asset-Foreign Currency Translation Reserve

<u>Financial Information pursuant to schedule III of Companies Act, 2013 31.03.2016</u>

Name of the Entities	Net Worth *		Share in Profit/(Loss)	
	Percentage of Net Assets	Amount (₹ In million)	Percentage of Profit/(Loss)	Amount (₹ In million)
Parent Company				
General Insurance Corporation of India (GIC Re)	92.88	161,741.59	94.03	26,549.18
Subsidiaries Companies (Foreign)				
a. GIC Re South Africa Ltd., Johannesburg	0.24	421.37	(0.11)	(31.93)
b. GIC Re India Corporate Member Ltd., London , UK	0.00	6.84	0.01	3.96
Associates Foreign (investment as per Equity method)				
a. India International Pte. Ltd., Singapore	1.99	3,458.40	0.92	260.11
b. GIC Re Bhutan Ltd., Bhutan	0.00	(3.70)	0.01	3.93
Associates Indian (investment as per Equity method)				
a. Agriculture Insurance Company of India Ltd. New Delhi	4.91	8,552.23	3.51	990.03
Total	100.02	174,176.73	98.37	27,775.28
Adjustments arising out of consolidation	(0.02)	(41.47)	1.63	458.87
Share of Minority in Subsidiaries				
Consolidated Net Worth * / Net Profit	100.00	174,135.26	100.00	28,234.15

* Net Worth = Share Capital+ Reserve & Surplus-Deferred Tax Asset-Foreign Currency Translation Reserve

Financial Information pursuant to schedule III of Companies Act, 2013 31.03.2015

Name of the Entities	Net Worth		Share in Profit/(Loss)	
	Percentage of Net Assets	Amount (₹ In million)	Percentage of Profit/(Loss)	Amount (₹ In million)
Parent Company				
General Insurance Corporation of India (GIC Re)	93.01	141,715.70	96.94	28,026.83
Subsidiaries Companies (Foreign)				
a. GIC Re South Africa Ltd., Johannesburg	0.34	511.02	0.06	18.23
b. GIC Re India Corporate Member Ltd., London, UK	0.00	2.88	0.00	2.85
Associates Foreign (investment as per Equity method)				
a. India International Pte. Ltd., Singapore	2.10	3,198.28	1.10	318.90
b. GIC Re Bhutan Ltd., Bhutan	(0.01)	(7.63)	(0.00)	(7.35)
Associates Indian (investment as per Equity method)				
a. Agriculture Insurance Company of India Ltd. New Delhi	4.96	7,562.20	2.03	587.54
Total	100.40	152,982.45	100.13	28,947.00
Adjustments arising out of consolidation	(0.40)	(615.44)	(0.13)	(37.25)
Share of Minority in Subsidiaries				
Consolidated Net Worth / Net Profit	100.00	152,367.01	100.00	28,909.75

* Net Worth = Share Capital+ Reserve & Surplus-Deferred Tax Asset-Foreign Currency Translation Reserve

Financial Information pursuant to schedule III of Companies Act, 2013 31.03.2014

Name of the Entities	Net Worth		Share in Profit/(Loss)	
	Percentage of Net Assets	Amount (₹ In million)	Percentage of Profit/(Loss)	Amount (₹ In million)
Parent Company				
General Insurance Corporation of India (GIC Re)	92.26	117,381.63	95.43	23,218.39
Subsidiaries Companies (Foreign)				
a. GIC Re South Africa Ltd., Johannesburg	--	----	---	---
b. GIC Re India Corporate Member Ltd., London, UK	0.00	0.54	---	0.02
Associates Foreign (investment as per Equity method)			---	---
a. India International Pte. Ltd., Singapore	2.26	2,879.38	0.99	242.12
b. GIC Re Bhutan Ltd., Bhutan	0.00	(0.28)	0.00	(0.28)
Associates Indian (investment as per Equity method)			---	---
a. Agriculture Insurance Company of India Ltd. New Delhi	5.48	6,974.66	3.58	870.27
Total	100.00	127,235.93	100.00	24,330.52
Adjustments arising out of consolidation			---	---
Share of Minority in Subsidiaries			---	---
Consolidated Net Worth / Net Profit	100.00	127,235.93	100.00	24,330.52

* Net Worth = Share Capital+ Reserve & Surplus-Deferred Tax Asset-Foreign Currency Translation Reserve

12. During the year, the Corporation had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017. The details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11. 2016	12,500	8,678	21,178
(+) Permitted receipts #	16,000	300,700	316,700
(-) Permitted payments	-	301,477	301,477
(-) Amount deposited in Banks	28,500	2,320	30,820
Closing cash in hand as on 30.12. 2016	-	5,581	5,581

For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November 2016.

The Corporation has accepted SBNs from employees at the time of settlement of travel advance given to them and deposited the same in bank.

Note: For proper disclosure, the above figures are shown as absolute figures in Rupee instead of in million.

13. The Corporation has prepared Cash flow statement adopting the indirect method.

14. Prior period items have not been separately disclosed, as the amount is not material.

15. Figures relating to the previous year have been regrouped / rearranged, wherever necessary.

As per our report of even date

For GBCA & ASSOCIATES

Chartered Accountants
{Firm Regn No. 103142W}

Chairman-cum-Managing Director

Director

SANJEEV LALAN
Partner
Membership No.:045329

Director

Director

For SAMRIA & CO
Chartered Accountants
{Firm Regn No. 109043W}

Director & GM

Director & GM

ADHAR SAMRIA
Partner
Membership No.: 049174

GM Finance & CFO

Company Secretary

Mumbai
Dated: 04.08.2017

Annexure VI

Notes to Adjustments for Restated Consolidated Summary Financial Information

1 **The Summary of results of restatements made in the audited Consolidated financial statements for the respective years and its impact on the Profits of the Company:**

(Amount in ₹ million)

Note Reference	Particulars	Year Ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014
	Profit after tax as per audited consolidated financial statements	36,715.85	30,168.87	27,820.12	23,643.87
	(A) Adjustments due to change in accounting policy				
1	Impact on Unexpired Risk Reserve relating to Marine Cargo	(1,509.48)	(254.14)	(107.83)	(311.49)
2	Impact on Unexpired Risk Reserve relating to London Branch	(806.13)	209.14	(37.23)	129.96
3	Impact on Deferred commission of London Branch	554.71	(81.53)	32.62	(77.95)
4	Impact on Depreciation on Fixed Assets	2.22	4.89	6.61	20.01
5 & 6	Impact on Fair Value Change Account	-	-	-	-
7	Reduction of dividend income due to restatement	(24.30)	-	-	-
8	Impact on Outstanding Loss Reserve (Fire, Marine-Hull, Other Misc. Class of business)	(56.16)	-	-	-
9	Impact on Unexpired Risk Reserve relating to Agriculture	(1,697.19)	422.85	153.89	253.86
10	Revision in profit of Agriculture Insurance Company of India Ltd. (Associate company)	(2,613.01)	-	-	-
	(B) Changes in Tax impact				
	Current Tax	430.00	(257.32)	(100.00)	10.00
	MAT Credit	465.60	52.64	1,430.14	485.16
	Deferred Tax	(55.88)	174.38	(288.57)	177.10
	MAT Credit for Earlier Years	-	(2,205.63)	-	-
	Profit after tax as per restated consolidated financial statements	31,406.23	28,234.15	28,909.75	24,330.52

Changes in Accounting Policies

Note 1 As per the Circular Number IRDA/F&A/CIR/CPM/056/03/2016 issued by IRDA in April 2016, the Corporation has provided for Unexpired Risk Reserves on Marine Cargo premium at the rate of 50 percent of Net Written Premium in the Financial year 2016-17. Till Financial year 2015-16, the same was provided at the rate of 100 percent of Net Written Premium. For the purpose of Restated Consolidated Summary Financial Information, this change in accounting policy and the consequential adjustments have been appropriately adjusted in the year 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Consolidated Summary Financial Information as at 1 April 2012.

Note 2 The London Branch provides URR on the Net Written Premium as per the local practice. Till financial year 2015-16, only short provision was accounted for at the Head Office and excess provision made by the Branch was ignored. From financial year 2016-17, as per IRDAI requirement, the accounting policy was changed to account for both, excess or short provision in URR, in the books of Head Office. Therefore, for the purpose of Restated Consolidated Summary Financial Information, this change in accounting policy and the conseqential adjustments have been appropriately adjusted in the year 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Consolidated Summary Financial Information as at 1 April 2012.

Note 3 The London Branch Office has accounted for deferred commission as per the local laws by creating the deferred commission payable as an asset as against the URR provided. Till Financial year 2015-16, the Head Office was accounting the Deferred Commission Asset as per the local practice at London Branch Office. From financial year 2016-17 the accounting policy was changed to recognise the same as expenses in the books of Head office and no asset is created for the same. For the purpose of Restated Consolidated Summary Financial Information, this change is accounting policy and consequential adjustments have been appropriately adjusted in the year 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Consolidated Summary Financial Information as at 1 April 2012.

Note 4 Depreciation is provided on straight line method based on useful life of the assets as prescribed in Schedule II to the companies Act 2013. Till Financial year 2015-16, the Depreciation on fixed assets is charged on written down value method at higher of the rates specified in the Income Tax rules, 1962 and those specified in Schedule XIV to the Companies Act 1956. For the purpose of Restated Consolidated Summary Financial Information, this change is accounting policy and consequential adjustments have been appropriately adjusted in the year 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Consolidated Summary Financial Information as at 1 April 2012.

Note 5 In case of Equity Exchange Traded Funds (ETF) the investment is valued on the same basis as traded equity shares, in compliance with Para 3.1 of the IRDAI (Investment) Regulations, 2016 of August 2016. Till Financial year 2015-16, the investment in case of Equity Exchange Traded Funds (ETF) was valued on NAV Basis. For the purpose of Restated Consolidated Summary Financial Information, this change is accounting policy and consequential adjustments have been appropriately adjusted in the year 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Consolidated Summary Financial Information as at 1 April 2012.

The impact due to the above change is as follows:

(Amount in ₹ million)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015	Year Ended 31.03.2014
Net Increase in Fair Value Change Account (FVCA)	55.42	5.68	319.08

Note 6 Till Financial year 2013-14, Investments in equity shares that are actively traded are valued at fair value. Fair value for this purpose is lowest of the last quoted closing price at NSE/BSE in the month of March. As per the guidelines of IRDA issued vide circular ref. no. IRDA/F&I/INV/CIR/213/10/2013 dated October 30, 2013, The corporation has chosen NSE as primary stock exchange and BSE as secondary exchange. Accordingly, the valuation of equity shares is made on the closing price of NSE. If such security is not listed / not traded on NSE on closing day, the closing price of BSE is considered. For the purpose of Restated Consolidated Summary Financial Information, this change is accounting policy and consequential adjustments have been appropriately adjusted in the years 31 March 2014 and 31 March 2013.

The impact due to the above change is as follows: (Amount in ₹ million)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
Net Decrease in Fair Value Change Account (FVCA)	5.45	2.90

Other Adjustments

Note 7 Adjustment made on account of observations made by C&AG Auditor and the consequential adjustments have been appropriately adjusted in the year 31st March, 2017

Note 8 Short provision was made in OSLR as observed by the C&AG Auditor and the consequential adjustments have been appropriately adjusted in the year 31st March, 2017

Note 9 In addition to the above changes in accounting policies, the Company has changed the basis of computation of URR on agriculture income as follows:

In case of Domestic Agriculture Business the Corporation provides for unexpired risk reserve at the rate of 50% on the net premium income except in case of net premium received on Kharif Crop Insurance in which case no URR is provided in respect of premium received for the underwriting year. Till Financial year 2015-16, URR was provided on total agriculture premium at the rate of 50 percent. For the purpose of Restated Consolidated Summary Financial Information, this change in accounting policy and the consequential adjustments have been appropriately adjusted in the year 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. Adjustments related to financial years prior to 31 March 2013 has been adjusted in the opening balance of the Restated Consolidated Summary Financial Information as at 1 April 2012.

Note 10 Adjustment made on account of inclusion of audited figures of Agriculture Insurance Company of India Ltd. (Associate company) consequent to finalisation of associate company's financial statements.

2 Reconciliation of Opening General reserve as on 1 April 2013

(Amount in ₹ million)

Note Reference	Particulars	Amount
	General Reserve as per Audited Balance Sheet as on 01 April 2013	**97,239.21**
	Increase / (Decrease) in Opening Balance of General Reserve in respect of:	
1	Adjustment in URR of Marine Cargo Business	2,589.92
2	Adjustment in URR of Domestic Agriculture Business	1,054.56
3	Adjustment on account of change in Policy of London Branch Excess URR	
	Fire	510.48
	Motor	0.17
	Aviaiton	106.72
	Engineering	1.75
4	Adjustment on account of change in policy of Deferred Commission of London Branch	(400.65)
5	Adjustment for change in Depreciation	-
	Restated Opening Balance of General Reserve as on 01 April 2013	**101,102.15**

3 Material Regroupings

Appropriate adjustments have been made in the Restated Consolidated Summary Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities in order to bring them in line with the groupings as per the condensed audited financial statement of the Company as at and for year ended 31 March 2017.

Annexure VII

Restated Consolidated Statement on Accounting Ratios

Performance Ratio		Ratio / Percentage		Ratio / Percentage		Ratio / Percentage		Ratio / Percentage	
		Year Ending 31.03.2017		Year Ending 31.03.2016		Year Ending 31.03.2015		Year Ending 31.03.2014	
		Total		Total		Total		Total	
1	Gross Premium Growth Rate (segment wise)								
	(Gross premium for the current year divided by the gross premium for the previous year)								
	Fire Insurance	26.70	25.26	26.24	43.04	7.73	(10.78)	20.50	23.89
	Motor Insurance	55.81	24.79	9.40	42.16	18.20	(5.11)	(25.32)	12.74
	Aviation Insurance	875.64	30.24	(94.30)	(17.12)	151.00	46.32	(19.30)	(0.98)
	Engineering insurance	(6.61)	4.76	9.46	14.95	(11.71)	(1.38)	5.88	29.25
	W.C.	(15.75)	308.42	37.22	46.79	(17.23)	(49.06)	(51.43)	24.08
	Liability	74.89	22.47	2.49	136.82	48.52	(38.40)	(51.89)	60.02
	PA	21.37	123.91	55.66	(14.08)	6.06	(69.06)	(26.10)	(26.09)
	Health	93.91	14.27	25.24	8.53	27.64	28.48	(39.88)	73.63
	Agriculture	657.34	543.47	105.37	(4.61)	(16.20)	(31.46)	57.25	(78.32)
	Other Miscellaneous Insurance	274.75	14.40	(54.74)	20.25	19.88	(16.00)	(16.23)	40.92
	FL/Credit	12.22	33.86	20.93	27.63	(42.90)	(41.52)	(9.97)	19.94
	Marine Cargo	27.45	37.64	3.38	(21.53)	(0.07)	(12.53)	(33.31)	14.20
	Marine Hull	(3.79)	0.94	(17.23)	(1.10)	26.99	0.52	1.48	(15.28)
	Life	97.35	(96.57)	41.08	43.04	24.34	83.76	135.27	(59.69)
2	Gross Premium to Net worth ratio* :	172.91		106.44		100.22		115.38	
	(Gross premium for the current year divided by paid up capital and free reserves)								
3	Growth rate of Net Worth *	12.06		14.29		19.75		15.73	
	(Net worth as at the current balancesheet date divided by Net worth as at the previous balance sheet date)								

Annexure VII

Restated Consolidated Statement on Accounting Ratios

	Performance Ratio	Ratio / Percentage		Ratio / Percentage		Ratio / Percentage		Ratio / Percentage	
		Year Ending 31.03.2017		Year Ending 31.03.2016		Year Ending 31.03.2015		Year Ending 31.03.2014	
		Total		Total		Total		Total	
4	Net retention ratio (segment wise)								
	(Net premium divided by gross premium)								
	Fire Insurance	38.29	92.77	55.51	91.96	67.91	92.72	62.33	87.40
	Motor Insurance	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Aviation Insurance	72.34	89.14	(182.47)	83.51	88.80	85.20	67.92	84.44
	Engineering insurance	95.46	98.19	77.60	95.95	79.93	100.83	82.00	99.09
	W.C.	100.00	100.00	100.00	100.02	100.00	100.01	100.00	99.99
	Liability	87.98	100.00	90.48	100.00	87.23	100.00	79.04	100.00
	PA	100.00	100.00	99.85	100.00	99.45	100.00	99.35	100.00
	Health	96.52	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Agriculture	92.92	99.51	92.75	100.00	83.85	100.00	95.08	100.00
	Other Miscellaneous Insurance	91.28	62.12	27.68	78.65	82.61	100.00	85.73	100.00
	FL/Credit	75.75	100.00	72.55	100.01	100.00	100.00	100.00	100.00
	Marine Cargo	91.63	81.43	92.85	79.93	84.27	100.00	77.63	100.00
	Marine Hull	47.56	83.43	80.32	82.49	68.94	88.71	61.86	91.86
	Life	93.21	26.62	78.13	94.75	74.33	77.77	76.61	98.77
5	Net commission ratio (segment wise)								
	(Commission paid net of reinsurance commission divided by net written premium for that segment)								
	Fire Insurance	33.84	25.00	18.72	25.78	21.25	25.63	0.10	24.85
	Motor Insurance	14.53	25.53	15.28	26.73	14.98	23.71	12.84	26.56
	Aviation Insurance	14.19	15.72	(5.17)	18.56	6.81	17.12	21.77	13.90
	Engineering insurance	15.74	31.93	20.68	32.01	23.72	31.51	25.66	31.84
	W.C.	15.54	10.73	14.93	14.78	15.00	13.71	12.95	9.66
	Liability	8.74	22.36	12.93	17.01	15.50	26.78	20.71	16.76
	PA	30.47	31.34	36.26	30.58	17.50	33.98	16.22	20.70
	Health	19.90	20.25	22.45	16.94	17.37	17.91	16.51	17.62
	Agriculture	10.16	29.10	14.28	20.91	16.24	20.65	15.36	22.21
	Other Miscellaneous Insurance	17.87	35.67	68.81	32.84	18.06	31.87	20.93	34.19
	FL/Credit	17.30	29.33	22.35	30.51	16.57	30.67	19.88	9.44
	Marine Cargo	16.21	32.67	13.06	36.51	15.27	32.38	15.66	32.82
	Marine Hull	10.27	13.20	19.27	20.81	17.22	18.81	4.30	22.10
	Life	0.95	553.69	1.16	11.31	3.41	15.47	4.60	7.72
6	Expenses of management to gross premium ratio	0.75		1.03		1.08		1.20	
	(Expenses of management divided by Gross premium)								

Annexure VII

Restated Consolidated Statement on Accounting Ratios

	Performance Ratio	Ratio / Percentage Year Ending 31.03.2017 Total	Ratio / Percentage Year Ending 31.03.2016 Total	Ratio / Percentage Year Ending 31.03.2015 Total	Ratio / Percentage Year Ending 31.03.2014 Total
7	Expenses of management to Net written premium ratio	0.83	1.15	1.18	1.33
	(Expenses of management divided by Net written premium)				
8	Net Incurred Claims to Net Earned Premium	81.63	84.53	87.62	88.92
9	Combined ratio :	100.16	107.03	108.86	108.85
	(Net Incurred Claims divided by Net Earned Premium plus expenses of management (including net commission) divided by Net written premium)				
10	Technical reserves to net premium ratio:	137.43	178.42	192.65	201.79
	(Reserve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims (including IBNR and IBNER divided by net premium)(All on net basis)				
11	Underwriting balance ratio:	(3.06)	(7.31)	(10.24)	(6.56)
	(Underwriting profit/ loss Earned Premium)				
12	Operating profit ratio:	7.07	9.65	11.20	12.14
	(Underwriting profit/ loss plus investment income divided by net premium)				
13	Liquid assets to liabilities ratio:	39.63	42.19	34.70	35.42
	(Liquid assets (Short Term Investments (Schedule 8) plus Short Term Loans (Schedule 9) plus Cash & Bank Balances (Schedule 11)) of the insurer divided by policyholders liabilities (to be discharged within 12 months) (claims outstanding (Schedule 13) plus reserve for unexpired risk and Premium Deficiency (Schedule 14))				
14	Net earnings ratio:	10.36	17.14	20.74	18.41
	(Profit after tax divided by net premium)				
15	Return on net worth	16.09	16.21	18.97	19.12
	(Profit after tax divided by net worth)				
16	Available Solvency Margin (ASM) to Required Solvency Margin	2.41	3.80	3.32	2.93
	(RSM) ratio (Ratio of Available Solvency Margin (ASM) at the end of the Quarter to the Required Solvency Margin (RSM) required to be maintained as per regulations. (Refer Note 1)				
17	NPA ratio (Refer Note 2)	0.78	1.10	0.79	0.86

Annexure VII

Restated Consolidated Statement on Accounting Ratios

	Performance Ratio	Ratio / Percentage Year Ending 31.03.2017 Total	Ratio / Percentage Year Ending 31.03.2016 Total	Ratio / Percentage Year Ending 31.03.2015 Total	Ratio / Percentage Year Ending 31.03.2014 Total
18	Earning Per share (Rs.)**				
	Restated Profit after tax attributable to equity shareholders for the year/period / Weighted Average Number of equity shares*	36.52	32.83	33.62	28.29
19	Diluted Earning Per share (Rs.)				
	Restated Profit after tax attributable to equity shareholders for the year/period / Weighted Average dilutive Number of equity shares	36.52	32.83	33.62	28.29
20	Return on Net worth (%)				
	Restated Profit after tax attributable to equity shareholders for the year/period / Average of Restated Net worth at the beginning and end of the year/period	17.01%	17.29%	20.68%	20.52%
21	Net Asset Value per share (Rs.)				
	Restated Net worth at the end of the year/period / Total number of Equity shares outstanding at the end of the year/period	226.90	202.48 -	177.17 -	147.95 -

* Net Worth = Share Capital + Reserves & Surplus - Deferred Tax Asset - Foreign Currency Translation Reserve

** The face value of Equity share is conolidated from Rs.1/- to Rs.5/- per share subsequent to the date of Balance Sheet, EPS, Diluted EPS and Net Assets per share3 is calculated based on face value of Rs.5/- per Equity Share

Note

1) Available Solvency Margin (ASM) to required Solvency Margin is as per restated Standalone Financial Statement.

2) NPA ratio is as per restated Standalone Financial Statement

As per our report of even date

For GBCA & ASSOCIATES	For SAMRIA & CO
Chartered Accountants	Chartered Accountants
Firm Regn No. 103142W	Firm Regn No. 109043W

Chairman-cum-Managing Director

Director

Director Director

SANJEEV LALAN	ADHAR SAMRIA
Partner	Partner
Membership No.: 045329	Membership No:049174

Director & GM Director & GM

GM Finance & CFO Company Secretary

Place: Mumbai

Date: 04.08.2017

Annexure VIII
Segment Information

Indian Business

For the year ended 31.03.2017 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	11,041.45	13,707.49	3,474.44	175.06	-	-	(6,315.54)
Motor	42,203.60	43,948.60	7,470.91	335.66	-	-	(9,551.57)
Aviation	223.36	116.36	85.47	5.44	-	-	16.09
Engineering	4,045.90	443.07	676.63	29.40	-	-	2,896.80
W.C.	193.73	53.11	27.54	1.16	-	-	111.92
Liability	1,143.26	610.31	125.86	10.68	-	-	396.41
PA	3,685.70	1,772.05	1,232.42	26.41	-	-	654.82
Health	23,642.06	21,633.87	6,131.95	208.47	-	-	(4,332.23)
Agriculture	80,625.37	65,346.16	9,046.55	645.00	-	-	5,587.66
Other Misc.	3,292.36	19.92	1,238.30	29.90	-	-	2,004.24
FL/Credit	1,291.26	(199.41)	240.99	12.01	-	-	1,237.67
Marine Cargo	1,908.77	1,893.24	344.73	11.37	-	-	(340.57)
Marine Hull	1,571.80	2,132.72	91.99	9.22	-	-	(662.13)
Life	2,468.30	3,246.09	32.14	23.79	-	-	(833.72)
TOTAL	**177,336.92**	**154,723.58**	**30,219.92**	**1,523.57**	**-**	**-**	**(9,130.15)**

Foreign Business

For the year ended 31.03.2017 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	44,917.44	28,825.27	12,764.73	534.14	(137.40)	-	2,683.06
Motor	13,717.00	9,938.14	3,786.53	130.48	(86.59)	-	(224.74)
Aviation	4,463.36	4,228.51	811.68	49.07	(9.28)	-	(635.18)
Engineering	4,128.25	3,252.44	1,341.81	36.54	(8.26)	-	(510.80)
W.C.	110.35	214.54	18.95	1.28	(0.35)	-	(124.77)
Liability	636.92	403.79	155.98	5.23	(2.51)	-	69.41
PA	783.89	588.80	331.98	6.74	(4.06)	-	(147.69)
Health	9,407.05	7,970.57	1,984.32	119.16	(25.87)	-	(692.87)
Agriculture	1,872.77	1,450.52	505.46	15.00	(16.50)	-	(114.71)
Other Misc.	676.56	(461.54)	506.89	43.16	(19.48)	-	589.06
FL/Credit	149.90	370.54	50.08	1.11	(7.79)	-	(279.62)
Marine Cargo	1,608.55	355.50	603.88	19.16	(10.33)	-	619.68
Marine Hull	4,014.78	3,187.99	533.41	28.04	(15.54)	-	258.30
Life	(76.86)	244.47	27.21	1.15	(19.02)	-	(368.71)
TOTAL	**86,409.96**	**60,569.54**	**23,422.91**	**990.26**	**(362.98)**	**-**	**1,120.42**

Total Business

For the year ended 31.03.2017 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	55,958.89	42,532.76	16,239.17	709.20	(137.40)	-	(3,632.48)
Motor	55,920.60	53,886.74	11,257.44	466.14	(86.59)	-	(9,776.31)
Aviation	4,686.72	4,344.87	897.15	54.51	(9.28)	-	(619.09)
Engineering	8,174.15	3,695.51	2,018.44	65.94	(8.26)	-	2,386.00
W.C.	304.08	267.65	46.49	2.44	(0.35)	-	(12.85)
Liability	1,780.18	1,014.10	281.84	15.91	(2.51)	-	465.82
PA	4,469.59	2,360.85	1,564.40	33.15	(4.06)	-	507.13
Health	33,049.11	29,604.44	8,116.27	327.63	(25.87)	-	(5,025.10)
Agriculture	82,498.14	66,796.68	9,552.01	660.00	(16.50)	-	5,472.95
Other Misc.	3,968.92	(441.62)	1,745.19	73.06	(19.48)	-	2,593.30
FL/Credit	1,441.16	171.13	291.07	13.12	(7.79)	-	958.05
Marine Cargo	3,517.32	2,248.74	948.61	30.53	(10.33)	-	279.11
Marine Hull	5,586.58	5,320.71	625.40	37.26	(15.54)	-	(403.83)
Life	2,391.44	3,490.56	59.35	24.94	(19.02)	-	(1,202.43)
TOTAL	**263,746.88**	**215,293.12**	**53,642.83**	**2,513.83**	**(362.98)**	**-**	**(8,009.73)**

Indian Business

For the year ended 31.03.2016 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	11,598.02	16,503.30	2,198.99	197.93	-	-	(7,302.20)
Motor	31,578.81	30,173.63	5,041.60	308.61	-	-	(3,945.03)
Aviation	587.63	884.01	8.05	0.80	-	-	(305.23)
Engineering	3,621.83	(341.44)	773.68	45.09	-	-	3,144.50
W.C.	181.77	106.15	31.39	1.97	-	-	42.26
Liability	821.52	25.46	109.47	8.75	-	-	677.84
PA	2,728.00	1,385.03	1,206.29	31.17	-	-	105.51
Health	14,807.38	11,185.33	3,697.54	154.01	-	-	(229.50)
Agriculture	8,869.56	14,067.97	1,675.47	88.70	-	-	(6,962.58)
Other Misc.	2,129.27	1,042.53	385.82	48.53	-	-	652.39
FL/Credit	1,272.27	2,256.62	265.83	15.33	-	-	(1,265.51)
Marine Cargo	1,587.66	1,363.88	220.82	12.77	-	-	(9.81)
Marine Hull	1,629.92	740.81	302.81	13.73	0.44	(584.60)	1,157.61
Life	1,817.36	1,071.53	16.74	17.27	-	-	711.82
TOTAL	**83,231.00**	**80,464.81**	**15,934.50**	**944.66**	**0.44**	**(584.60)**	**(13,527.93)**

Foreign Business

For the year ended 31.03.2016 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	34,774.04	18,567.15	10,414.73	539.18	480.53	-	5,733.51
Motor	9,889.97	8,818.05	3,177.04	107.86	403.54	-	(1,809.44)
Aviation	4,138.92	2,419.98	689.15	47.85	69.98	-	1,051.92
Engineering	3,727.60	2,684.14	1,254.70	39.55	125.11	-	(125.68)
W.C.	36.32	32.58	6.40	0.53	1.44	-	(1.75)
Liability	404.53	558.11	96.88	5.56	18.83	-	(237.19)
PA	496.05	185.88	144.64	3.49	18.32	-	180.36
Health	8,244.49	10,086.64	1,452.52	99.11	132.57	-	(3,261.21)
Agriculture	277.86	77.53	56.71	2.80	45.70	-	186.52
Other Misc.	1,483.11	896.52	516.42	46.88	35.79	-	59.08
FL/Credit	112.98	(36.55)	38.91	1.16	41.98	-	151.44
Marine Cargo	1,683.52	792.98	481.25	17.05	45.00	-	437.24
Marine Hull	4,288.06	3,432.55	823.95	35.70	93.98	-	89.84
Life	593.91	678.75	57.62	8.69	11.11	-	(140.04)
TOTAL	**70,151.36**	**49,194.31**	**19,210.92**	**955.41**	**1,523.88**	**-**	**2,314.60**

Total Business

For the year ended 31.03.2016 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	46,372.06	35,070.45	12,613.72	737.11	480.53	-	(1,568.69)
Motor	41,468.78	38,991.68	8,218.64	416.47	403.54	-	(5,754.47)
Aviation	4,726.55	3,303.99	697.20	48.65	69.98	-	746.69
Engineering	7,349.43	2,342.70	2,028.38	84.64	125.11	-	3,018.82
W.C.	218.09	138.73	37.79	2.50	1.44	-	40.51
Liability	1,226.05	583.57	206.35	14.31	18.83	-	440.65
PA	3,224.05	1,570.91	1,350.93	34.66	18.32	-	285.87
Health	23,051.87	21,271.97	5,150.06	253.12	132.57	-	(3,490.71)
Agriculture	9,147.42	14,145.50	1,732.18	91.50	45.70	-	(6,776.06)
Other Misc.	3,612.38	1,939.05	902.24	95.41	35.79	-	711.47
FL/Credit	1,385.25	2,220.07	304.74	16.49	41.98	-	(1,114.07)
Marine Cargo	3,271.18	2,156.86	702.07	29.82	45.00	-	427.43
Marine Hull	5,917.98	4,173.36	1,126.76	49.43	94.42	(584.60)	1,247.45
Life	2,411.27	1,750.28	74.36	25.96	11.11	-	571.78
TOTAL	**153,382.36**	**129,659.12**	**35,145.42**	**1,900.07**	**1,524.32**	**(584.60)**	**(11,213.33)**

Indian Business

For the year ended 31.03.2015 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	10,419.28	7,581.54	2,419.44	170.00	(0.34)	-	247.96
Motor	27,839.70	29,329.84	4,516.74	305.88	-	-	(6,312.76)
Aviation	868.32	298.04	90.65	15.20	55.43	-	519.86
Engineering	3,807.19	2,826.67	835.07	44.67	-	-	100.78
W.C.	169.20	56.03	22.98	1.55	-	-	88.64
Liability	641.11	(156.12)	123.47	9.26	(0.08)	-	664.42
PA	2,067.10	1,298.18	372.58	21.71	-	-	374.63
Health	11,724.73	13,480.63	2,284.06	133.34	-	-	(4,173.30)
Agriculture	6,228.88	5,920.47	838.78	68.52	-	-	(598.89)
Other Misc.	3,449.44	2,043.76	667.67	39.32	-	-	698.69
FL/Credit	1,864.62	1,832.17	224.55	13.75	-	-	(205.85)
Marine Cargo	1,426.48	1,708.66	226.74	13.40	-	-	(522.32)
Marine Hull	1,151.80	1,606.41	280.70	17.98	0.17	584.60	(1,337.72)
Life	957.52	1,026.99	33.16	13.27	-	-	(115.90)
TOTAL	**72,615.37**	**68,853.27**	**12,936.59**	**867.85**	**55.18**	**584.60**	**-10,571.76**

Foreign Business

For the year ended 31.03.2015 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	29,398.13	19,054.09	7,299.41	576.32	(202.60)	-	2,265.71
Motor	8,650.96	9,544.57	1,982.44	70.87	(177.27)	-	(3,124.19)
Aviation	3,847.87	3,789.84	782.59	60.21	(19.05)	-	(803.82)
Engineering	3,569.81	1,679.87	1,129.09	37.54	(53.58)	-	669.73
W.C.	43.58	21.40	4.04	0.30	(0.71)	-	17.13
Liability	314.97	98.63	64.40	2.66	(5.66)	-	143.62
PA	1,171.60	770.76	187.12	4.16	(10.66)	-	198.90
Health	6,941.26	7,810.55	1,415.38	97.40	(43.09)	-	(2,425.16)
Agriculture	349.70	334.83	58.68	3.88	(19.70)	-	(67.39)
Other Misc.	1,801.05	421.22	529.99	(195.98)	(18.90)	-	1,026.92
FL/Credit	135.81	156.58	30.66	0.93	(17.76)	-	(70.12)
Marine Cargo	2,245.81	1,848.37	680.41	35.96	(20.35)	-	(339.28)
Marine Hull	4,424.86	4,770.23	809.64	38.40	(31.77)	-	(1,225.18)
Life	436.99	(40.96)	45.22	51.03	(2.79)	-	378.91
TOTAL	**63,332.40**	**50,259.98**	**15,019.07**	**783.68**	**(623.89)**	**-**	**(3,354.22)**

Total Business

For the year ended 31.03.2015 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	39,817.41	26,635.63	9,718.85	746.32	(202.94)	-	2,513.67
Motor	36,490.66	38,874.41	6,499.18	376.75	(177.27)	-	(9,436.95)
Aviation	4,716.19	4,087.88	873.24	75.41	36.38	-	(283.96)
Engineering	7,377.00	4,506.54	1,964.16	82.21	(53.58)	-	770.51
W.C.	212.78	77.43	27.02	1.85	(0.71)	-	105.77
Liability	956.08	(57.49)	187.87	11.92	(5.74)	-	808.04
PA	3,238.70	2,068.94	559.70	25.87	(10.66)	-	573.53
Health	18,665.99	21,291.18	3,699.44	230.74	(43.09)	-	(6,598.46)
Agriculture	6,578.58	6,255.30	897.46	72.40	(19.70)	-	(666.28)
Other Misc.	5,250.49	2,464.98	1,197.66	(156.66)	(18.90)	-	1,725.61
FL/Credit	2,000.43	1,988.75	255.21	14.68	(17.76)	-	(275.97)
Marine Cargo	3,672.29	3,557.03	907.15	49.36	(20.35)	-	(861.60)
Marine Hull	5,576.66	6,376.64	1,090.34	56.38	(31.60)	584.60	(2,562.90)
Life	1,394.51	986.03	78.38	64.30	(2.79)	-	263.01
TOTAL	**135,947.77**	**119,113.25**	**27,955.66**	**1,651.53**	**(568.71)**	**584.60**	**(13,925.98)**

Indian Business

For the year ended 31.03.2014 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	9,765.04	4,646.00	9.76	183.75	(0.14)	-	4,925.39
Motor	29,845.01	20,796.31	3,277.52	301.35	-	-	5,469.83
Aviation	487.37	(96.93)	88.29	7.05	(2.42)	-	486.54
Engineering	3,976.10	6,171.92	1,049.72	58.91	-	-	(3,304.45)
W.C.	283.19	126.90	23.97	2.19	-	-	130.13
Liability	747.00	767.91	100.61	7.26	(0.02)	-	(128.80)
PA	2,360.35	1,185.88	325.24	23.84	-	-	825.39
Health	13,718.07	9,064.59	1,700.99	121.65	-	-	2,830.84
Agriculture	6,008.37	5,351.76	1,073.23	72.10	-	-	(488.72)
Other Misc.	3,610.49	4,095.39	669.97	58.77	(0.10)	-	(1,213.74)
FL/Credit	2,505.30	3,609.26	472.04	28.03	-	-	(1,604.03)
Marine Cargo	1,816.89	426.96	214.23	15.61	(0.93)	-	1,159.16
Marine Hull	1,001.87	(337.28)	49.48	16.49	(2.33)	-	1,270.85
Life	558.25	705.94	37.05	12.43	-	-	(197.17)
TOTAL	**76,683.30**	**56,514.61**	**9,092.10**	**909.43**	**(5.94)**	**-**	**10,161.22**

Foreign Business

For the year ended 31.03.2014 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	26,917.85	32,710.71	7,475.54	459.53	638.71	-	(13,089.22)
Motor	8,367.42	8,133.71	2,340.65	76.87	746.15	-	(1,437.66)
Aviation	3,004.58	2,086.15	430.39	48.40	113.08	-	552.72
Engineering	3,192.56	5,435.18	1,136.80	45.36	140.88	-	(3,283.90)
W.C.	52.29	(79.77)	5.58	0.65	4.38	-	130.21
Liability	317.72	139.69	65.44	4.96	18.61	-	126.24
PA	2,096.39	1,618.73	368.38	19.46	59.55	-	149.37
Health	4,865.13	6,097.60	1,083.70	102.37	200.23	-	(2,218.31)
Agriculture	1,164.57	724.85	92.21	14.00	78.90	-	412.41
Other Misc.	1,702.22	1,252.94	676.73	10.23	69.70	-	(167.98)
FL/Credit	156.80	610.44	16.12	1.92	48.70	-	(422.98)
Marine Cargo	2,253.28	1,383.99	788.55	23.22	77.09	-	134.61
Marine Hull	4,884.61	4,147.61	980.01	44.50	113.77	-	(173.74)
Life	501.74	296.50	15.60	2.41	7.62	-	194.85
TOTAL	**59,477.16**	**64,558.33**	**15,475.70**	**853.88**	**2,317.37**	**-**	**(19,093.38)**

Total Business

For the year ended 31.03.2014 (Amount in ₹ million)

Class of Business	Earned Premium	Incurred Claims	Net Commission	Expenses of Management	Profit/(Loss) on Exchange	Premium Deficiency	Underwriting Profit/(Loss)
Fire	36,682.89	37,356.71	7,485.30	643.28	638.57	-	(8,163.83)
Motor	38,212.43	28,930.02	5,618.17	378.22	746.15	-	4,032.17
Aviation	3,491.95	1,989.22	518.68	55.45	110.66	-	1,039.26
Engineering	7,168.66	11,607.10	2,186.52	104.27	140.88	-	(6,588.35)
W.C.	335.48	47.13	29.55	2.84	4.38	-	260.34
Liability	1,064.72	907.60	166.05	12.22	18.59	-	(2.56)
PA	4,456.74	2,804.61	693.62	43.30	59.55	-	974.76
Health	18,583.20	15,162.19	2,784.69	224.02	200.23	-	612.53
Agriculture	7,172.94	6,076.61	1,165.44	86.10	78.90	-	(76.31)
Other Misc.	5,312.71	5,348.33	1,346.70	69.00	69.60	-	(1,381.72)
FL/Credit	2,662.10	4,219.70	488.16	29.95	48.70	-	(2,027.01)
Marine Cargo	4,070.17	1,810.95	1,002.78	38.83	76.16	-	1,293.77
Marine Hull	5,886.48	3,810.33	1,029.49	60.99	111.44	-	1,097.11
Life	1,059.99	1,002.44	52.65	14.84	7.62	-	(2.32)
TOTAL	**136,160.46**	**121,072.94**	**24,567.80**	**1,763.31**	**2,311.43**	**-**	**(8,932.16)**

Annexure IX

Restated Consolidated Statement of Premium income

(Amount in ₹ million)

	Particulars	For the year ended			
		31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
A	**FIRE INSURANCE**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	81,845.66	65,095.82	47,478.13	49,985.30
	Less:Premium on Reinsurance ceded	(20,523.92)	(12,947.19)	(7,616.66)	(10,199.60)
	Net Premium	61,321.74	52,148.63	39,861.47	39,785.70
	Adjustment for change in reserve for unexpired risks	(5,362.85)	(5,776.57)	(44.06)	(3,102.81)
	Total Premium Earned (Net)	55,958.89	46,372.06	39,817.41	36,682.89
B	**MISCELLANEOUS INSURANCE**				
(1)	**MOTOR**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	66,243.95	44,882.91	38,522.95	34,329.67
	Less:Premium on Reinsurance ceded	-	-	-	-
	Net Premium	66,243.95	44,882.91	38,522.95	34,329.67
	Adjustment for change in reserve for unexpired risks	(10,323.35)	(3,414.13)	(2,032.29)	3,882.76
	Total Premium Earned (Net)	55,920.60	41,468.78	36,490.66	38,212.43
(2)	**AVIATION**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	6,623.86	4,531.75	6,863.95	4,263.96
	Less:Premium on Reinsurance ceded	859.35	974.13	961.89	762.10
	Net Premium	5,764.51	3,557.62	5,902.06	3,501.86
	Adjustment for change in reserve for unexpired risks	(1,077.80)	1,168.93	(1,185.87)	(9.91)
	Total Premium Earned (Net)	4,686.71	4,726.55	4,716.19	3,491.95
(3)	**ENGINEERING**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	8,781.60	8,906.03	7,958.22	8,592.13
	Less:Premium on Reinsurance ceded	(281.91)	(1,245.46)	(854.40)	(930.69)
	Net Premium	8,499.69	7,660.57	7,103.82	7,661.44
	Adjustment for change in reserve for unexpired risks	(325.54)	(311.13)	273.18	(492.78)
	Total Premium Earned (Net)	8,174.15	7,349.44	7,377.00	7,168.66
(4)	**WORKMENS' COMPENSATION**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	353.73	253.52	182.70	242.96
	Less:Premium on Reinsurance ceded	-	-	-	-
	Net Premium	353.73	253.52	182.70	242.96
	Adjustment for change in reserve for unexpired risks	(49.65)	(35.43)	30.08	92.52
	Total Premium Earned (Net)	304.08	218.09	212.78	335.48

(Amount in ₹ million)

	Particulars	For the year ended			
		31.03.2017	31.03.2016	31.03.2015	31.03.2014
(5)	**LIABILITY**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	2,334.04	1,505.30	1,153.48	1,005.16
	Less:Premium on Reinsurance ceded	(196.65)	(89.05)	(116.62)	(128.82)
	Net Premium	2,137.39	1,416.25	1,036.86	876.34
	Adjustment for change in reserve for unexpired risks	(357.21)	(190.20)	(80.78)	188.38
	Total Premium Earned (Net)	1,780.18	1,226.05	956.08	1,064.72
(6)	**PERSONAL ACCIDENT**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	5,103.57	3,805.19	2,691.26	3,797.65
	Less:Premium on Reinsurance ceded	-	(5.14)	(11.69)	(13.16)
	Net Premium	5,103.57	3,800.05	2,679.57	3,784.49
	Adjustment for change in reserve for unexpired risks	(633.98)	(576.00)	559.13	672.25
	Total Premium Earned (Net)	4,469.59	3,224.05	3,238.70	4,456.74
(7)	**HEALTH**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	41,728.83	25,041.90	21,049.81	16,451.25
	Less:Premium on Reinsurance ceded	(1,112.27)	-	-	-
	Net Premium	40,616.56	25,041.90	21,049.81	16,451.25
	Adjustment for change in reserve for unexpired risks	(7,567.45)	(1,990.03)	(2,383.82)	2,131.95
	Total Premium Earned (Net)	33,049.11	23,051.87	18,665.99	18,583.20
(8)	**AGRICULTURE**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	97,523.27	12,917.86	6,442.37	7,763.19
	Less:Premium on Reinsurance ceded	6,788.71	916.69	994.39	361.80
	Net Premium	90,734.56	12,001.17	5,447.98	7,401.39
	Adjustment for change in reserve for unexpired risks	(8,236.42)	(2,853.75)	1,130.60	(228.45)
	Total Premium Earned (Net)	82,498.14	9,147.42	6,578.58	7,172.94
(9)	**OTHER MISCELLANEOUS**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	9,879.37	4,025.33	6,138.73	5,713.21
	Less:Premium on Reinsurance ceded	(1,528.71)	(1,892.03)	(778.18)	(532.83)
	Net Premium	8,350.66	2,133.30	5,360.55	5,180.38
	Adjustment for change in reserve for unexpired risks	(4,381.74)	1,479.08	(110.06)	132.33
	Total Premium Earned (Net)	3,968.92	3,612.38	5,250.49	5,312.71
(10)	**FINANCIAL LIABILTY/CREDIT**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	2,010.10	1,766.69	1,455.35	2,544.70
	Less:Premium on Reinsurance ceded	(446.00)	(450.00)	-	-
	Net Premium	1,564.10	1,316.69	1,455.35	2,544.70
	Adjustment for change in reserve for unexpired risks	(122.94)	68.56	545.08	117.40
	Total Premium Earned (Net)	1,441.16	1,385.25	2,000.43	2,662.10
	TOTAL MISCELLANEOUS				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	240,582.33	107,636.47	92,458.82	84,703.88
	Less:Premium on Reinsurance ceded	(11,213.60)	(5,572.50)	(3,717.17)	(2,729.40)
	Net Premium	229,368.73	102,063.97	88,741.65	81,974.48
	Adjustment for change in reserve for unexpired risks	(33,076.08)	(6,654.10)	(3,254.75)	6,486.45
	Total Premium Earned (Net)	196,292.65	95,409.87	85,486.90	88,460.93

(Amount in ₹ million)

	Particulars	For the year ended			
		31.03.2017	31.03.2016	31.03.2015	31.03.2014
C	**MARINE INSURANCE**				
(1)	**MARINE CARGO**				
	Premium from Direct Business Written	-	-	-	-
	Add: Premium on Reinsurance accepted	4,590.75	3,470.18	3,863.11	4,165.49
	Less:Premium on Reinsurance ceded	(615.77)	(461.19)	(277.10)	(394.37)
	Net Premium	3,974.98	3,008.99	3,586.01	3,771.12
	Adjustment for change in reserve for unexpired risks	(457.66)	262.19	86.28	299.05
	Total Premium Earned (Net)	3,517.32	3,271.18	3,672.29	4,070.17
(2)	**MARINE HULL**				
	Premium from Direct Business Written	-	-	-	-
	Add: Premium on Reinsurance accepted	6,727.17	6,756.22	7,217.04	6,689.52
	Less:Premium on Reinsurance ceded	(1,790.29)	(1,225.49)	(1,282.28)	(1,102.95)
	Net Premium	4,936.88	5,530.73	5,934.76	5,586.57
	Adjustment for change in reserve for unexpired risks	649.70	387.25	(358.10)	299.91
	Total Premium Earned (Net)	5,586.58	5,917.98	5,576.66	5,886.48
	TOTAL MARINE				
	Premium from Direct Business Written	-	-	-	-
	Add: Premium on Reinsurance accepted	11,317.92	10,226.40	11,080.15	10,855.01
	Less:Premium on Reinsurance ceded	(2,406.06)	(1,686.68)	(1,559.38)	(1,497.32)
	Net Premium	8,911.86	8,539.72	9,520.77	9,357.69
	Adjustment for change in reserve for unexpired risks	192.04	649.44	(271.82)	598.96
	Total Premium Earned (Net)	9,103.90	9,189.16	9,248.95	9,956.65
D	**LIFE INSURANCE**				
	Premium from Direct Business written	-	-	-	-
	Add: Premium on Reinsurance accepted	3,662.01	2,383.76	1,684.46	1,256.97
	Less:Premium on Reinsurance ceded	(261.07)	(432.03)	(419.40)	(248.68)
	Net Premium	3,400.94	1,951.73	1,265.06	1,008.29
	Adjustment for change in reserve for unexpired risks	(1,009.50)	459.54	129.45	51.70
	Total Premium Earned (Net)	2,391.44	2,411.27	1,394.51	1,059.99
E	**TOTAL ALL CLASSES**				
	Premium from Direct Business Written	-	-	-	-
	Add: Premium on Reinsurance accepted	337,407.92	185,342.45	152,701.56	146,801.16
	Less:Premium on Reinsurance ceded	(34,404.65)	(20,638.40)	(13,312.61)	(14,675.00)
	Net Premium	303,003.27	164,704.05	139,388.95	132,126.16
	Adjustment for change in reserve for unexpired risks	(39,256.39)	(11,321.69)	(3,441.18)	4,034.30
	Total Premium Earned (Net)	263,746.88	153,382.36	135,947.77	136,160.46

Annexure X

Restated Consolidated Statement of Claims Incurred

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014
A	**FIRE INSURANCE**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	37,828.33	37,610.94	36,729.31	36,648.13
	Less: Reinsurance ceded	(7,590.71)	(7,896.16)	(1,563.41)	(6,756.14)
	Net Claims Paid	30,237.62	29,714.78	35,165.90	29,891.99
	Add : Claims Outstanding at the end of the year	85,241.32	72,946.18	67,685.30	76,208.07
	Less: Claims Outstanding at the beginning of the year	(72,946.18)	(67,590.51)	(76,215.57)	(68,743.35)
	Total Claims Incurred	42,532.76	35,070.45	26,635.63	37,356.71
B	**MISCELLANEOUS INSURANCE**				
(1)	**MOTOR**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	36,184.24	29,418.46	41,344.94	28,847.03
	Less: Reinsurance ceded	-	-	-	-
	Net Claims Paid	36,184.24	29,418.46	41,344.94	28,847.03
	Add : Claims Outstanding at the end of the year	78,863.60	61,161.10	51,587.88	54,058.41
	Less: Claims Outstanding at the beginning of the year	(61,161.10)	(51,587.88)	(54,058.41)	(53,975.42)
	Total Claims Incurred	53,886.74	38,991.68	38,874.41	28,930.02
(2)	**AVIATION**				
	Claims Paid				
	Direct	(0.01)	(11.70)	4.06	5.50
	Add : Reinsurance accepted	5,856.17	3,901.68	3,324.26	3,633.91
	Less: Reinsurance ceded	(1,159.13)	(332.18)	(143.56)	(297.65)
	Net Claims Paid	4,697.03	3,557.80	3,184.76	3,341.76
	Add : Claims Outstanding at the end of the year	8,197.97	8,550.13	8,803.94	7,900.82
	Less: Claims Outstanding at the beginning of the year	(8,550.13)	(8,803.94)	(7,900.82)	(9,253.36)
	Total Claims Incurred	4,344.87	3,303.99	4,087.88	1,989.22
(3)	**ENGINEERING**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	4,320.75	4,392.15	3,889.86	4,674.89
	Less: Reinsurance ceded	(495.36)	(164.80)	(17.23)	(47.35)
	Net Claims Paid	3,825.39	4,227.35	3,872.63	4,627.54
	Add : Claims Outstanding at the end of the year	16,367.96	16,497.84	18,382.49	17,748.58
	Less: Claims Outstanding at the beginning of the year	(16,497.84)	(18,382.49)	(17,748.58)	(10,769.02)
	Total Claims Incurred	3,695.51	2,342.70	4,506.54	11,607.10
(4)	**WORKMENS' COMPENSATION**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	119.40	90.00	79.21	114.38
	Less: Reinsurance ceded	-	-	-	-
	Net Claims Paid	119.40	90.00	79.21	114.38
	Add : Claims Outstanding at the end of the year	358.44	210.19	161.46	163.24
	Less: Claims Outstanding at the beginning of the year	(210.19)	(161.46)	(163.24)	(230.49)
	Total Claims Incurred	267.65	138.73	77.43	47.13
(5)	**LIABILITY**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	757.58	436.97	243.89	295.99
	Less: Reinsurance ceded	-	-	(38.25)	-
	Net Claims Paid	757.58	436.97	205.64	295.99
	Add : Claims Outstanding at the end of the year	1,982.66	1,726.14	1,579.54	1,842.67
	Less: Claims Outstanding at the beginning of the year	(1,726.14)	(1,579.54)	(1,842.67)	(1,231.06)
	Total Claims Incurred	1,014.10	583.57	(57.49)	907.60

(Amount in ₹ million)

	Particulars	For the year ended			
		31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
(6)	**PERSONAL ACCIDENT**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	1,604.18	1,443.70	2,586.72	3,850.13
	Less: Reinsurance ceded	-	-	-	-
	Net Claims Paid	1,604.18	1,443.70	2,586.72	3,850.13
	Add : Claims Outstanding at the end of the year	2,772.65	2,015.98	1,888.77	2,406.55
	Less: Claims Outstanding at the beginning of the year	(2,015.98)	(1,888.77)	(2,406.55)	(3,452.07)
	Total Claims Incurred	2,360.85	1,570.91	2,068.94	2,804.61
(7)	**HEALTH**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	31,490.15	21,544.53	17,748.45	16,018.91
	Less: Reinsurance ceded	(821.48)	-	-	-
	Net Claims Paid	30,668.67	21,544.53	17,748.45	16,018.91
	Add : Claims Outstanding at the end of the year	11,364.04	12,428.27	12,700.83	9,158.10
	Less: Claims Outstanding at the beginning of the year	(12,428.27)	(12,700.83)	(9,158.10)	(10,014.82)
	Total Claims Incurred	29,604.44	21,271.97	21,291.18	15,162.19
(8)	**AGRICULTURE**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	9,355.54	14,774.66	5,872.62	6,355.58
	Less: Reinsurance ceded	(86.34)	(654.54)	-	-
	Net Claims Paid	9,269.20	14,120.12	5,872.62	6,355.58
	Add : Claims Outstanding at the end of the year	59,122.25	1,594.77	1,569.39	1,186.71
	Less: Claims Outstanding at the beginning of the year	(1,594.77)	(1,569.39)	(1,186.71)	(1,465.68)
	Total Claims Incurred	66,796.68	14,145.50	6,255.30	6,076.61
(9)	**OTHER MISCELLANEOUS**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	3,404.00	2,200.16	3,431.72	4,813.97
	Less: Reinsurance ceded	(1,979.73)	(475.45)	-	(2.73)
	Net Claims Paid	1,424.27	1,724.71	3,431.72	4,811.24
	Add : Claims Outstanding at the end of the year	6,539.16	8,405.05	8,242.34	9,151.21
	Less: Claims Outstanding at the beginning of the year	(8,405.05)	(8,190.71)	(9,209.08)	(8,614.12)
	Total Claims Incurred	(441.62)	1,939.05	2,464.98	5,348.33
(10)	**FINANCIAL LIABILTY/CREDIT**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	3,270.04	1,995.53	1,225.73	1,813.75
	Less: Reinsurance ceded	-	-	-	-
	Net Claims Paid	3,270.04	1,995.53	1,225.73	1,813.75
	Add : Claims Outstanding at the end of the year	3,773.87	6,872.78	6,648.24	5,885.22
	Less: Claims Outstanding at the beginning of the year	(6,872.78)	(6,648.24)	(5,885.22)	(3,479.27)
	Total Claims Incurred	171.13	2,220.07	1,988.75	4,219.70

(Amount in ₹ million)

	Particulars	For the year ended			
		31.03.2017	31.03.2016	31.03.2015	31.03.2014
	TOTAL MISCELLANEOUS				
	Claims Paid				
	Direct	(0.01)	(11.70)	4.06	5.50
	Add : Reinsurance accepted	96,362.05	80,197.84	79,747.40	70,418.54
	Less: Reinsurance ceded	(4,542.04)	(1,626.97)	(199.04)	(347.73)
	Net Claims Paid	91,820.00	78,559.17	79,552.42	70,076.31
	Add : Claims Outstanding at the end of the year	189,342.60	119,462.25	111,564.88	109,501.51
	Less: Claims Outstanding at the beginning of the year	(119,462.25)	(111,513.25)	(109,559.38)	(102,485.31)
	Total Claims Incurred	161,700.35	86,508.17	81,557.92	77,092.51
C	**MARINE INSURANCE**				
(1)	**MARINE CARGO**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	2,174.74	1,872.03	3,274.15	2,892.34
	Less: Reinsurance ceded	(22.60)	(58.71)	(62.82)	(415.86)
	Net Claims Paid	2,152.14	1,813.32	3,211.33	2,476.48
	Add : Claims Outstanding at the end of the year	6,002.72	5,906.12	5,576.50	5,225.66
	Less: Claims Outstanding at the beginning of the year	(5,906.12)	(5,562.58)	(5,230.80)	(5,891.19)
	Total Claims Incurred	2,248.74	2,156.86	3,557.03	1,810.95
(2)	**MARINE HULL**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	3,377.25	4,630.06	4,242.79	5,230.61
	Less: Reinsurance ceded	(263.93)	(516.25)	(309.04)	(765.81)
	Net Claims Paid	3,113.32	4,113.81	3,933.75	4,464.80
	Add : Claims Outstanding at the end of the year	11,948.36	9,740.98	9,681.43	7,238.54
	Less: Claims Outstanding at the beginning of the year	(9,740.97)	(9,681.43)	(7,238.54)	(7,893.01)
	Total Claims Incurred	5,320.71	4,173.36	6,376.64	3,810.33
	TOTAL MARINE				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	5,551.99	6,502.09	7,516.94	8,122.95
	Less: Reinsurance ceded	(286.53)	(574.96)	(371.86)	(1,181.67)
	Net Claims Paid	5,265.46	5,927.13	7,145.08	6,941.28
	Add : Claims Outstanding at the end of the year	17,951.08	15,647.10	15,257.93	12,464.20
	Less: Claims Outstanding at the beginning of the year	(15,647.09)	(15,244.01)	(12,469.34)	(13,784.20)
	Total Claims Incurred	7,569.45	6,330.22	9,933.67	5,621.28
D	**LIFE INSURANCE**				
	Claims Paid				
	Direct	-	-	-	-
	Add : Reinsurance accepted	3,042.76	1,898.96	1,082.10	769.31
	Less: Reinsurance ceded	(341.61)	(344.71)	(351.65)	(144.22)
	Net Claims Paid	2,701.16	1,554.25	730.45	625.09
	Add : Claims Outstanding at the end of the year	1,845.55	1,056.14	861.05	595.09
	Less: Claims Outstanding at the beginning of the year	(1,056.14)	(860.11)	(605.47)	(217.74)
	Total Claims Incurred	3,490.57	1,750.28	986.03	1,002.44
E	**TOTAL ALL CLASSES**				
	Claims Paid				
	Direct	(0.01)	(11.70)	4.06	5.50
	Add : Reinsurance accepted	142,785.14	126,209.83	125,075.75	115,958.93
	Less: Reinsurance ceded	(12,760.89)	(10,442.80)	(2,485.96)	(8,429.76)
	Net Claims Paid	130,024.24	115,755.33	122,593.85	107,534.67
	Add : Claims Outstanding at the end of the year	294,380.55	209,111.67	195,369.16	198,768.87
	Less: Claims Outstanding at the beginning of the year	(209,111.66)	(195,207.88)	(198,849.76)	(185,230.60)
	Total Claims Incurred	215,293.13	129,659.12	119,113.25	121,072.94

Annexure XI
Restated Consolidated Statement of Commission Expenses

(Amount in ₹ million)

	Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014
A	**FIRE INSURANCE**				
	Commission Paid				
	Direct	346.29	-	-	-
	Add : Reinsurance Accepted	16,282.15	12,733.43	9,892.02	9,979.05
	Less: Commission on Reinsurance Ceded	(389.27)	(119.71)	(173.17)	(2,493.75)
	Net Commission	16,239.17	12,613.72	9,718.85	7,485.30
	Break-up of Commission				
	Brokerage	3,100.16	2,406.92	1,359.93	1,310.06
	Commision Paid	13,139.01	10,206.80	8,358.92	6,175.24
	Total Commission	16,239.17	12,613.72	9,718.85	7,485.30
B	**MISCELLANEOUS INSURANCE**				
(1)	**MOTOR**				
	Commission Paid				
	Direct	23.19	-	-	-
	Add : Reinsurance Accepted	11,259.25	8,218.64	6,499.18	5,618.17
	Less: Commission on Reinsurance Ceded	(25.00)	-	-	-
	Net Commission	11,257.44	8,218.64	6,499.18	5,618.17
	Break-up of Commission				
	Brokerage	460.82	341.30	252.38	238.72
	Commision Paid	10,796.62	7,877.34	6,246.80	5,379.45
	Total Commission	11,257.44	8,218.64	6,499.18	5,618.17
(2)	**AVIATION**				
	Commission Paid				
	Direct	32.12	-	(78.26)	36.34
	Add : Reinsurance Accepted	943.03	722.00	952.09	589.02
	Less: Commission on Reinsurance Ceded	(78.00)	(24.80)	(0.59)	(106.68)
	Net Commission	897.15	697.20	873.24	518.68
	Break-up of Commission				
	Brokerage	486.05	343.03	373.70	333.94
	Commision Paid	411.10	354.17	499.54	184.74
	Total Commission	897.15	697.20	873.24	518.68
(3)	**ENGINEERING**				
	Commission Paid				
	Direct	-	-	-	-
	Add : Reinsurance Accepted	2,021.39	2,044.06	1,967.67	2,272.29
	Less: Commission on Reinsurance Ceded	(2.95)	(15.68)	(3.51)	(85.77)
	Net Commission	2,018.44	2,028.38	1,964.16	2,186.52
	Break-up of Commission				
	Brokerage	116.86	129.16	92.75	108.82
	Commision Paid	1,901.58	1,899.22	1,871.41	2,077.70
	Total Commission	2,018.44	2,028.38	1,964.16	2,186.52
(4)	**WORKMENS' COMPENSATION**				
	Commission Paid				
	Direct	-	-	-	-
	Add : Reinsurance Accepted	46.49	37.79	27.02	29.55
	Less: Commission on Reinsurance Ceded	-	-	-	-
	Net Commission	46.49	37.79	27.02	29.55
	Break-up of Commission				
	Brokerage	3.67	1.64	1.62	1.68
	Commision Paid	42.82	36.15	25.40	27.87
	Total Commission	46.49	37.79	27.02	29.55

(Amount in ₹ million)

Particulars	For the year ended 31.03.2017	31.03.2016	31.03.2015	31.03.2014
(5) LIABILITY				
Commission Paid				
Direct	-	-	-	-
Add : Reinsurance Accepted	295.19	206.35	189.96	167.48
Less: Commission on Reinsurance Ceded	(13.35)	-	(2.09)	(1.43)
Net Commission	281.84	206.35	187.87	166.05
Break-up of Commission				
Brokerage	32.94	22.14	15.51	13.88
Commision Paid	248.90	184.21	172.36	152.17
Total Commission	281.84	206.35	187.87	166.05
(6) PERSONAL ACCIDENT				
Commission Paid				
Direct	-	-	-	-
Add : Reinsurance Accepted	1,564.40	1,350.96	561.28	694.42
Less: Commission on Reinsurance Ceded	-	(0.03)	(1.58)	(0.80)
Net Commission	1,564.40	1,350.93	559.70	693.62
Break-up of Commission				
Brokerage	81.66	47.07	44.09	62.65
Commision Paid	1,482.74	1,303.86	515.61	630.97
Total Commission	1,564.40	1,350.93	559.70	693.62
(7) HEALTH				
Commission Paid				
Direct	-	-	-	-
Add : Reinsurance Accepted	8,155.20	5,150.06	3,699.44	2,784.69
Less: Commission on Reinsurance Ceded	(38.93)	-	-	-
Net Commission	8,116.27	5,150.06	3,699.44	2,784.69
Break-up of Commission				
Brokerage	168.64	162.69	264.05	153.50
Commision Paid	7,947.63	4,987.37	3,435.39	2,631.19
Total Commission	8,116.27	5,150.06	3,699.44	2,784.69
(8) AGRICULTURE				
Commission Paid				
Direct	-	-	-	-
Add : Reinsurance Accepted	9,553.56	1,732.18	897.46	1,176.63
Less: Commission on Reinsurance Ceded	(1.55)	-	-	(11.19)
Net Commission	9,552.01	1,732.18	897.46	1,165.44
Break-up of Commission				
Brokerage	-	-	-	-
Commision Paid	9,552.01	1,732.18	897.46	1,165.44
Total Commission	9,552.01	1,732.18	897.46	1,165.44
(9) OTHER MISCELLANEOUS				
Commission Paid				
Direct	236.13	-	-	-
Add : Reinsurance Accepted	1,951.78	1,053.87	1,199.14	1,372.57
Less: Commission on Reinsurance Ceded	(442.72)	(151.63)	(1.48)	(25.87)
Net Commission	1,745.19	902.24	1,197.66	1,346.70
Break-up of Commission				
Brokerage	225.78	121.13	94.83	105.44
Commision Paid	1,519.41	781.11	1,102.83	1,241.26
Total Commission	1,745.19	902.24	1,197.66	1,346.70

(Amount in ₹ million)

	Particulars	For the year ended			
		31.03.2017	31.03.2016	31.03.2015	31.03.2014
(10)	**FINANCIAL LIABILTY/CREDIT**				
	Commission Paid				
	Direct	-	-	-	-
	Add : Reinsurance Accepted	291.07	304.74	255.21	488.16
	Less: Commission on Reinsurance Ceded	-	-	-	-
	Net Commission	291.07	304.74	255.21	488.16
	Break-up of Commission				
	Brokerage	9.50	4.81	2.27	3.82
	Commision Paid	281.57	299.93	252.94	484.34
	Total Commission	291.07	304.74	255.21	488.16
	TOTAL MISCELLANEOUS				
	Commission Paid				
	Direct	291.44	-	(78.26)	36.34
	Add : Reinsurance Accepted	36,081.36	20,820.65	16,248.45	15,192.98
	Less: Commission on Reinsurance Ceded	(602.50)	(192.14)	(9.24)	(231.74)
	Net Commission	35,770.30	20,628.51	16,160.95	14,997.58
	Break-up of Commission				
	Brokerage	1,585.92	1,168.16	1,141.21	1,022.45
	Commision Paid	34,184.38	19,460.35	15,019.74	13,975.13
	Total Commission	35,770.30	20,628.51	16,160.95	14,997.58
C	**MARINE INSURANCE**				
(1)	**MARINE CARGO**				
	Commission Paid				
	Direct	83.35	-	-	-
	Add : Reinsurance Accepted	1,007.92	728.64	907.18	1,025.43
	Less: Commission on Reinsurance Ceded	(142.66)	(26.57)	(0.03)	(22.65)
	Net Commission	948.61	702.07	907.15	1,002.78
	Break-up of Commission				
	Brokerage	83.89	87.70	74.70	88.71
	Commision Paid	864.72	614.37	832.45	914.07
	Total Commission	948.61	702.07	907.15	1,002.78
(2)	**MARINE HULL**				
	Commission Paid				
	Direct	-	-	-	-
	Add : Reinsurance Accepted	675.11	1,244.65	1,168.00	1,243.37
	Less: Commission on Reinsurance Ceded	(49.71)	(117.89)	(77.66)	(213.88)
	Net Commission	625.40	1,126.76	1,090.34	1,029.49
	Break-up of Commission				
	Brokerage	341.16	363.84	257.02	251.99
	Commision Paid	284.24	762.92	833.32	777.50
	Total Commission	625.40	1,126.76	1,090.34	1,029.49

(Amount in ₹ million)

	Particulars	For the year ended			
		31.03.2017	31.03.2016	31.03.2015	31.03.2014
	TOTAL MARINE				
	Commission Paid				
	Direct	83.35	-	-	-
	Add : Reinsurance Accepted	1,683.03	1,973.29	2,075.18	2,268.80
	Less: Commission on Reinsurance Ceded	(192.37)	(144.46)	(77.69)	(236.53)
	Net Commission	1,574.01	1,828.83	1,997.49	2,032.27
	Break-up of Commission				
	Brokerage	425.05	451.54	331.72	340.70
	Commision Paid	1,148.96	1,377.29	1,665.77	1,691.57
	Total Commission	1,574.01	1,828.83	1,997.49	2,032.27
D	**LIFE INSURANCE**				
	Commission Paid				
	Direct	-	-	-	-
	Add : Reinsurance Accepted	61.78	77.54	85.39	52.65
	Less: Commission on Reinsurance Ceded	(2.43)	(3.18)	(7.01)	-
	Net Commission	59.35	74.36	78.38	52.65
	Break-up of Commission				
	Brokerage	14.62	17.85	10.53	4.76
	Commision Paid	44.73	56.51	67.85	47.89
	Total Commission	59.35	74.36	78.38	52.65
E	**TOTAL ALL CLASSES**				
	Commission Paid				
	Direct	721.08	-	(78.26)	36.34
	Add : Reinsurance Accepted	54,108.32	35,604.91	28,301.04	27,493.48
	Less: Commission on Reinsurance Ceded	(1,186.57)	(459.49)	(267.11)	(2,962.02)
	Net Commission	53,642.83	35,145.42	27,955.67	24,567.80
	Break-up of Commission				
	Brokerage	5,125.75	4,044.47	2,843.39	2,677.97
	Commision Paid	48,517.08	31,100.95	25,112.28	21,889.83
	Total Commission	53,642.83	35,145.42	27,955.67	24,567.80

Annexure XII

Restated Consolidated Statement of Operating Expenses related to Insurance business

(Amount in ₹ million)

	Particulars	For the year ended			
		31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
1	Employees' remuneration & welfare benefits	1,007.16	902.41	707.55	774.08
2	Travel, conveyance and vehicle running expenses	85.35	93.41	71.03	68.39
3	Training expenses	22.56	23.70	10.06	41.09
4	Rents, rates and taxes	76.23	70.57	47.55	32.33
5	Repairs	211.74	223.58	291.48	347.12
6	Printing & stationery	5.41	3.15	4.87	4.42
7	Communication	17.07	13.26	12.27	12.72
8	Legal & professional charges	108.67	66.28	153.65	105.70
9	Auditors' fees, expenses etc.	-	-	-	-
	(a) as auditor	11.55	11.19	11.88	5.00
	(b) as advisor or in any other capacity, in respect of	-	-	-	-
	(i) Taxation matters	0.30	0.30	0.30	0.25
	(ii) Others	-	-	0.01	0.08
10	Advertisement and publicity	65.51	56.19	48.99	55.83
11	Interest & Bank Charges	16.20	12.99	8.67	9.05
12	IT Expenses	98.69	121.26	-	-
13	Depreciation	94.55	94.51	86.92	52.01
14	Service Tax Expenses A/c	3.74	4.56	5.13	9.38
15	Swatchh Bharat Cess	349.40	-	-	-
16	Others	339.70	202.71	191.17	245.86
	Total	2,513.83	1,900.07	1,651.53	1,763.31

Annexure XIII

Restated Consolidated Statement of Share Capital

(Amount in ₹ million)

Particulars	As at			
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
1 Authorised Capital				
10,00,00,00,000 Equity Shares of Re. 1/- Each	10,000.00	10,000.00	10,000.00	10,000.00
2 Issued & Subscribed Capital				
4,30,00,00,000 Equity Shares of Re. 1/- Each	4,300.00	4,300.00	4,300.00	4,300.00
3 Called-up Capital				
4,30,00,00,000 Equity Shares of Re. 1/- Each (Includes 4,06,00,00,000 shares of Re.1/ issued by capitalisation of Capital Redemption Reserve and General Reserve and 5,00,00,000 partly paid shares (Re.0.50 per share paid) made fully paid-up shares by capitalisation of General Reserve)	4,300.00	4,300.00	4,300.00	4,300.00
Total	4,300.00	4,300.00	4,300.00	4,300.00

The face value of Equity share is consolidated from ₹1/- to ₹5/- per share subsequent to the date of Balance Sheet.

Annexure XIIIA
Restated Consolidated Statement of Pattern of Shareholding

Shareholders	As at 31.03.2017		As at 31.03.2016		As at 31.03.2015		As at 31.03.2014	
	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters								
Indian	4,300,000,000	100%	4,300,000,000	100%	4,300,000,000	100%	4,300,000,000	100%

Annexure XIV

Restated Consolidated Statement of Reserves and Surplus

(Amount in ₹ million)

	Particulars	As at			
		31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
1	General Reserve				
	Opening Balance	147,943.98	129,810.98	109,314.94	101,102.15
	Less : Transfer from Reserve for Pension,Gratuity & Leave Encashment	-	-	-	-
	Add : Transfer from Profit & Loss A/c	-	18,133.00	20,496.04	8,212.79
		147,943.98	147,943.98	129,810.98	109,314.94
2	Catastrophe Reserve	-	-	-	-
3	Foreign Currency Translation Reserve	4,388.63	9,935.78	7,787.78	9,067.89
4	Balance of Profit in Profit & Loss Account	43,054.73	21,999.29	18,397.47	13,857.46
5	Transfer to reserve revaluation on inv	(0.33)	(1.22)	(54.43)	-
6	Capital Reserve	-	-	-	0.51
	Total	195,387.01	179,877.83	155,941.80	132,240.80

Annexure XV
Restated Consolidated Statement of Borrowings

(Amount in ₹ million)

Particulars	As at			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
		N I L		

The Corporation does not have any secured or unsecured loans. It is a debt free corporation with no borrowings.

Annexure – XVI

Restated Consolidated Financial Statement of Investments- Shareholders Funds

(Amount in ₹ million)

Particulars	As at			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
LONG TERM INVESTMENT				
Government securities	44,548.68	39,583.47	31,637.07	25,644.31
Other approved securities	956.24	1,162.63	1,222.23	1,268.93
Guaranteed Equity	0.18	0.17	0.15	0.14
Investment in Subsidiary	-	-	-	-
Other approved investments				
Equity shares	126,519.32	100,978.24	101,561.13	80,233.31
Foreign Equity	4,246.95	4,046.69	3,838.68	3,478.10
Preference shares	13.24	13.78	12.20	11.34
Debentures/Bonds	9,611.51	8,569.91	6,375.95	6,433.13
Deposits	-	-	0.08	-
Investments in infrastructure/housing sector	-	-	-	-
Other approved investments	-	-	-	-
Equity shares	5,919.38	4,818.44	4,855.79	4,235.21
Debentures/Bonds	23,304.41	19,046.59	11,307.45	11,494.10
Other investments				
Equity shares	12,537.23	10,972.06	9,507.54	885.69
Debentures/Bonds	2,483.99	3,067.73	6,232.28	2,575.74
Venture fund	623.27	643.94	542.51	477.46
Mutual Funds	53.71	76.62	97.83	-
Preference Shares	8.85	10.19	9.01	17.06
SHORT TERM INVESTMENT				
Government securities	2,816.70	3,215.72	878.83	732.98
Other approved securities	251.98	217.90	124.39	55.81
Other approved investments				
Debentures/Bonds	1,248.00	1,211.44	809.33	954.34
Commercial Papers	82.49	-	-	-
Mutual fund	6,901.17	992.30	557.94	450.96
Preference Shares	7.53	-	-	-
Deposits	548.49	321.83	-	-
Investments in infrastructure/housing sector				
Other approved investments	-	-	-	-
Debentures/Bonds	2,446.08	2,238.02	1,713.03	1,033.95
Other investments				
Debentures/Bonds	835.50	790.82	616.01	273.83
Preference shares	1.60	-	-	-
Total	**245,966.50**	**201,978.49**	**181,899.43**	**140,256.39**

Aggregate amount of Company's investments and the market value thereof:

(Amount in ₹ million)

Particulars	As at			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Aggregate amount of Company's investments other than equity securities, mutual fund, investments in subsidiary and derivative instruments	89,733.01	80,093.97	61,480.37	50,972.98
Market value of above Investments	92,652.55	81,020.52	62,243.34	48,573.19
Aggregate amount of Company's investments in Mutual Fund, Equity and investments in subsidiary (at Historical cost)	37,122.62	29,178.80	23,763.29	20,609.29

Annexure – XVIA
Restated Consolidated Financial Statement of Investments- Policyholders Funds

(Amount in ₹ million)

Particulars	As at 31.03.2017	31.03.2016	31.03.2015	31.03.2014
LONG TERM INVESTMENT				
Government securities	80,139.87	74,451.22	71,860.01	65,037.25
Other approved securities	1,720.21	2,186.75	2,776.16	3,218.17
Guaranteed Equity	0.32	0.33	0.35	0.36
Other approved investments				
Equity shares	227,599.15	189,926.59	230,684.56	184,018.05
Preference shares	23.81	25.92	27.71	28.76
Debentures/Bonds	17,290.41	16,118.86	14,482.25	16,315.24
Deposits	-	-	0.17	-
Mutual Funds	96.62	144.11	222.21	-
Investments in infrastructure/housing sector				
Other approved investments				
Equity shares	10,648.53	9,062.84	11,029.37	10,741.03
Debentures/Bonds	41,922.95	35,824.08	25,683.58	29,150.52
Other investments				
Equity shares	3,870.96	3,234.77	2,828.63	2,246.23
Debentures/Bonds	4,468.52	5,770.00	14,155.93	6,532.41
Venture fund	1,121.21	1,211.17	1,232.25	1,210.90
Preference shares	15.92	19.17	20.46	43.27
SHORT TERM INVESTMENT				
Government securities	5,067.04	6,048.34	1,996.16	1,858.92
Other approved securities	453.29	409.83	282.53	141.54
Other approved investments	-	-	-	-
Debentures/Bonds	2,245.06	2,278.57	1,838.29	1,532.29
Commercial Papers	148.39	-	-	-
Mutual fund(includes CPSE-ETF)	12,414.72	1,866.38	1,267.31	1,143.70
Deposits	986.68	605.31	-	-
Preference Shares	13.54	-	-	-
Investments in infrastructure/housing sector	-	-	-	-
Other approved investments	-	-	-	-
Debentures/Bonds	4,400.32	4,209.42	3,890.95	2,622.23
Other investments	-	-	-	-
Debentures/Bonds	1,503.00	1,487.46	1,399.16	694.48
Preference Shares	2.89	-	-	-
	-	-	-	-
Total	**416,153.41**	**354,881.12**	**385,678.04**	**326,535.35**

Aggregate amount of Company's investments and the market value thereof:

(Amount in ₹ million)

Particulars	As at 31.03.2017	31.03.2016	31.03.2015	31.03.2014
Aggregate amount of Company's investments other than equity securities, mutual fund, investments in subsidiary , investment in property and derivative instruments	161,523.12	150,646.10	139,645.61	128,385.98
Market value of above Investments	166,775.19	152,388.76	141,378.66	123,187.82
Aggregate amount of Company's investments in Mutual Fund, Equity and investments in subsidiary and investment in property (at Historical cost)	64,249.58	53,499.75	52,307.08	52,267.80

Annexure XVII
Restated Consolidated Statement of Loans

(Amount in ₹ million)

Particulars	As at			
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
1 Security-wise Classification				
Secured				
(a) On mortgage of property				
(aa) In India	549.17	735.42	757.97	797.73
(bb) Outside India	-	-	-	-
(b) On Shares, Bonds, Government Securities	-	-	-	-
(c) Investments In State Govt. Loans for Housing and Fire fighting	2,603.69	2,853.95	3,112.09	3,374.19
Unsecured	68.39	68.39	68.39	68.59
Total	3,221.25	3,657.76	3,938.45	4,240.51
2 Borrower-Wise Classification				
(a) Central and State Governments	2,600.95	2,853.95	3,112.09	3,374.19
(b) Banks and Financial Institutions	-	-	-	-
(c) Subsidiaries	-	-	-	-
(d) Industrial Undertakings	596.02	782.98	816.55	848.66
(e) Others	24.28	20.83	9.81	17.66
Total	3,221.25	3,657.76	3,938.45	4,240.51
3 Performance-Wise Classification				
(a) Loans classified as standard	-	-	-	-
(aa) In India	2,552.64	2,955.62	3,075.67	3,338.80
(bb) Outside India	-	-	-	-
(b) Non-performing loans less provisions	-	-	-	-
(aa) In India	-	-	191.65	204.43
(bb) Outside India	-	-	-	-
Provisions *	668.61	702.14	671.13	697.28
Total	3,221.25	3,657.76	3,938.45	4,240.51
4 Maturity-Wise Classification				
(a) Short - Term	345.32	296.99	331.19	290.62
(b) Long - Term	2,875.93	3,360.77	3,607.26	3,949.88
Total	3,221.25	3,657.76	3,938.45	4,240.51

* Includes Provision for Bad and Doubtful Loans

Annexure XVIII

Restated Consolidated Statement of Fixed Assets

FY 2016-17 (Amount in ₹ million)

Particulars	Cost/Gross Block				Depreciation				Net Block	
	As at 01.04.2016	Additions	Deductions	As at 31.03.2017	Upto 31.03.2016	Tweleve month ended 31.03.2017	On Sales/ Adjustment	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
Leasehold Land "Suraksha"	247.25	-	-	247.25	89.29	3.43	-	92.72	154.53	157.96
Freehold Land	560.13	-	-	560.13	-	-	-	-	560.13	560.13
Buildings	1,004.71	-	-	1,004.71	228.33	7.39	-	235.72	768.99	776.38
Furniture & Fittings	25.84	12.49	1.83	36.50	22.49	1.17	1.66	22.00	14.50	3.35
I.T. Equipments	134.95	9.88	5.03	139.80	114.75	13.84	4.86	123.73	16.07	20.20
I.T. Software	355.70	0.06	-	355.76	158.32	59.06	-	217.38	138.38	197.38
Vehicles	56.74	11.19	11.98	55.95	21.25	7.13	6.86	21.52	34.43	35.50
Office Equipments	21.01	1.30	1.50	20.81	15.07	2.21	1.12	16.16	4.65	5.94
AC & Water Coolers	12.69	0.35	-	13.04	11.72	0.12	-	11.84	1.20	0.97
Elevators	2.07	-	-	2.07	2.07	-	-	2.07	-	-
Canteen Appliances	0.47	-	-	0.47	0.40	0.03	-	0.43	0.04	0.07
Electrical Installation	10.00	0.01	-	10.01	9.86	0.04	-	9.90	0.11	0.14
Fire Alarm Systems	3.41	-	-	3.41	2.41	0.12	-	2.53	0.88	1.00
Total	**2,434.97**	**35.28**	**20.34**	**2,449.91**	**675.96**	**94.54**	**14.50**	**756.00**	**1,693.91**	**1,759.02**

The figures are inclusive of Appreciation/Depreciation due to foreign currency fluctuation

FY 2015-16 (Amount in ₹ million)

Particulars	Cost/Gross Block				Depreciation				Net Block	
	As at 01.04.2015	Additions	Deductions	As at 31.03.2016	Upto 31.03.2015	Tweleve month ended 31.03.2016	On Sales/ Adjustment	Upto31.03.2016	As at 31.03.2016	As at 31.03.2015
Leasehold Land "Suraksha"	247.25	-	-	247.25	85.85	3.44	-	89.29	157.96	161.40
Freehold Land	560.13	-	-	560.13	-	-	-	-	560.13	560.13
Buildings	611.49	393.22	-	1,004.71	218.17	10.16	-	228.33	776.38	393.32
Furniture & Fittings	25.80	0.19	0.15	25.84	21.84	0.68	0.03	22.49	3.35	3.96
I.T. Equipments	128.37	7.16	0.58	134.95	102.87	12.67	0.79	114.75	20.20	25.50
I.T. Software	343.16	12.54	-	355.70	99.93	58.39	-	158.32	197.38	243.23
Vehicles	48.77	11.60	3.63	56.74	16.17	7.04	1.96	21.25	35.50	32.60
Office Equipments	20.03	1.01	0.03	21.01	13.20	1.97	0.10	15.07	5.94	6.83
AC & Water Coolers	12.52	0.19	0.02	12.69	11.62	0.11	0.01	11.72	0.97	0.90
Elevators	2.07	-	-	2.07	2.07	-	-	2.07	-	-
Canteen Appliances	0.47	-	-	0.47	0.37	0.03	-	0.40	0.07	0.10
Electrical Installation	11.77	0.02	1.79	10.00	11.57	0.03	1.74	9.86	0.14	0.20
Fire Alarm Systems	3.41	-	-	3.41	2.41	-	-	2.41	1.00	1.00
Total	**2,015.24**	**425.93**	**6.20**	**2,434.97**	**586.07**	**94.52**	**4.63**	**675.96**	**1,759.02**	**1,429.17**

The figures are inclusive of Appreciation/Depreciation due to foreign currency fluctuation

FY 2014-15 (Amount in ₹ million)

Particulars	Cost/Gross Block				Depreciation				Net Block	
	As at 01.04.2014	Additions	Deductions	As at 31.03.2015	Upto 31.03.2014	Tweleve month ended 31.03.2015	On Sales/ Adjustment	Upto31.03.2015	As at 31.03.2015	As at 31.03.2014
Leasehold Land "Suraksha"	247.25	-	-	247.25	82.42	3.43	-	85.85	161.40	164.83
Freehold Land	560.13	-	-	560.13	-	-	-	-	560.13	560.13
Buildings	514.43	97.06	-	611.49	212.39	5.78	-	218.17	393.32	302.04
Furniture & Fittings	20.08	6.02	0.30	25.80	18.37	3.75	0.28	21.84	3.96	1.71
I.T. Equipments	112.21	17.56	1.40	128.37	87.43	16.74	1.30	102.87	25.50	24.77
I.T. Software	135.64	207.52	-	343.16	43.06	56.87	-	99.93	243.23	92.58
Vehicles	40.24	17.89	9.36	48.77	12.23	11.55	7.61	16.17	32.60	28.01
Office Equipments	14.21	5.88	0.06	20.03	9.42	3.80	0.03	13.19	6.83	4.79
AC & Water Coolers	12.53	0.18	0.18	12.53	11.68	0.10	0.15	11.63	0.90	0.85
Elevators	2.07	-	-	2.07	2.07	-	-	2.07	-	-
Canteen Appliances	0.47	-	-	0.47	0.34	0.03	-	0.37	0.10	0.13
Electrical Installation	11.74	0.03	-	11.77	11.53	0.04	-	11.57	0.20	0.21
Fire Alarm Systems	3.41	-	-	3.41	2.29	0.12	-	2.41	1.00	1.12
Total	**1,674.41**	**352.14**	**11.30**	**2,015.25**	**493.23**	**102.21**	**9.37**	**586.07**	**1,429.17**	**1,181.17**

The figures are inclusive of Appreciation/Depreciation due to foreign currency fluctuation

FY 2013-14 (Amount in ₹ million)

Particulars	Cost/Gross Block				Depreciation				Net Block	
	As at 01.04.2013	Additions	Deductions	As at 31.03.2014	Upto 31.03.2013	Tweleve month ended 31.03.2014	On Sales/ Adjustment	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
Leasehold Land "Suraksha"	247.25	-	-	247.25	78.98	3.44	-	82.42	164.83	168.27
Freehold Land	-	560.13	-	560.13	-	-	-	-	560.13	-
Buildings	434.03	80.40	-	514.43	207.52	4.87	-	212.39	302.04	226.51
Furniture & Fittings	19.68	0.40	-	20.08	18.06	0.33	0.02	18.37	1.71	1.62
I.T. Equipments	106.13	13.47	7.39	112.21	81.33	13.69	7.59	87.43	24.77	24.80
I.T. Software	133.39	2.25	-	135.64	20.26	22.80	-	43.06	92.58	113.13
Vehicles	35.91	9.46	5.13	40.24	12.15	4.68	4.60	12.23	28.01	23.76
Office Equipments	13.99	1.51	1.29	14.21	9.05	1.63	1.26	9.42	4.79	4.94
AC & Water Coolers	12.40	0.13	-	12.53	11.58	0.10	-	11.68	0.85	0.82
Elevators	2.07	-	-	2.07	2.07	-	-	2.07	-	-
Canteen Appliances	0.47	-	-	0.47	0.31	0.03	-	0.34	0.13	0.16
Electrical Installation	11.69	0.05	-	11.74	11.22	0.31	-	11.53	0.21	0.47
Fire Alarm Systems	3.41	-	-	3.41	2.17	0.12	-	2.29	1.12	1.24
Total	**1,020.42**	**667.80**	**13.81**	**1,674.41**	**454.70**	**52.00**	**13.47**	**493.23**	**1,181.17**	**565.72**

The figures are inclusive of Appreciation/Depreciation due to foreign currency fluctuation

Annexure XIX
Restated Consolidated Statement of Cash and Bank Balances

(Amount in ₹ million)

Particulars	As at			
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
1 Cash & stamps	0.13	0.14	0.35	0.32
2 Bank Balances				
(a) Deposit Accounts - Short term (due within 12 months)	95,290.62	85,294.23	66,651.12	70,793.60
(b) Current Accounts	5,344.95	4,749.62	2,480.00	2,665.66
(c) Remittances in Transit	-	-	-	-
3 Money at Call and Short Notice	-	-	-	-
(a) With Bank	452.71	334.18	388.50	290.72
(b) With other Institutions	21,225.88	7,415.46	7,968.79	8,890.38
Total	122,314.29	97,793.63	77,488.76	82,640.68
Balances with non-scheduled banks	Nil	Nil	Nil	Nil

Annexure XX

Restated Consolidated Statement of Advances and other assets

(Amount in ₹ million)

	Particulars	As at			
		31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
	Advances				
1	Reserve Deposits with Ceding Companies	43,842.89	32,346.25	26,771.75	25,255.61
2	Application Money for Investments	200.00	-	-	277.55
3	Prepayments	60.67	80.30	78.38	47.33
4	Advances to Directors/Officers	5.73	5.16	5.26	4.80
5	Advance Tax Paid and TDS	17,272.94	11,864.95	26,130.35	26,467.72
	Less: Provision for Taxation	(16,911.32)	(9,854.99)	(21,416.20)	(17,985.89)
		361.62	2,009.96	4,714.15	8,481.83
6	Service Tax & Others	225.45	2,920.70	2,396.02	1,110.25
7	Deferred Commission	17.45	(12.91)	(13.01)	-
	Total (A)	44,713.81	37,349.46	33,952.55	35,177.37
	Other Assets				
1	Income accrued on investments	8,389.39	8,267.28	7,550.17	6,692.40
2	Due from other entities carrying on insurance	108,918.87	38,934.19	39,409.82	32,853.37
	business (including reinsurers)	-	-	-	-
3	Deposit U/S-7 of Insurance Act	-	-	295.32	297.37
4	Sundry Debtors	1,321.65	175.69	3,405.39	966.27
5	Sundry Deposits	411.91	360.56	289.64	252.49
6	MAT Credit Entitlement	16,745.08	14,956.27	13,018.67	7,935.23
7	Service Tax Unutilised Credit	404.21	428.53	343.26	684.40
	Total (B)	136,191.11	63,122.52	64,312.27	49,681.53
	Total (A+B)	180,904.92	100,471.98	98,264.82	84,858.90

Annexure XXI

Restated Consolidated Statement of Current liabilities

(Amount in ₹ million)

	Particulars	As at			
		31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
1	Balances Due to other insurance companies	18,583.88	19,392.59	16,326.22	16,330.12
2	Deposits held on re-insurance ceded	23,782.62	20,022.80	14,955.08	8,533.02
3	Sundry Creditors	1,047.82	778.87	662.47	693.51
4	Claims Outstanding	294,504.15	210,526.46	195,797.85	198,768.86
5	Service Tax Liability	173.38	-	-	-
	Total	338,091.86	250,720.72	227,741.62	224,325.51

Annexure XXII
Restated Consolidated Statement of Provisions

(Amount in ₹ million)

	Particulars	As at			
		31.03.2017	31.03.2016	31.03.2015	31.03.2014
1	Reserve for Unexpired Risk	121,899.46	83,334.06	72,155.63	67,850.15
2	Reserve for Premium Deficiency	-	-	584.60	-
	For Fringe Benefit Tax	-	-	-	-
	For MAT Tax	-	-	-	-
3	For proposed dividends	-	-	-	-
4	For dividend distribution tax	-	-	-	-
5	For Doubtful Loans, Investment and Debts	7,908.88	5,313.24	6,471.67	5,364.54
6	For Leave Encashment	332.09	245.18	227.34	221.46
7	Provision for Pension	44.93	93.97	31.11	235.60
8	Provision for Gratuity	48.44	33.47	75.67	(12.10)
9	Provision for Settlement	15.22	14.02	12.19	10.65
10	For Salary Arrears	-	2,527.65	130.00	77.20
11	For PLLI Arrears	25.00	-	16.80	16.80
12	Provision for Taxation	12,092.75	-	-	-
	Less: Advance Tax Paid and TDS	9,722.76	-	-	-
		2,370.00			
	Total	132,644.00	91,561.60	79,705.02	73,764.30

Annexure XXIII

Restated Consolidated Statement of Miscellaneous Expenditure

(Amount in ₹ million)

Particulars	For the year ended			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
	N I L			

Annexure XXIV
Restated Consolidated Statement of Other Income

(Amount in ₹ million)

Particulars	For the year ended			
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**
<u>Other Income:</u>				
Profit on Exchange	0.01	829.66	-	1,009.71
Profit on sale of Assets (Net)	-	-	(0.32)	-
Sundry Balances Written Back (Net)	-	-	-	-
Interest on Income-tax Refund	166.82	-	2,327.67	54.70
Motor Pool Service changrs	-	-	-	32.35
(Provision) / Doubtful Debts written back	-	1,573.30	-	-
Miscellaneous Receipts	14.38	23.34	20.78	3.19
Total	**181.21**	**2,426.30**	**2,348.13**	**1,099.95**

Profit Before Tax	**34,165.06**	**30,214.04**	**28,305.04**	**23,024.30**
Other Income proportion of profit	**0.53%**	**8.03%**	**8.30%**	**4.78%**

Annexure XXV

Restated Consolidated statement of capitalization

(Amount in ₹ million)

Particulars	Year Ended 31.03.2017	As adjusted for issue
Shareholders' funds		
Share capital	4,300.00	
Share application money	-	
Reserve and surplus	190,998.38	
Deferred Tax Asset	(161.45)	
Total Shareholder's Funds (Net worth) (A)	**195,136.93**	
Debt		Refer Note 1 and 2 mentioned below
Long term borrowings -	-	
Short term borrowings -	-	
Other borrowings (current maturity of long term borrowings) -	-	
Total debt (B) -	**-**	
Total (A+B)	**195,136.93**	
Long term debt/equity ratio -	-	
Total debt equity ratio -	-	

Note 1 : The above has been computed on the basis of Restated Consolidated Financial Statements

Note 2 : The Corresponding post IPO Capitalisation data for each of the above amounts given in the table is not determinable at this stage pending the Completion of Book Building process and hence the same have not been provided in the above Statement.

Annexure XXVI
Restated Consolidated statement of Tax Shelter

(Amount in ₹ million)

Particulars	For the year ended			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Surplus as per Revenue Account	21,421.39	15,901.58	15,612.64	16,033.88
Income as per Profit & Loss Account	14,107.78	15,650.78	13,591.48	8,126.99
Surplus as restated	**35,529.17**	**31,552.36**	**29,204.12**	**24,160.87**
Tax thereon at above rate	**6,979.18**	**6,373.94**	**5,936.10**	**4,831.13**
Adjustments on account of permanent differences:				
Exemption u/s 10(34)-Dividend Income	5,484.41	5,257.63	4,742.23	4,548.42
Exemption u/s 10(23F)-Dividend Income-VCF	4.28	2.04	0.15	0.60
Exemption u/s 10(15)-Interest on Tax free Bonds	12.38	11.54	15.85	18.05
Exemption u/s 115JB(5A)-Income from Life Insurance Business	-	708.60	393.99	69.90
Any other amount allowable as deduction	-	60.22	60.22	60.22
Total Permanent Difference	**5,501.07**	**6,040.03**	**5,212.44**	**4,697.19**
Adjustments on account of temporary differences:				
Expenses disallowed	300.50	420.77	1,110.75	1,255.63
Total adjustments	**300.50**	**420.77**	**1,110.75**	**1,255.63**
Tax on adjustments	64.13	89.80	232.82	263.19
Gross Taxable Profit	**30,328.60**	**25,933.10**	**25,102.43**	**20,719.31**
Brought forward losses adjusted	-	-	-	-
Taxable Profit	**30,328.60**	**25,933.10**	**25,102.43**	**20,719.31**
Tax liability on Taxable Profit	5,869.29	5,175.81	5,077.16	4,109.76
Tax liability of London Branch	303.31	199.74	86.56	-
Tax liability on Taxable Profit (adjusted for rounding off)	5,886.69	5,181.37	5,084.23	4,120.00
Tax provision made	6,190.00	5,381.11	5,170.80	4,120.00

Annexure XXVII
Restated Consolidated Statement of debtors

(Amount in ₹ million)

Particulars	For the year ended			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Receivables outstanding for a period not exceeding 90 days from the date they became due for payment				
1. Due from other entities carrying insurance business (including reinsurers)	96,770.60	25,934.79	25,119.92	21,522.17
2. Sundry Debtors	1,321.65	175.70	3,405.39	966.27
Other Debts	16,360.30	12,999.40	14,289.90	11,331.20
Total	**114,452.55**	**39,109.89**	**42,815.21**	**33,819.64**

Note: 1 Other Debts include debtors oustanding for a period exceeding 90 days from the date they became due for recovery.

Note: 2 The age wise bifurcation of Debtors is not available for GIC Re, South Africa (a subsidiary) for the F.Y.2014-15 and for GIC Re, UK Corporate Member (a subsidiary) for F.Y.2013-14 and F.Y.2014-15. Hence, total debtors of the said subsidiaries are considered to be outstanding for a period exceeding 90 days from the date they became due for recoverv.

Annexure XXVIII

Restated Consolidated Statement of dividend -Paid

(Amount in ₹ million)

Particulars	For the year ended			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Number of equity shares at the year end*	4,300	4,300	4,300	4,300
Face value per equity share (Rs)*	1	1	1	1
Dividend: Paid				
- Interim dividend Paid (Rs. Millions)	-	-	-	1,182.50
- Final dividend (Rs. Millions)	8,600.00	5,400.00	3,311.00	4,687.00
Rate of dividend (%)	200.00%	125.58%	77.00%	109.00%
Dividend distribution tax (in Rs. Millions)	1,750.79	1099.33	562.70	997.53

* The face value of Equity share is consolidated from Re 1/- to Rs.5/- per share subsequent to the date of Balance Sheet.

Annexure XXIX
Restated Consolidated Statement of Related Party Transactions

List of Related Parties

Key Management Personnel

2016-17	2015-16	2014-15	2013-14
Mrs. Alice G. Vaidyan, Chairman cum Managing Director	Mrs. Alice G. Vaidyan, Chairman cum Managing Director	Mr. A.K. Roy, Chairman cum Managing Director	Mr. A.K. Roy, Chairman cum Managing Director
Mr. Pauly Sukumar N, Chief Marketing Officer	Mr. K Sanath Kumar, Acting CMD	Mr. G C Gaylong, Chief Marketing Officer & Chief of Internal Audit	Mr. P. Venkatramaiah, Chief of Internal Audit, Chief Financial Officer & Chief Marketing Officer
Mr. Satyajit Tripathy, Chief Investment Officer	Mr. A.K. Roy, Chairman cum Managing Director	Mr. N. Mohan, Chief Investment Officer	Ms. Madhulika Bhaskar, Chief Risk Officer
Mr. G C Gaylong, Chief of Internal Audit	Mr. G C Gaylong, Chief of Internal Audit & Chief Ma	Mrs. Alice G. Vaidyan, Chief Financial Officer	Ms. Suchita Gupta,Company Secretary & Chief Compliance Officer
Mr. V C Jain, Chief Financial Officer	Mr. Satyajit Tripathy, Chief Investment Officer	Ms. Madhulika Bhaskar, Chief Risk Officer	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)
Ms. Madhulika Bhaskar, Chief Risk Officer	Mr. R.K. Deka, Chief of Internal Audit	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	Ms. Padmaja R., Appointed Actuary (Life Insurance)
Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	Mrs. Alice G. Vaidyan, Chief Financial Officer	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)	-
Ms. Priscilla Sinha, Appointed Actuary (General Insurance)	Mr. V C Jain, Chief Financial Officer	Ms. Padmaja R., Appointed Actuary (Life Insurance)-	-
Ms. Padmaja R., Appointed Actuary (Life Insurance)	Ms. Madhulika Bhaskar, Chief Risk Officer	-	-
-	Ms. Suchita Gupta, Company Secretary & Chief Compliance Officer	-	-
-	Mr. Ashok Kumar Garg, Appointed Actuary (General Insurance)	-	-
-	Ms. Padmaja R., Appointed Actuary (Life Insurance)	-	-

Annexure XXIX
Restated Consolidated Statement of Related Party Transactions

Key Managerial Remuneration

For FY 2016-17

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
1	Mrs. Alice G. Vaidyan	Chairman cum Managing Director	2.76	0.25	-	-	0.02	-	0.05
2	Mr. Pauly Sukumar N	Chief Marketing Officer	2.19	0.13	0.20	-	0.02	-	0.06
3	Mr. Satyajit Tripathy	Chief Investment Officer	1.97	0.12	0.18	0.05	0.02	-	0.08
4	Mr. G C Gaylong	Chief of Internal Audit	2.41	0.15	0.22	-	0.02	-	0.07
5	Mr. V C Jain	Chief Financial Officer	2.13	0.13	0.19	-	0.02	-	0.08
6	Ms. Madhulika Bhaskar	Chief Risk Officer	1.85	0.13	-	-	0.02	-	0.08
7	Ms. Suchita Gupta	Chief Compliance Officer	2.06	0.13	0.19	-	0.02	-	0.08
8	Ms. Priscilla Sinha	Appointed Actuary (General Insurance)	4.08	-	-	-	-	-	-
9	Ms. Padmaja R.	Appointed Actuary (Life Insurance)	-	-	-	-	-	-	3.4*

* Refers to professional fees

For FY 2015-16

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perquisite	Loan Perquisite	Vehicle Perquisite	LTS perquisite	Other perquisite
1	Alice Vaidyan (23.01.16 to 31.03.16)	Chairman-cum-Managing Director	1.59	0.26	-	-	-	-	-
2	Alice Vaidyan (01.04.15 to 04.09.15)	Chief Financial Officer	0.67	0.03	-	-	0.01	-	-
3	K.Sanath Kumar (31.07.15 to 18.02.16)	Acting Chairman-cum-Managing Director	2.21	0.28	-	-	-	-	-
4	A.K. Roy (01.04.15 to 31.07.15)	Chairman-cum-Managing Director	0.72	0.03	0.03	-	0.01	-	0.18
5	G.C.Gaylong (27.01.16 to 31.03.16)	Director	0.98	0.14	0.02	-	-	-	-
6	V.C.Jain (04.09.15 to 31.03.16)	Chief Financial Officer	1.81	0.25	0.06	-	0.01	-	-
7	Suchita Gupta (01.04.15 to 31.03.16)	Company Secretary	2.31	0.31	0.11	-	0.02	-	-
8	Mr. Satyajit Tripathy	Chief Investigation Officer	2.25	0.26	0.09	0.05	0.02	-	0.01
9	Mr. R K Deka (DOR: 31.01.2016)	Chief of Internal Audit	5.95	0.38	0.08	-	0.02	-	0.08
10	Mrs. Madhulika Bhaskar	Chief Risk Officer	2.40	0.27	-	-	0.02	-	-
11	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	2.09*
12	Ms. Padmaja R.	Appointed Actuary (Life Insurance)	-	-	-	-	-	-	2.96*

* Refers to professional fees

For FY 2014-15

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perks	Loan Perks	Vehicle Perks	LTS Perks	Other perks
1	A.K. Roy	Chairman-cum-Managing Director	2.59	0.22	0.13	-	0.02	-	-
2	Alice Vaidyan	Chief Financial Officer	1.44	0.19	-	-	0.02	-	0.01
3	Suchita Gupta	Company Secretary	1.19	0.06	0.08	-	0.02	0.43	-
4	Mr. G.C. Gaylong: DOJ 30.06.2014	Chief Marketing Officer & chief of Internal A	1.05	0.05	0.07	-	-	-	-
5	Mr. N. Mohan	Chief Investment Officer	1.63	0.07	0.11	-	0.02	-	-
6	Ms. Madhulika Bhaskar	Chief Risk Officer	1.41	0.06	-	-	0.02	-	0.14
7	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	1.99*
8	Ms. Padmaja R.	Appointed Actuary (Life Insurance)	-	-	-	-	-	-	2.58*

* Refers to professional fees

For FY 2013-14

Sl. No	Name	Designation	Gross Salary	Corp.'s P.F.	House Perks	Loan Perks	Vehicle Perks	LTS Perks	Other perks
1	Mr. A.K. Roy	Chairman-cum-Managing Director	1.92	0.09	0.13	-	0.02	-	-
2	Mr. P. Venkatramaiah,	Chief of Internal Audit, Chief Financial Officer & Chief Marketing Officer	1.43	0.07	0.08	-	0.02	-	-
3	Ms. Madhulika Bhaskar	Chief Risk Officer	1.22	0.06	-	-	0.02	-	-
4	Ms. Suchita Gupta,	Company Secretary & Chief Compliance Officer	1.28	0.06	0.09	-	0.02	-	-
5	Mr. Ashok Kumar Garg,	Appointed Actuary (General Insurance)	-	-	-	-	-	-	1.53*
6	Ms. Padmaja R.	Appointed Actuary (Life Insurance)	-	-	-	-	-	-	1.20*

* Refers to professional fees

Annexure XXX

Restated Consolidated Statement of Aggregate Book Value and Market Value of Quoted Investments

(Amount in ₹ million)

Asset Type	Equity				Others			
Years	**31.03.2017**	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2017**	**31.03.2016**	**31.03.2015**	**31.03.2014**
Book value as reported to IRDA	76,283.65	75,317.75	70,531.87	68,677.29	263,962.17	228,418.47	200,130.77	178,487.08
Fair Value Change Account *	299,607.19	233,640.14	280,958.52	205,319.37	755.95	919.70	510.17	-
Carrying Value as per Balance Sheet	375,900.36	309,141.16	351,489.98	273,996.66	264,720.65	229,350.15	200,653.06	178,487.08
Market Value	375,852.34	309,066.11	351,513.65	273,767.44	276,686.99	235,445.73	205,724.93	173,355.67

* **Fair Value Change Account** - Unrealized gains/losses arising due to changes in the fair value of listed equity shares and mutual fund units are taken under the head "Fair Value Change Account" and on realization reported inProfit and Loss Account.

ADDITIONAL DISCLOSURES OF FINANCIAL STATEMENTS UNDER IRDAI ISSUANCE OF CAPITAL REGULATIONS

1. Gross premium along with Geographical segmentation: See "*Our Business - Geographic Mix of Business*" beginning on page 126.

2. Cross selling: N.A.

3. Distribution network: See "*Our Business section - Direct Client Relationships and Brokers*" beginning on page 139.

4. Operating expense ratio:

Restated Standalone Financial Information

(₹ in millions)

Particulars	Operating Expense	Net Written Premium	Operating Expense Ratio
FY2017	2,392.34	301,745.56	0.79%
FY2016	1,803.37	163,747.84	1.10%
FY2015	1,587.25	138,570.13	1.15%

Note:

1. *The above information is as per Restated Standalone Financials Information*
2. *Operating expense ratio = Operating expenses /Net written premium*
3. *Operating expense – See "Financial Statements – Annexure XII" beginning on page 271*
4. *Net Written Premium – See "Financial Statements – Annexure IX" beginning on page 262*

Restated Consolidated Financial Information

(₹ in millions)

Particulars	Operating Expense	Net Written Premium	Operating Expense Ratio
FY2017	2,513.83	303,003.27	0.83%
FY2016	1,900.07	164,704.05	1.15%
FY2015	1,651.53	139,388.95	1.18%

Note:

1. *The above information is as per Restated Consolidated Financial Information*
2. *Operating expense ratio = Operating expenses /Net written premium*
3. *Operating expense – See "Financial Statements - Annexure XII" of Restated Consolidated Financial Information beginning on page 363.*
4. *Net Written Premium – See "Financial Statements - Annexure IX" beginning on page 353*

5. Investment yield (weighted based on closing portfolio):

Particulars	2017	2016	2015
Portfolio Yield (%)	12.35	12.91	14.08

6. Investment in equity and bonds: See "*Our Business - Investments*" beginning on page 142.

7. Reinsurance and reinsurance strategy:

Fire Reinsurance Domestic – 2016-17

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	2	-	-	-	-	-	-	35.04
Reinsurer's with rating of AA but less than AAA	45	-	5,847.36	-	-	303.20	-	1,321.00
Reinsurer's with rating of A but less than AA	123	42.53	4,435.72	-	-	1.60	-	2,243.70
Reinsurers with rating BBB but less than A	25	4.12	291.58	-	-	-	-	323.98
Reinsurer's with rating **less than BBB**	5	2.57	130.67	-	-	-	-	34.26
Govt. Companies (Domestic & Foreign)	7	-	128.31	-	-	-	-	178.58
Pools	2	-	31.45	-	-	-	-	
Others	60	-	297.11	-	-	-	-	287.05
Total	269	49.22	11,162.20	-	-	304.80		4423.61

Fire Reinsurance Domestic – 2015-16

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	1	-	-	-	-	-	-	5.78
Reinsurer's with rating of AA but less than AAA	33	-	3,364.83	-	-	-	-	820.87
Reinsurer's with rating of A but less than AA	129	-	2,921.61	-	-	-	-	933.06
Reinsurers with rating BBB but less than A	4	-	151.95	-	-	-	-	205.83
Reinsurer's with rating **less than BBB**		-	12.38	-	-	-	-	21.33
Govt. Companies (Domestic & Foreign)	8	-	68.82	-	-	-	-	54.52
Pools	2	-	39.15	-	-	-	-	-
Others	54	-	44.59	-	-	-	-	1,146.16
Total	230	-	6,603.33	-	-	-	-	3,187.55

Fire Reinsurance Domestic – 2014-15

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	
Reinsurer's with rating of AA but less than AAA	40	-	2,043.28	-	-	-	-	643.02
Reinsurer's with rating of A but less than AA	99	-	1,364.89	-	-	-	-	836.46
Reinsurers with rating BBB but less than A	19	-	89.13	-	-	-	-	15.90
Reinsurer's with rating **less than BBB**	8	-	12.15	-	-	-	-	45.67
Govt. Companies (Domestic & Foreign)	9	-	22.49	-	-	-	-	55.99
Pools	2	-	43.41	-	-	-	-	
Others	26	-	(675.58)	-	-	-	-	569.88
Total	203	-	2,899.77	-	-	-	-	2,166.92

Fire Reinsurance Foreign – 2016-17

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	2	-	116.07	-	-	-	-	-
Reinsurer's with rating of A but less than AA	39	-	4,660.06	-	-	-	-	-
Reinsurers with rating BBB but less than A	2	-	8.08	-	-	-	-	-
Reinsurer's with rating **less than BBB**	1	-	45.43	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	7	-	249.99	-	-	-	-	-
Pools	-	-	-	-	-	-	-	-
Others	6	-	23.62	-	-	-	-	-
Total	57	-	5,103.26	-	-	-	-	-

Fire Reinsurance Foreign – 2015-16

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-		-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	4	-	233.66	-	-	-	-	-
Reinsurer's with rating of A but less than AA	32	-	3,085.40	-	-	-	-	-
Reinsurers with rating BBB but less than A	3	-	28.16	-	-	-	-	-
Reinsurer's with rating **less than BBB**	1	-	32.96	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	8	-	180.06	-	-	127.31	3.92	-
Pools	1	-		-	-	-	9.01	-
Others	6	-	19.00	-	-	-55.57	-	-
Total	55	-	3,579.25	-	-	71.74	12.93	-

Fire Reinsurance Foreign – 2014-15

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	7	-	4.84	-	-	-	-	-
Reinsurer's with rating of A but less than AA	41	-	1,950.77	-	-	-	-	-
Reinsurers with rating BBB but less than A	3	-	86.80	-	-	-	-	-
Reinsurer's with rating **less than BBB**	1	-	11.21	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	8	-	143.98	-	-	6.73	328.93	-
Pools	-	-		-	-	-	-	-
Others	9	-	16.70	-	-	-	-	-
Total	69	-	2,214.31	-	-	6.73	328.93	-

Marine Reinsurance – 2016-17

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	3	-	3.69	-	-	11.33	-	-
Reinsurer's with rating of AA but less than AAA	19	-	155.62	-	-	275.92	-	-
Reinsurer's with rating of A but less than AA	67	-	1,128.92	-	-	282	-	-
Reinsurers with rating BBB but less than A	14	-	71.22	-	-	44	-	-
Reinsurer's with rating **less than BBB**	2	-	58.92	-	-	6	-	-
Govt. Companies (Domestic & Foreign)		-	3.69	-	-	118	-	-
Pools	4	125.52	-	-	-	-	-	-
Others	1	-	-	-	-	1.55	-	-
Total	110	125.52	1,418.37	-	-	737.63	-	-

Marine Reinsurance – 2015-16

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	Nil	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	12	-	118.88	-	-	0.23	-	-
Reinsurer's with rating of A but less than AA	50	-	1,020.03	-	-	7.30	-	-
Reinsurers with rating BBB but less than A	10	-	67.41	-	-	6.69	-	-
Reinsurer's with rating **less than BBB**	1	-	6.11	-	-	0.02	-	-
Govt. Companies (Domestic & Foreign)	7	-	32.29	-	-	81.15	-	-
Pools		196.22	0.00	-	-	-	-	-
Others	8	-	2.35	-	-	67.22	-	-
Total	88	196.22	1,247.06	-	-	162.61	-	-

Marine Reinsurance – 2014-15

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	Nil	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	16	-	629.06	-	-	0.39	-	-
Reinsurer's with rating of A but less than AA	44	-	327.14	-	-	12.05	-	-
Reinsurers with rating BBB but less than A	11	-	69.96	-	-	0.22	-	-
Reinsurer's with rating **less than BBB**	2	-	29.80	-	-	7.36	-	-
Govt. Companies (Domestic & Foreign)	3	-	22.03	-	-	197.80	-	-
Pools	4	209.57	0.00	-	-	0.00	-	-
Others	7	-	0.14	-	-	53.84	-	-
Total	87	209.57	1,078.14	-	-	271.67	-	-

Engineering Reinsurance – 2016-17

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	3	-	130.03	-	-	-	-	-
Reinsurer's with rating of A but less than AA	57	-	61.90	-	-	-	-	0.52
Reinsurers with rating BBB but less than A	18	-	1.52	-	-	-	-	0.03
Reinsurer's with rating **less than BBB**	3	-	0.55	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	6	-	0.51	-	-	-	-	-
Pools	2	-	0.33	-	-	-	-	-
Others	14	-	77.43	-	-	-	-	9.08
Total	103	-	272.28	-	-	-	-	9.63

Engineering Reinsurance – 2015-16

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	8	-	492.11	-	-	-	-	-
Reinsurer's with rating of A but less than AA	81	-	486.94	-	-	-	-	3.36
Reinsurers with rating BBB but less than A	19	-	37.57	-	-	-	-	0.37
Reinsurer's with rating **less than BBB**	4	-	4.89	-	-	-	-	0.13
Govt. Companies (Domestic & Foreign)	6	-	12.42	-	-	-	-	-
Pools	2	-	8.63	-	-	-	-	-
Others	18	-	165.48	-	-	-	-	27.12
Total	138	-	1214.48	-	-	-	-	30.98

Engineering Reinsurance – 2014-15

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	17	-	497.43	-	-	-	-	-
Reinsurer's with rating of A but less than AA	42	-	323.54	-	-	-	-	0.25
Reinsurers with rating BBB but less than A	11	-	22.21	-	-	-	-	-
Reinsurer's with rating **less than BBB**	6	-	3.82	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	6	-	9.39	-	-	-	-	-
Pools	1	-	2.34	-	-	-	-	-
Others	8	-	29.46	-	-	-	-	22.78
Total	91	-	890.29	-	-	-	-	23.03

Aviation Reinsurance – 2016-17

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	16	-	263.70	-	-	60.38	-	-
Reinsurer's with rating of A but less than AA	55	-	360.57	-	-	48.57	2.67	-
Reinsurers with rating BBB but less than A	6	-	(10.03)	-	-	-	39.72	-
Reinsurer's with rating **less than BBB**	4	-	2.11	-	-	41.21	-	-
Govt. Companies (Domestic & Foreign)	4	-		-	-	56.61	-	-
Pools	1	-	0.83	-	-	(29.62)	-	-
Others	4	-	22.08	-	-	0.55	-	-
Total	90	-	639.26	-	-	177.70	42.39	-

Aviation Reinsurance – 2015-16

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	13	-	50.04	-	-	70.83	-	-
Reinsurer's with rating of A but less than AA	60	-	620.98	-	-	73.00	3.43	-
Reinsurers with rating BBB but less than A	4	-	13.53	-	-	18.62	15.31	-
Reinsurer's with rating **less than BBB**	2	-	0.62	-	-	15.25	-	-
Govt. Companies (Domestic & Foreign)	4	-		-	-	53.24	-	-
Pools	1	-	0.30	-	-	3.86	-	-
Others	4	-	37.73	-	-	(2.63)	-	-
Total	88	-	723.20	-	-	232.18	18.75	-

Aviation Reinsurance – 2014-15

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**		-		-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	17	-	18.82	-	-	75.62	-	-
Reinsurer's with rating of A but less than AA	61	-	672.92	-	-	37.91	2.48	-
Reinsurers with rating BBB but less than A	4	-	11.60	-	-	(19.14)	-	-
Reinsurer's with rating **less than BBB**	2	-	1.02	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	4	-		-	-	53.27	-	-
Pools	1	-	1.55	-	-	19.51	-	-
Others	6	-	63.62	-	-	22.70	-	-
Total	95	-	769.53	-	-	189.86	2.48	-

Health Reinsurance – 2016-17

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	-	-	-	-	-	-	-	-
Reinsurer's with rating of A but less than AA	1	-	-	-	-	-	1,112.27	-
Reinsurers with rating BBB but less than A	-	-	-	-	-	-	-	-
Reinsurer's with rating **less than BBB**	-	-	-	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	-	-	-	-	-	-	-	-
Pools	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total	1	-	-	-	-	-	1,112.27	-

Liability Reinsurance – 2016-17

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	1	-	2.44	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	11	-	87.44	-	-	58.2	-	-
Reinsurer's with rating of A but less than AA	9	-	39.66	-	-	3.08	-	-
Reinsurers with rating BBB but less than A	2	-	2.76	-	-	-	-	-
Reinsurer's with rating **less than BBB**	2	-	0.77	-	-	-	-	-
Govt. Companies (Domestic & Foreign)		-	-	-	-	-	-	-
Pools		-	-	-	-	-	-	-
Others	2	-	2.29	-	-	-	-	-
Total	27	-	135.37	-	-	61.28	-	-

Liability Reinsurance – 2015-16

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	-	-	-	-	-	-	-	-
Reinsurer's with rating of A but less than AA	3	-	89.05	-	-	-	-	-
Reinsurers with rating BBB but less than A	-	-	-	-	-	-	-	-
Reinsurer's with rating **less than BBB**	-	-	-	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	-	-	-	-	-	-	-	-
Pools	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total	3	-	89.05	-	-	-	-	-

Liability Reinsurance – 2014-15

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS							
		Reinsurance Placements				Specific Retros			
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	4	-	35.03	-	-	-	-	-
Reinsurer's with rating of A but less than AA	18	-	79.56	-	-	-	-	-
Reinsurers with rating BBB but less than A		-	-	-	-	-	-	-
Reinsurer's with rating **less than BBB**	1	-	0.25	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	1	-	0.25	-	-	-	-	-
Pools		-	-	-	-	-	-	-
Others	1	-	1.53	-	-	-	-	-
Total	25	-	116.62	-	-	-	-	-

Credit Reinsurance – 2016-17

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	-	-	-	-	-	-	-	-
Reinsurer's with rating of A but less than AA	3	Nil	446.00	Nil	Nil	Nil	-	-
Reinsurers with rating BBB but less than A	-	-	-	-	-	-	-	-
Reinsurer's with rating **less than BBB**	-	-	-	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	-	-	-	-	-	-	-	-
Pools	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total	3	-	446.00	-	-	-	-	-

Credit Reinsurance – 2015-16

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	-	-	-	-	-	-	-	-
Reinsurer's with rating of A but less than AA	3	Nil	450.00	Nil	Nil	Nil	-	-
Reinsurers with rating BBB but less than A	-	-	-	-	-	-	-	-
Reinsurer's with rating **less than BBB**	-	-	-	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	-	-	-	-	-	-	-	-
Pools	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total	3	-	450.00	-	-	-	-	-

Personal Accident Reinsurance – 2015-16

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-		-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	-	-		-	-	-	-	-
Reinsurer's with rating of A but less than AA	5	-	2.18	-	-	-	-	-
Reinsurers with rating BBB but less than A	1	-	0.26	-	-	-	-	-
Reinsurer's with rating **less than BBB**	2	-	2	-	-	-	-	-
Govt. Companies (Domestic & Foreign)		-	-	-	-	-	-	-
Pools	1	-	0.26	-	-	-	-	-
Others		-	-	-	-	-	-	-
Total	9	-	5.14	-	-	-	-	-

Personal Accident Reinsurance – 2014-15

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-		-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	4	-	8.71	-	-	-	-	-
Reinsurer's with rating of A but less than AA	6	-	2.11	-	-	-	-	-
Reinsurers with rating BBB but less than A	1	-	0.30	-	-	-	-	-
Reinsurer's with rating **less than BBB**	1	-	0.19	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	-	-		-	-	-	-	-
Pools	1	-	0.38	-	-	-	-	-
Others	-	-		-	-	-	-	-
Total	13	-	11.69	-	-	-	-	-

Other Miscellaneous Reinsurance – 2016-17

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	8	4.03	390.20	3,852.26	-	-	-	-
Reinsurer's with rating of A but less than AA	64	0.15	264.94	2,577.23	-	-	-	-
Reinsurers with rating BBB but less than A	18	-	1.54	324.46	-	-	-	-
Reinsurer's with rating **less than BBB**	3	-	0.55	16.95	-	-	-	-
Govt. Companies (Domestic & Foreign)	6	-	0.51	9.19	-	-	-	-
Pools	2	-	0.33	-	-	-	-	-
Others	9	-	198.16	-	-	-	-	-
Total	110	4.19	856.23	6,780.09	-	-	-	-

Other Miscellaneous Reinsurance – 2015-16

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS							
		Reinsurance Placements				Specific Retros			
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative	
			Excess of Loss	Stop Loss					
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-	
Reinsurer's with rating of AA but less than AAA	7	-	761.896	2.75	-	-	-	-	
Reinsurer's with rating of A but less than AA	79	-	653.012	912.03	-	-	-	-	
Reinsurers with rating BBB but less than A	16	-	29.325	1.75	-	-	-	-	
Reinsurer's with rating **less than BBB**	3	-	1.115	0.00	-	-	-	-	
Govt. Companies (Domestic & Foreign)	6	-	11.562	-	-	-	-	-	
Pools	2	-	7.053	-	-	-	-	-	
Others	8	-	1.263	0.15	-	-	-	-	
Total	121	-	1,465.23	916.69	-	-	-	-	

Other Miscellaneous Reinsurance – 2014-15

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS							
		Reinsurance Placements				Specific Retros			
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative	
			Excess of Loss	Stop Loss					
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-	
Reinsurer's with rating of AA but less than AAA	15	-	438.19	602.055	-	-	-	-	
Reinsurer's with rating of A but less than AA	73	-	296.39	376.436	-	-	-	-	
Reinsurers with rating BBB but less than A	11	-	19.31	1.006	-	-	-	-	
Reinsurer's with rating **less than BBB**	6	-	2.79	-	-	-	-	-	
Govt. Companies (Domestic & Foreign)	6	-	7.99	-	-	-	-	-	
Pools	2	-	8.48	-	-	-	-	-	
Others	9	-	5.03	14.888	-	-	-	-	
Total	122	-	778.19	994.39	-	-	-	-	

Life Reinsurance – 2016-17

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	-	-	-	-	-	-	-	-
Reinsurer's with rating of A but less than AA	1	-	-	-	-	247.52	-	-
Reinsurers with rating BBB but less than A	-	-	-	-	-	-	-	-
Reinsurer's with rating **less than BBB**	-	-	-	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	-	-	-	-	-	-	-	-
Pools	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total	1	0.00	-	-	-	247.52	-	-

Life Reinsurance – 2015-16

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	-	-	-	-	-	-	-	-
Reinsurer's with rating of A but less than AA	1	-	-	-	-	403.90	-	-
Reinsurers with rating BBB but less than A	-	-	-	-	-	-	-	-
Reinsurer's with rating **less than BBB**	-	-	-	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	-	-	-	-	-	-	-	-
Pools	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total	1	0.00	-	-	-	403.90	-	-

Life Reinsurance – 2014-15

S&P Ratings	No. of Reinsurers	PREMIUM CEDED TO REINSURERS						
		Reinsurance Placements				Specific Retros		
		Proportional	Non-Proportional		Facultative	Proportional	Non-Proportional	Facultative
			Excess of Loss	Stop Loss				
Reinsurer's with rating of **AAA**	-	-	-	-	-	-	-	-
Reinsurer's with rating of AA but less than AAA	-	-	-	-	-	-	-	-
Reinsurer's with rating of A but less than AA	1	-	-	-	-	376.31	-	-
Reinsurers with rating BBB but less than A	-	-	-	-	-	-	-	-
Reinsurer's with rating **less than BBB**	-	-	-	-	-	-	-	-
Govt. Companies (Domestic & Foreign)	-	-	-	-	-	-	-	-
Pools	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total	1	0.00	-	-	-	376.31	-	-

8. **Reinsurance Balances outstanding - age wise**:

Year	0 To 30 days (INR Mn)	31 To 60 days (INR Mn)	61 To 90 days(INR mn)	91 To 180 days (INR Mn)	181 To 365 days (INR mn)	More than 1 year (INR mn)	More Than 3 years (INR Mn)	TotalAmount (INR Mn)
2016-17	81,533.48	1,678.23	1,373.28	4,766.65	626.48	(172.12)	2,703.53	92,524.37
2015-16	12,879.61	(1,717.23)	1,145.56	1,500.22	2,753.54	(1,823.61)	3,557.71	18,425.16
2014-15	18,734.69	(48.34)	950.47	(1,462.61)	566.84	2,666.79	678.83	22,079.58

9. **Maximum probable loss ratio**:

"Probable Maximum Loss (PML)' is the maximum loss that an insurer would be expected to incur on a policy. The probable maximum loss represents the worst-case scenario for an insurer. We track our reinsurance exposures on both a sum-insured basis and a probable maximum loss ("**PML**") basis."

10. **IBNR / IBNER**:

Statement of IBNR - Standalone for the year ended

Amount in ₹ Million

Class of Business	3/31/2017	3/31/2016	3/31/2015	3/31/2014	3/31/2013
Fire	27,769.60	21,932.15	22,515.29	19,929.83	17,891.95
Miscellaneous	-	-	-	-	-
Motor	26,061.72	21,350.51	14,402.16	4,387.43	7,425.06
Aviation	2,384.54	2,313.28	1,832.57	2,876.99	4,429.12
Engineering	6,014.29	4,863.08	3,701.70	4,397.63	1,304.60
Workmen Compensation	227.77	53.00	25.12	39.03	136.04
Liability	916.79	643.29	239.38	334.29	294.01
Personal Accident	1,560.86	786.02	1,039.17	1,817.42	2,589.79
Health	5,834.75	9,543.62	11,328.08	7,855.17	8,443.02
Agriculture *	57,318.02	-	-	-	-
Other Miscellaneous	2,407.90	3,280.67	2,468.95	3,692.38	3,281.58
Financial Liability/Credit	404.33	625.85	328.11	775.32	
Marine Cargo	1,576.97	1,612.38	744.09	824.48	951.32
Marine Hull	3,900.78	2,991.62	2,714.77	1,599.13	1,690.17
Life	1,404.88	854.71	419.44	249.35	74.10
Total	**137,783.20**	**70,850.18**	**61,758.84**	**48,778.45**	**48,510.76**

Note*: Prior to year ended 31.03.2017, IBNR of Agriculture was included in Other Miscellaneous class of business*

11. **Claims outstanding for last five years:**

Class of Business	2016-17	2015-16	2014-15	2013-14	2012-13
Fire	86,761.87	73,001.06	67,582.23	76,208.07	68,743.34
Marine Cargo	5,997.05	5,899.04	5,556.87	5,225.66	5,891.19
Marine Hull	11,948.36	9,740.97	9,681.43	7,238.54	7,893.01
Engineering	16,367.96	16,497.84	18,382.48	17,748.57	10,769.02
Motor	78,863.60	61,161.10	51,587.89	54,058.41	53,975.42
Health	11,364.04	12,428.27	12,700.83	9,158.10	10,014.82
Personal Accident	2,772.65	2,015.98	1,888.77	2,406.55	3,452.07
Liability	1,982.66	1,726.14	1,579.54	1,842.67	1,231.06
Aviation	8,197.97	8,550.14	8,803.94	7,900.82	9,253.36
Work. Comp.	358.44	210.19	161.46	163.24	230.49
Credit	3,773.87	6,872.78	6,648.24	5,885.22	3,479.27
Other Misc	65,560.96	9,924.88	9,707.15	10,337.91	10,079.80
Life	1,845.53	1,047.22	853.94	595.08	217.74
Total	295,794.96	209,075.62	195,134.77	198,768.84	185,230.59

Awards given by Ombudsman our Corporation for last 3 years: N.A.

12. **Interest rate sensitivity**:

As a Reinsurance company, most of our Corporation's liabilities are short term in nature and payments are not guaranteed or based on investment returns of the assets. Hence for a Reinsurance company, the interest rate risk is not so significant.

On the assets side, our Corporation invests in various debt securities ranging from central government securities, state government securities, debentures, tax free securities and money market instruments. For interest rate sensitivity of such debt securities, our Corporation carries out various scenario testing to analyse the sensitivity of the portfolio with respect to interest rate movements

13. **Manner of arriving at unrealized gains / losses**:

As per IRDAI Preparation of Financial Statements Regulations all insurers are required to fair value equity and mutual funds. All listed equity securities traded in the active markets shall be measured at fair value on the balance sheet date. Measurement for the purpose of calculation of fair value shall be the last quoted closing price on NSE. However, in case of any stock not being listed in NSE, the insurer may value the equity based on the last quoted closing price in BSE. All mutual funds are valued at NAV provided by AMFI.

The purchase price in case of equity is computed after capitalising brokerage and other transaction cost and taxes on such transactions.

The NAV at which the mutual fund instrument is purchased forms the purchase price for such mutual fund.

The unrealized gain is the difference between fair value and book cost.

All the debt securities including government securities, debentures/bonds, zero coupon bonds, certificate of deposits, commercial papers are valued at cost subject to amortization.

Venture funds are valued at cost

14. **Solvency ratio**: See "*Financial Statements - Annexure VII - Restated Standalone Financial Information*" and *"Annexure VII - Restated Consolidated Financial Information*" on pages 254 and 345 respectively.

Agent Productivity: N.A.

15. Certification by Auditor Solvency Margin and IBNR Reserves: See "*Material Contracts and Documents For Inspection*" on page 519.

16. **Details of Experience Analysis**: adequacy of premiums, reserves, Assets Liability Management disclosed:

<u>Premium Adequacy:</u>

The company's approach to pricing is consistent from the previous year. The rating is based on experience and will take into consideration the claims history, premium payment terms, statement of values and other key factors. Where possible catastrophe model output is used for specific proposals. Where catastrophe models or their output are not available (mainly foreign treaties), past loss experience for the cedent and the concerned territory is analysed to arrive at an expected loss ratio.

The extent to which GIC Re has direct control over pricing is summarised below. Proportional Treaties: For Domestic Obligatory treaties, GIC has no direct control and follows the fortunes of the market. For Other than Obligatory, GIC has extremely limited ability to influence the pricing structures of its cedents. Indirect control is exercised through ceding commission/profit commission terms, loss corridors, which enable GIC to manage the ultimate profitability of such contracts.

Excess of loss treaty: Technical pricing is carried out. Market forces frequently play a role in establishing the final price. M&D terms and the conditions for payment of reinstatement premiums give some capability to enhance the final profitability

Facultative: Whilst GIC's pricing will be affected by the original terms, GIC has more freedom to control pricing and coverage

<u>Reserve Adequacy</u>

The level of reserving is comprehensive in terms of the provisions required to meet future claims and expenses captured directly within the outstanding claims and paid claims with appropriate adjustments where necessary. In general, the company's various businesses are well established in terms of underwriting and claim settlement practices.

The ultimate value of the reserves is subject to uncertainty in both quantum and timing and the eventual outcome may be materially different to the recommendations.

Analysis of Portfolio from ALM perspective:

ALM Tables are prepared every quarter for regulatory submission. These group the assets and liabilities by duration buckets. The liability profile does not extend beyond 5 to 7 years while the asset maturity extends up to 10 to 15 years. The Investment Department carefully monitors this profile and to ensure that adequate assets are available to cover most eventualities

Liability Related risks are driven by unplanned or unforeseen cash-flow demands. For most purposes, the regular flow of premium income across a well-diversified portfolio should be sufficient to meet vast majority of claim payments. One-off large risk losses and in particular natural Catastrophe related claims represent the most significant potential "shock" to cash-flow demands. These risks arising from these circumstances are mitigated through retrocession and by ensuring that the scope and scale of reinsurance appropriately matches the risk profile. Maintaining a highly liquid investment position ensures that with a high degree of confidence all claims will be met in a timely manner.

Asset related/Market risks are risks that sudden market movements in market prices of investments significantly affect the value of investment portfolio, net investment income and thus the overall profitability. In reality, short-term market shocks and unrealised losses do not necessarily represent a risk to GIC Re's claims paying ability and the substantial balance sheet surplus which GIC Re has accumulated provides further assurance with respect to claims paying ability should a significant market shock be experienced.

Analysis of the current financial condition: On a regulatory solvency basis and an economic capital basis, the solvency position of GIC Re is robust. The overall regulatory solvency margin has decreased mainly driven by the significant growth in Domestic agriculture business premiums and the consequent increase in the RSM.

17. A comparison of year-wise provisions made: See "*Financial Statements - Annexure XXII of Restated Standalone Financial Information*" and *"Annexure XXII of Restated Consolidated Financial Information*" on pages 284 and 378 respectively.

18. Accounting and other ratios: See "*Financial Statements - Annexure VII of Restated Standalone Financial Information*" and *"Annexure VII - Restated Consolidated Financial Information*" on pages 254 and 345 respectively.

19. Details of our Corporation's record of policyholder protection and pendency of policyholder complaints: N.A.

20. Legal and Other Information: See "*Outstanding Litigation and Material Developments*" on page 443.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the discussion and analysis of our financial condition and results of operations set forth below in conjunction with our Restated Consolidated Financial Statements and our Restated Standalone Financial Statements set forth in "Financial Information" beginning on page 187, which have been prepared in accordance with Indian GAAP, the Insurance Act, 1938, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the Companies Act, 2013 and the SEBI ICDR Regulations. Our financial statements differ significantly from those of non-insurance companies. In addition, Indian GAAP differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Accordingly, the degree to which the Restated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian GAAP, the Companies Act, 2013, applicable IRDAI regulations and the SEBI ICDR Regulations. See "Risk Factors—Risks Relating to the Indian Insurance Industry— Our financial statements and the presentation of our performance metrics differ significantly from those of non-insurance companies and may be difficult to understand or interpret" on page 37.

The discussion below includes the discussion of various unaudited financial ratios which are unaudited but are based on, or derived from, our Restated Consolidated Financial Statements.

The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. Our actual results may differ from those anticipated in these forward-looking statements as a result of any number of factors, including those set forth in the sections "Forward-Looking Statements" and "Risk Factors" on pages 18 and 19, respectively.

In this section, references to "we" and "our" are to General Insurance Corporation of India and its subsidiaries and associates.

Our fiscal year ends on March 31 of each year, so all references to a particular "fiscal year" and "Fiscal" are to the 12-month period ended March 31 of that fiscal year.

Overview

We are the largest reinsurance company in India in terms of gross premiums accepted in Fiscal 2017, and we accounted for approximately 60% of the premiums ceded by Indian insurers to reinsurers during Fiscal 2017, according to CRISIL Research. We are also an international reinsurer that underwrote business from 162 countries as at March 31, 2017. According to CRISIL Research, we ranked as the 12th largest global reinsurer in 2016 and the 3rd largest Asian reinsurer in 2015, in terms of gross premiums accepted. We provide reinsurance across many key business lines including fire (property), marine, motor, engineering, agriculture, aviation/space, health, liability, credit and financial and life insurance. Through our more than 45 years of experience in, and commitment to, providing reinsurance products and services, we believe that we have become a trusted brand to our insurance and reinsurance customers in India and overseas.

We have diversified our business geographically to grow our underwriting business and profitability as well as to maintain a balanced portfolio of risks. Our gross premiums on a consolidated restated basis from our international business in Fiscal 2017, Fiscal 2016 and Fiscal 2015 were ₹103,004.52 million, ₹83,396.92 million and ₹66,094.53 million, respectively, and our gross premiums have grown at a CAGR of 24.84% from Fiscal 2015 to 2017. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums for risk outside of India were 30.53%, 45.00% and 43.28%, respectively, of our total gross premiums. We develop our overseas business through our home office in Mumbai, three branch offices in London, Dubai and Kuala Lumpur, a representative office in Moscow, a subsidiary that is a member of Lloyds of London and a subsidiary in South Africa.

We have a senior team of underwriters and actuaries to develop and manage our reinsurance business. We use our experience and long-standing relationships to tailor our portfolio to specific market segments. Our approach to underwriting allows us to deploy our capital across a variety of lines of business and to capitalize on opportunities that we believe offer favorable returns. In addition, we believe that our strong balance sheet allows us to underwrite risks across the Indian insurance market including large policies. In Fiscal 2017, we led 74.79% of the reinsurance treaties in which we participate in the Indian non-life market. We also administer three domestic reinsurance pools and one African Asian reinsurance pool that allow us to manage reinsurance economics and strengthen relationships with our customers.

We maintain a diversified investment portfolio to generate investment returns to support our liabilities for the reinsurance we underwrite and to create shareholder value. We have an Indian investment portfolio, which includes fixed income debt securities including Government securities, equity securities including exchange traded funds, and other investments.

Our business is organized in segments based on the types of risk insured: fire (property), marine, miscellaneous (comprising motor, agriculture, engineering, aviation/space, health, liability, credit and other) and life insurance.

Factors affecting our Financial Results

The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our liquidity, capital resources and results of operations.

Global Economic Conditions

As a global reinsurance company, our business and profitability are affected by general economic conditions internationally and in India. In particular, the demand for our reinsurance products and our investment income may be adversely affected by a slowdown in the Indian economy and other economies including other emerging market economies. Negative economic developments may also affect investor confidence and cause increased volatility in our investment portfolio and indirectly affect our business and prospects in general. For more information, see "*Risk Factors- Recent global economic conditions have been unprecedented and challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.*" on page 40.

Soft Market and Pricing

The insurance and reinsurance industry is cyclical. The global reinsurance industry is currently in a "soft market", which is the downswing in the reinsurance market cycle with premium prices declining and reinsurance capacity increasing. Currently, we are facing a challenging soft market conditions in and outside of India, which is driven by price decreases in most markets and lines of business, cedents choosing to utilize fewer reinsurers by consolidating their reinsurance panels, relatively low loss experience and a prolonged period of lower interest rates, which has impacted our investment portfolio. We anticipate that these factors and, in particular, pricing pressure may adversely affect our profitability and results of operations in future periods, and the impact may be material. For more information, see "*Industry Overview*" on page 97.

Competition

The reinsurance industry is highly competitive and we compete with a number of worldwide reinsurance companies both in and outside of India. Competition in the types of reinsurance that we underwrite is based on many factors, including the perceived and relative financial strength of the reinsurer, pricing and other terms and conditions, services provided, ratings assigned by independent rating agencies, speed of claims payment, geographic scope of business, client and broker relationships, reputation and experience in the lines of business to be written. In the current "soft market" cycle, price competition is likely to exert downward pressure on our premiums and may adversely affect our profitability on our reinsurance written.

In India, foreign reinsurers without a physical presence in India may accept reinsurance from Indian insurance companies. In addition, IRDAI regulations now permit private Indian reinsurers to be licensed, foreign reinsurers to open branches and Lloyd's syndicates to operate in India. We anticipate that competition in India for reinsurance will become more pronounced as international competitors increase their presence and offerings in the Indian market.

Retention Levels and Retrocession

The amount of reinsurance that is ceded by an insurance company determines its retention ratio which is the amount of risk that the insurer retains. Due to lower premium rates in the current soft market cycle, insurers internationally as a general matter are retaining more premiums for themselves and, accordingly, have higher retention levels. As industry capacity is currently expanding, this means more reinsurers are competing for a smaller portion of the total insurance premium pool and risk profile. In India, however, the overall insurance market is growing and the increase in retention levels has not been as pronounced as compared to some international markets. All direct insurers in India are required to make a 5% cession (subject to certain limits) of every non-life policy to us as an Indian domestic reinsurer. The rate of obligatory cessions was decreased from 20% in Fiscal 2006, to 10% in Fiscal 2012 to 5% in Fiscal 2013, where it remains currently. After this obligatory cession to us, Indian insurers must maintain the maximum possible retention commensurate with their financial strength and volume of business. Changes in retention levels in and outside India are important to our reinsurance underwriting volumes. Our customers (insurance and reinsurance companies) may raise their retention levels which may reduce our premiums accepted in a given fiscal year and may have a material impact on our results of operations.

We also purchase retrocessional coverage consists of reinsurance purchased to cover a portion of the risks that we reinsure. We consider purchases of retrocessional coverage for one or more of the following reasons: to manage our overall exposure, to reduce our net liability on individual risks, to obtain additional underwriting capacity and to balance our underwriting portfolio. Retrocession contracts do not relieve us from our obligations to the insureds. Failure of retrocessionaires to honor their obligations could result in losses to us. We regularly evaluate the financial condition of our retrocessionaires to assess the ability of the retrocessionaires to honor their obligations.

Due to purchase of retrocession, our overall exposure is limited to ₹1,000 million for each and every risk loss and to ₹2,500 million for each catastrophic loss in the case of our non-marine domestic property, engineering and miscellaneous business lines. For our foreign fire (property) and engineering business lines, our overall exposure is limited to US$15 million for all territories for each catastrophic loss. Also, our exposures on catastrophic events are limited up to US$200 million for the United States and Canada and up to US$250 million for Asia (excluding Japan) and the Middle-East (including Turkey).

In Fiscal 2017, we paid premiums of ₹34,404.64 million for retrocessional coverage to mitigate the effect of potential large sized risks and catastrophes. Our largest retrocessional reinsurer accounted for 20.47% of our retrocessional coverage purchased on a restated consolidated basis in Fiscal 2017.

Our Overseas Expansion

In recent years, our reinsurance business has expanded overseas. This expansion has been driven by our goal to diversify our reinsurance risk profile and to expand our business. We provided reinsurance for our clients in 162 countries around the world as of March 31, 2017. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our gross premiums on a consolidated restated basis from our international business (which is reinsurance written for risks outside of India) were ₹103,004.52 million, ₹83,396.92 million and 66,094.53 million, respectively, and have grown at CAGR of 24.84% from Fiscal 2015 to 2017. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our reinsurance written outside of India represented 30.53%, 45.00% and 43.28% of our total gross premium on a restated consolidated basis. We intend to expand our presence in select overseas geographies and markets to continue to build our reinsurance business written for risks outside of India. See "*Business- Strategy- Expand our presence internationally and grow our overseas business*" on page 123.

The following table shows the percentage of our gross premium on a restated consolidated basis by business segment and line of business in and outside India for the past three fiscal years.

	Fiscal 2017		**Fiscal 2016**		**Fiscal 2015**	
	Indian	**Non-Indian**	**Indian**	**Non-Indian**	**Indian**	**Non-Indian**
Fire (Property)	7.95%	16.31%	11.42%	23.70%	10.98%	20.11%
Marine	1.25%	2.11%	2.04%	3.48%	2.70%	4.55%
Miscellaneous						
Motor	15.24%	4.40%	17.80%	6.41%	19.75%	5.48%
Engineering	1.33%	1.27%	2.60%	2.20%	2.88%	2.33%
Agriculture	28.39%	0.52%	6.82%	0.15%	4.03%	0.19%
Aviation	0.25%	1.72%	0.05%	2.40%	0.98%	3.51%
Health	9.46%	2.90%	8.88%	4.63%	8.61%	5.17%
Liability	0.49%	0.21%	0.50%	0.31%	0.60%	0.16%
Credit	0.55%	0.05%	0.88%	0.07%	0.89%	0.07%
Others (1)	3.50%	1.04%	3.00%	1.36%	4.43%	1.47%
Life	1.08%	0.01%	1.00%	0.29%	0.86%	0.25%
Total	**69.47%**	**30.53%**	**55.00%**	**45.00%**	**56.72%**	**43.28%**

(1) *Others includes engineering, workmen's compensation and other miscellaneous risks.*

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our combined ratio for reinsurance for risk outside of India on a consolidated restated basis was 95.54%, 96.20% and 104.66% and for risk in India it was 102.57%, 116.00% and 112.76%. In addition, we believe our margins have been higher for international business than domestic business. The better performance of our overseas underwriting book (in terms of lower combined ratios and higher margins) is partly due to higher average premium for our international business and lower than expected claims internationally as well as intangible factors like the availability of sophisticated historical information and models for international insurance risks. Notwithstanding, we are not sure if, and for how long, our overseas underwriting book will outperform our Indian business and whether it will be profitable. The performance of our international reinsurance business could be adversely affected by downward pressure on international premiums as the soft market cycles continues, loss of important insurance company customers, lower international customer retention levels and greater than expected claims and losses (including catastrophes) for overseas risks.

We also face certain risks in doing international business, for more information see "*Risk Factors – We are subject to numerous additional risks and uncertainties as we expand distribution of our reinsurance products in international markets*" on page 36.

Improving our Business Mix

As part of the management of our business, we constantly seek to improve our mix and diversification of business by risk product segment, by industry sector and by type of reinsurance written. Improving business mix and diversification in our reinsurance business is important to grow premiums and margins, and is also important to balance our expected risks of loss (including catastrophe). Our ability to continue to improve our business mix from both an underwriting and risk perspective has, and will have, a material effect on our results of operations and financial condition.

In the current soft market cycle in our international markets, premiums for reinsurance are under considerable pricing pressure so we have been expanding our product offering like property, space, life, and liability insurance where we see better rate opportunities and better margin business. In India, our business mix has moved considerably toward a greater share of our business coming from agriculture (discussed below).

As part of our strategy, we are focused on building our life insurance segment both in and outside of India, which represented 1.09% of our gross premiums on a restated consolidated basis in Fiscal 2017. In addition to life insurance, we intend to grow our domestic health and liability insurance businesses and our overseas fire (property), space and cyber security business lines. See "*Business – Strategy*" on page 123.

Growth in our Agriculture Business

We have substantially increased our agriculture reinsurance business by reinsuring crop insurance under the Government of India's Pradhan Mantri Fasal Bima Yojana ("**PMFBY**") and the Government of India's stated policy to increase crop insurance protection to 50% of India's cropped area by Fiscal 2019. Our gross premiums on a restated consolidated basis in our agriculture reinsurance segment have increased from ₹6,442.37 million in Fiscal 2015 to ₹12,917.86 million in Fiscal 2016 and further to ₹97,523.27 million in Fiscal 2017, and our gross premiums are expected to continue to increase in this business line in Fiscal 2018. The Government of India is looking for us to be the Technical Support Unit (TSU) for PMFBY.

In Fiscal 2017, our underwriting in agriculture operated at reasonable margins relative to our other domestic businesses due to actuarial pricing and subsidized premium rates under the Government of India's programs. Our agriculture portfolio is protected by a stop loss program up to 180% of portfolio loss ratio. Our agriculture business is well diversified across India for both Kharif (summer) and Rabi (winter) seasons.

We have not operated at this level of exposure in our reinsurance business before, and this substantial growth in our agriculture business exposes us to risks, losses, uncertainties and challenges. See "*Risk Factors – A substantial increase in our agriculture reinsurance business in recent years exposes us to risks, losses, uncertainties and challenges which could have a material adverse effect on our business, financial condition and results of operations*" on page 24.

Incurred Claims

In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our claims incurred (net) were ₹215,293.13 million, ₹129,659.12 million and ₹119,113.25 million and our net incurred claims ratio was 81.63%, 84.53% and 87.62%, respectively. Our underwriting performance is determined in a large part by the claims we experience in a given financial period. Through our underwriting and risk management processes we evaluate and model our potential risks and exposures to accept reinsurance in line with the overall risk policies and buy appropriate retrocession protection as established by our Board and risk management team. Our reported financial results (including our underwriting profit/loss) are affected by our claims experience, which may vary from the assumptions and decisions we make when writing reinsurance for our clients. Claims experience varies over time and from one type of product to another, and may be impacted by catastrophe, specific manmade events, changes in macroeconomic conditions, population demographics, mortality, and many other factors.

Reserves

Our loss reserves represent estimates of amounts we ultimately expect to pay in the future on claims incurred at a given time, based on facts and circumstances known at the time that the loss reserves are established. It is possible that the total future payments may exceed, or be less than, such estimates. The estimates are not precise in that, among other things, they are based on predictions of future developments and estimates of future trends in claim severity, frequency and other variable factors such as inflation. During the loss settlement period, it often becomes necessary to refine and adjust the estimates of liability on a claim either upward or downward. Despite such adjustments, the ultimate future liability may exceed or be less than the revised estimates.

As part of the reserving process, our actuaries review historical data and anticipate the impact of various factors that may affect potential losses from casualty claims, mortality and morbidity trends for life claims. This process assumes that past experience, adjusted for the effects of current developments, is an appropriate basis for anticipating future events.

Estimates of losses are based on loss information reported by, and discussions with, counterparties, and our estimate of losses related to our reinsurance contracts and are subject to change as more information is reported and becomes available. Losses for casualty and liability lines often take a long time to be reported, and frequently can be impacted by lengthy, unpredictable litigation and by the inflation of loss costs over time. As a consequence, actual losses and loss expenses paid may deviate substantially from the reserve estimates reflected in our financial statements.

In addition, the reserves that we have established may be inadequate. If ultimate losses and loss expenses exceed the reserves currently established, we will be required to increase loss reserves in the period in which we identify the deficiency to cover any such claims. As a result, even when losses are identified and reserves are established for any line of business, ultimate losses and loss expenses may deviate, perhaps substantially, from estimates reflected in loss reserves in our financial statements. Variations between our loss reserve estimates and actual emergence of losses could be material and could have a material adverse effect on our results of operations and financial condition.

Expense Management and Productivity

Our reported financial results are affected by our level of expenses, which may vary from the assumptions that we make, both when we price our reinsurance products and when we model our risk exposure. Expenses may be impacted by specific events and changes in macroeconomic conditions including inflation, changes in regulations, competition, distribution costs of our brokers, employee costs and other factors. Our ability to absorb expenses in the pricing of our various products differs across products. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our operating expenses related to insurance business as a percentage of net premiums earned was 0.83%, 1.15% and 1.18%, respectively.

We believe that our productivity is higher than that of other large reinsurance companies. Our productivity, as measured by profit after tax per employee on a consolidated restated basis, was improved to ₹55.78 million per employee in Fiscal 2017 from ₹55.07 million in Fiscal 2015.

Our ability to manage our expenses and maintain productivity have an important impact on our profitability and our results of operations.

Performance of our Investment Portfolio

We maintain a diversified investment portfolio in accordance with the IRDA investment regulations. As at March 31, 2017, the carrying value of our Indian investment portfolio on a standalone restated basis was ₹391,262.71 million, of which fixed income debt securities, equities, money market instruments accounted for 63.06%, 20.37% and 15.23%, respectively. We also have investments in venture capital funds, preference shares and loans amounting to 1.34% of Indian investment portfolio on a standalone restated basis. As at March 31, 2017, Government securities comprised 33.68% of our Indian investment portfolio on a standalone restated basis. For more information, see "*Business-Composition of Investment Funds*" on page 143.

Investment results comprise a substantial portion of our income. We have achieved solid investment performance in recent years. In Fiscal 2017, Fiscal 2016 and Fiscal 2015, our total investment income from our Indian investment assets in both our policy holder's fund and shareholders' fund on a restated standalone basis was ₹45,156.11 million, ₹41,749.92 million, ₹41,760.64 million, respectively, with a CAGR of 3.99% from Fiscal 2015 to 2017.

Our yields (without unrealized gains) from our Indian investment assets on a restated basis were 12.35%, 12.91% and 14.08% in Fiscal 2017, Fiscal 2016 and Fiscal 2015, respectively. In addition to our Indian investment assets, we hold fixed term deposits for our overseas business (written outside of India at our branches), from which we earned ₹997.61 million in interest income in Fiscal 2017.

Our ability to manage our investment portfolio to maximize returns within prudent risk appetite framework has a material effect on our financial performance and results of operations in each fiscal year. While we have implemented what we believe to be prudent risk management and investment asset allocation practices, we are exposed to significant financial and capital market risks. Our ability to manage our investment portfolio profitably is dependent upon conditions in the global financial markets and economic and geopolitical conditions throughout the world that are outside of our control and difficult to predict.

Fluctuations in Interest Rates

Changes in interest rates can negatively affect us in two ways. In a declining interest rate environment, we will be required to invest our funds at lower rates, which would have a negative impact on investment income. We may be required to liquidate investments prior to maturity at a loss to cover liabilities. In a rising interest rate environment, the market value of our fixed income portfolio may decline. Interest rates are highly sensitive to many factors, including fiscal and monetary policies of major economies, inflation, economic and political conditions and other factors outside our control.

Fixed Income Securities

Our fixed income portfolio is primarily invested in Indian government securities and high quality, investment grade securities. However, investments in rated debentures may be downgraded below investment grade. We also invest a portion of our portfolio in money market instruments debt oriented mutual funds. In case of major market disruptions, it may be difficult to liquidate such investments immediately.

Volatility in Equity Markets

Fluctuations in equity markets may affect our investment returns, our financial condition and results of our operations. We are particularly exposed to volatility in equity markets in India. As at March 31, 2017, 20.37% of our Indian investment assets on a restated standalone basis were invested in Indian equity markets or securities linked to Indian equities or equity markets. As at March 31, 2017, 54.22% of our equity investments were in companies forming part of the Nifty 50 Index and 86.21% of our equity investments were in companies forming part of Nifty 500 Index.

Foreign Currency Movements

Our reporting currency is the Indian Rupee. Our reinsurance business written outside of India has a number of functional currencies, the principal exposures being the US dollar, Euro, British pound, United Arab Emirates Dirham and Malaysian Ringgit. As a significant portion of our operations is transacted in foreign currencies, fluctuations in foreign exchange rates may affect year-over-year comparisons. Movements in the average exchange rate of the Indian Rupee and the US dollar, for example, have had a significant impact on certain individual line items in our financial statements, including gross premiums, earned premiums, incurred claims and net foreign exchange gains/losses. Notwithstanding, the overall net impact of foreign currency movements has not been significant due to the matching of assets and liabilities by currency resulting in foreign exchange movements offsetting.

Regulatory Environment

Our business operations are highly regulated. Regulations cover a variety of aspects which impact our business, including obligatory cessions by Indian insurance companies to us, solvency margin requirements, capital requirements, investment guidelines and risk management guidelines. Changes in regulation can have a significant impact on our revenues, expenses and profitability. We may incur significant costs to comply with, and our prospects may be adversely affected by, the applicable laws, rules and regulations, which may reduce our profitability as well as affect our future growth. In addition, pursuant to the insurance laws, rules and regulations, we are restricted to a specified range of investment activities. These restrictions may limit our ability to diversify investment risks and improve returns on our investment portfolio, thereby affecting our results of operations. In addition, if the tax regime or the application of the tax regime to us or our customers' changes, or the outcome of our tax litigations is adverse, our tax liabilities could also change materially.

Ind AS

Indian companies are required to prepare annual and interim financial statements under an IFRS converged standard known as "Ind AS". The IRDAI has deferred implementation of Ind AS for insurance and reinsurance companies in a recent circular, dated June 28, 2017. Insurance and reinsurance companies now are required to prepare Ind AS based financial statements for accounting periods beginning from April 1, 2020 onwards, with comparatives for the periods ending March 31, 2020.

Given that there is significant lack of clarity on the manner of implementation of Ind AS by insurance companies and there is not yet a significant body of established practice in India on which to draw in forming judgements regarding its implementation and application to insurance companies, we have not determined with any degree of certainty the impact that such adoption will have on our financial reporting. In the transition to Ind AS reporting, we may encounter several technical difficulties in the implementation of Ind AS. Accordingly, we can make no assurance that our financial condition, financial results or cash flows will not appear materially worse under Ind AS than under Indian GAAP and that any failure to successfully adopt Ind AS within the prescribed timelines could not have a material adverse effect on our business.

Critical Accounting Policies

The preparation of our financial information requires selecting accounting policies and making estimates and assumptions that affect items reported in the revenue accounts, profit and loss account, balance sheet, and cash flow statements and notes to the financial information. The determination of these accounting policies is fundamental to our results of operations and financial condition, and requires management to make subjective and complex judgements about matters that are inherently uncertain based on information and data that may change in future periods. As a result, determinations regarding these items necessarily involve the use of assumptions and subjective judgements as to future events and are subject to change, and the use of different assumptions or data could produce materially different results. In addition, actual results could differ from estimates and may have a material adverse effect on our business, financial condition, results of operations or cash flows. For more information regarding our significant accounting policies, see "*Financial Statements—Restated Consolidated Financial Information—Summary of Significant accounting policies and Notes to Accounts—Significant accounting policies*" on page 306.

Certain accounting estimates are particularly sensitive because of their significance to the financial information and because of the possibility that future events affecting the estimates may differ significantly from management's current judgements.

Use of Estimates

The preparation of our financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as on the date of financial statements. The estimates and assumptions used in our financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing our financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

Reinsurance Revenues

Premium is accounted based on accounts rendered by ceding companies upon receipt of accounts. At fiscal year-end, estimates are made for accounts not yet received, based on available information and current trends. In respect of insurance pool business where we are one of the members of the pool, only our share of revenue is recorded in the books of accounts.

Outstanding Claims

Estimated liability for outstanding claims in respect of our reinsurance business is based on advice received as of different dates up to the date of finalization of claim figures in the books for submission of the data to the "Appointed Actuary" and wherever such advice is not received, on estimates based on available information, current trends, past underwriting experience of the management and actuarial estimation bases.

Provision for claims incurred but not reported (IBNR) is made as certified by the Appointed Actuary.

Receivables

Provisions for doubtful debts for receivables are provided as under:

(i) Companies in liquidation.

(ii) Foreign Companies having non-moving balances over a period of three fiscal years.

(iii) Non-realizable balances of foreign companies having moving balances.

Foreign Currency Transactions

Revenue transactions in foreign currencies are converted at the daily rate of exchange on the day accounts are received and transactions are booked.

Non-monetary items including fixed assets and investments abroad are reported using the exchange rate applicable on the date of acquisition.

Monetary items such as receivables, payables and balances in bank accounts held in foreign currencies are converted using the closing rates of exchange at the balance sheet date.

The exchange gain/(loss) relating to revenue transactions, due to conversion of foreign currencies is accounted for as revenue in the respective revenue accounts. The common exchange gain/(loss) due to conversion is apportioned between our revenue accounts and profit and loss account in same proportion as stated under "Apportionment of interest, dividends and rents below".

Reserve for unexpired risk (URR)

The URR provisions are made as under:

Non-Life Business:

(i) For our head office and our Malaysia branch:

Reserve for unexpired risk in respect of marine insurance (hull) and terrorism risk business (included in fire (property) and engineering) is made at 100% of net premium, while for all other classes of insurance is made at 50% of net premium of the period for which accounts are prepared.

(iii) For our London and Dubai branches

Reserve for unexpired risk is provided as per local practice. Adjustment for excess or short provision in URR, as per IRDAI requirements, is accounted at our head office.

Life Business:

Reserve for Unexpired Risk is provided as determined by the Appointed Actuary

based on accepted actuarial methods.

Apportionment of interest, dividends and rents

Our income from interest, dividends and rent is apportioned between our profit and loss account and revenue accounts in the ratio of the shareholders' fund and policy holders' fund, respectively, at the beginning of the fiscal year. They are further apportioned amongst the revenue accounts on the basis of the respective policy holders' fund at the beginning of the fiscal year. The shareholders' fund consists of share capital and free reserves. The policy holders' fund consists of provisions for outstanding claims and reserves for unexpired risks.

Fixed assets

Fixed assets are stated at cost less depreciation. Cost of shares in co-operative societies and companies for property rights acquired is included under the line item 'buildings' under fixed assets.

Tangible fixed assets are stated at cost (including incidental expenses relating to acquisition and installation) less accumulated depreciation.

Intangible fixed assets representing software are recorded at its acquisition price and are amortized over their estimated useful life on a straight-line basis, commencing from the date the assets are available for use. The management has estimated the useful life for such software as three years. The useful life of the asset is reviewed by the management at each balance sheet date.

Depreciation

Depreciation is provided using the straight line method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 and residual value of the assets should not exceed 5% of the cost.

Depreciation is provided on pro-rata basis on additions to fixed assets and on assets sold, discarded, demolished or destroyed during the fiscal year.

Retirement benefits to employees

Liabilities on account of retirement benefits to our employees such as pension, gratuity and leave encashment are provided for on accrual basis, based on actuarial valuation and in compliance with Accounting Standard 15.

Apportionment of expenses

(i) Head office business:

Operating expenses relating to our insurance business are apportioned to the revenue accounts on the basis of premiums accepted during the period for which accounts are prepared, giving weightage of 75% for the marine business segment and 100% for fire (property), miscellaneous and Life business segments.

(ii) Foreign business:

Operating expenses relating to our insurance business are apportioned to the revenue accounts of our branches on the same basis as mentioned above.

(iii) Investment Expenses:

Expenses relating to investment are apportioned between our revenue accounts and profit and loss account in the same proportion as stated above.

Investments

Prudential norms as prescribed by the appropriate regulatory authority are followed in regard to (a) revenue recognition, (b) classification of assets into performing and non-performing; and (c) Provisioning against performing and non-performing assets.

The cost of investments includes premium on acquisition and other related expenses.

Short term money market instruments such as collateralized borrowing and lending operations (CBLO), commercial paper and treasury bills, which are discounted at the time of contract at the agreed rate are accounted at their discounted value.

Unrealized gains/ (losses) arising due to changes in the fair value of listed equity shares and mutual fund units are included under the line item “fair value change account” and on realization and included in the profit and loss account.

Pending realization, the credit balance in the “fair value change account” is not available for distribution to shareholders.

Final dividends are accounted for as income in the fiscal year of declaration and interim dividends are accounted as income where the warrants are dated March 31st or earlier.

Dividends on shares and interest on debentures under objection or pending deliveries is accounted for on realization or payment.

Profit or loss on sale of investments is apportioned between the profit and loss account and revenue accounts in the ratio of the shareholders’ fund and policy holders’ fund, respectively, at the beginning of the fiscal year. They are further apportioned amongst the revenue accounts on the basis of the respective policy holders’ fund at the beginning of the fiscal year. The shareholders’ fund consists of share capital and free reserves. The policy holders’ fund consists of provisions for outstanding claims and reserves for unexpired risks.

The profit or loss on sale of investments is computed at average book value of investments on the date of sale.

Debt securities including Government securities and redeemable preference shares have been considered as ‘held to maturity’ securities and have been measured at historical cost subject to amortization of premium paid over residual period. the call date has been considered as maturity date for amortization of perpetual bonds.

In the case of repo transactions, the difference between the selling and buying value is treated as interest income.

Income received from fixed maturity mutual funds (dividend option) is booked as dividend income.

Investments are apportioned between the shareholders’ fund and the policy holders’ fund in the ratio of the balance available in the respective funds at the beginning of the fiscal year.

Amortization of premium and provision for doubtful loans, investments and debts

Amortization of premium, provision for doubtful loans, doubtful debts and diminution in the value of investments written off are recognized in the profit and loss account.

Compliance with accounting standards

We have complied with relevant accounting standards prescribed by ICAI to the extent applicable and IRDAI guidelines in preparation of our financial statements.

Premium deficiency

Non-Life Business:

Premium deficiency reserves as calculated by the non-life Appointed Actuary is worked out separately for each of the fire (property), marine and miscellaneous segments as per IRDAI regulations.

Life Re business:

As per IRDAI regulations, premium deficiency reserves are calculated by the life Appointed Actuary.

Results of Operations

Consolidation and Associates

We have consolidated the results of our 100% owned subsidiary GIC Re South Africa Limited from August 11, 2014. We acquired SaXum Reinsurance Limited in August 2014, and we changed its name to GIC Re South Africa Limited.

We have consolidated our subsidiary GIC Re India Corporate Member Ltd from December 3, 2013. We acquired I-CAT CCM TEN Ltd, an existing Lloyd’s of London corporate member company and renamed it as GIC Re, India, Corporate Member Ltd.

We have three associates. Investments in associate are accounted for using equity method. Accordingly, the share of profit/loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to, or deducted from, the cost of investments. The carrying value is reduced for the distributions received from the associates. Our 35% equity interest in AICIL has been accounted from April 1, 2013, our 20% equity interest in Indian International Insurance Pte Ltd has been accounted from April 1, 2013 and our 26% equity interest in GIC Bhutan Re Ltd has been accounted from September 5, 2013.

We have not prepared consolidated financial statements for Fiscal 2013 as we did not have any subsidiaries in that fiscal year.

Basis of Presentation of Financial Statements

We present our financial statements in accordance with the framework prescribed under the Insurance Act, 1938 read with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002 and the Companies Act, 2013. Our financial statements comprise a Revenue accounts, Profit and Loss account, Balance Sheet, and Cash Flow Statement.

The revenue accounts contain income and expenses relating our insurance business and to policy holders’ fund and the operating profit or loss generated in these accounts is transferred to the profit and loss account. An operating loss in the revenue accounts is funded from the profit and loss account. Other than the transfers to and from the revenue accounts, the profit and loss account contains the income and expenses pertaining to shareholders’ fund.

Basis of Restatement

Our Restated Consolidated Financial Statements have been compiled by the management from the audited consolidated financial statements for the years ended March 31, 2017, March 31, 2016 and March 31, 2015.

The Restated Consolidated Financial Statements have been prepared specifically for the inclusion in the offer document to be filed by our Corporation with the IRDAI, ROC and SEBI in connection with its proposed initial public offering. The Restated Consolidated Financial Statements have been prepared to comply in all material respects with the requirements of sub-clause (i), (ii) and (iii) of clause (b) of sub-section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the relevant provisions of SEBI ICDR Regulations issued by SEBI on August 26, 2009 as amended from time to time.

Apportionment – Policy Holders’ Funds and Shareholders’ Funds

Investments are apportioned between shareholders’ fund and policy holders’ fund in the ratio of balance available in the respective funds at the beginning of the fiscal year.

The income from interest, dividends and rent is apportioned between the profit and loss account and revenue accounts in the ratio of shareholders' fund and policy holders' fund respectively at the beginning of the fiscal year. The same is further apportioned amongst the revenue accounts on the basis of the respective policy holders' fund at the beginning of the fiscal year.

Apportionment – Expenses

Insurance business

Operating expenses relating to insurance business are apportioned to the revenue accounts on the basis of gross premium accepted during the period for which accounts are prepared, giving weightage of 75% for Marine business and 100% for fire, miscellaneous and life reinsurance business.

Investment Expenses

Expenses relating to investment are apportioned between revenue and profit & loss account in the same proportion as for interest, dividend and rents described above.

Foreign Exchange Gain/Loss

Our foreign exchange gain or loss relating to revenue transaction due to conversion of foreign currency is accounted for as revenue in respective revenue accounts. The common exchange gain or loss due to conversion are apportioned between revenue account and profit and loss account in the same proportion of policy holders and shareholders fund at the beginning of the fiscal year.

Revenue Accounts

We have revenue accounts for our four segments, fire insurance, marine insurance, miscellaneous insurance and life insurance, which derive the operating profit or loss reported in our profit and loss account. These revenue accounts include allocated profit, income and expenses from our policy holders' fund.

The table below sets forth our total revenue account for our four insurance segments combined on a consolidated restated basis for the fiscal years ended March 31, 2017, 2016 and 2015.

(amounts in ₹ millions)

Revenue Accounts	Fiscal 2017	Fiscal 2016	Fiscal 2015
Premium earned (Net)	263,746.88	153,382.36	135,947.77
Profit on sale of Investments (Net)	11,120.15	10,222.24	12,619.14
Foreign Exchange Gain/(Loss)	(362.99)	1,524.32	(568.72)
Interest, Dividend & Rent - Gross	18,395.82	16,915.71	16,943.04
Total Revenue	***292,915.48***	***182,044.63***	***164,941.24***
Claims Incurred (Net)	215,293.13	129,659.12	119,113.26
Commission (Net)	53,642.83	35,145.42	27,955.67
Operating Expenses related to insurance business	2,513.83	1,900.07	1,651.53
Expenses relating to Investments	28.68	23.03	23.55
Premium Deficiency	-	(584.60)	584.60
Total Expenses	***271,478.47***	***166,143.05***	***149,328.60***
Operating Profit (Loss)	**21,421.39**	**15,901.58**	**15,612.64**

Profit and Loss Account

The table below sets forth a summary of our profit and loss account on a consolidated restated basis for the fiscal years ended March 31, 2017, 2016 and 2015.

(amounts in ₹ millions)

Profit and Loss Account	Fiscal 2017	Fiscal 2016	Fiscal 2015
Operating Profit (Loss)			
Fire Insurance	6,370.49	7,321.87	13,180.81
Marine Insurance	2,104.77	4,066.71	(1,217.80)
Miscellaneous Insurance	14,042.70	3,812.78	3,263.23
Life Insurance	(1,096.57)	700.22	386.40
Total Operating Profit (Loss)	**21,421.39**	**15,901.58**	**15,612.64**
Income from Investments	16,384.07	14,363.65	13,020.69
Other Income	181.21	2,426.30	2,348.13
Total Income	**37,986.67**	**32,691.53**	**30,981.46**
Provision for Doubtful Loans and Investments	2,599.57	420.09	1,107.13

Profit and Loss Account	Fiscal 2017	Fiscal 2016	Fiscal 2015
Amortization of premium on Investments	185.15	185.60	181.02
Diminution in the value of investments written off	556.44	1,359.92	588.08
Other Expenses	480.45	511.88	800.19
Total Expenses	**3,821.61**	**2,477.49**	**2,676.42**
Profit Before Tax	**34,165.06**	**30,214.04**	**28,305.04**
Provision for Taxation	4,122.94	3,318.21	294.37
Profit After Tax	**30,042.12**	**26,895.83**	**28,010.67**
Share of Profit in Associate Companies	1,364.11	1,338.32	899.08
Profit for the Year	**31,406.23**	**28,234.15**	**28,909.75**

Explanation of Segments and Certain Line Items

Segments and Business Lines

Our revenue accounts are divided into four segments, fire insurance, marine insurance (including marine cargo and marine hull), miscellaneous insurance and life insurance.

For discussion of our results in this section, our miscellaneous insurance segment includes

- Motor
- Aviation
- Engineering
- Liability
- Health
- Financial liability/credit
- Agriculture
- Other Miscellaneous, which includes our workmen's' compensation and personal accident business lines which are separately shown in the schedules to our restated consolidate financial statements and other miscellaneous business lines like films, burglary, event cancellation and others.

Revenue Accounts

Gross Premium

Our gross premium is the premium on reinsurance accepted by us from ceding companies (insurance companies and reinsurers) without any deductions like commissions or discounts.

Net Premium

Net premium is gross premium reduced by the premium paid for buying retrocession protection to reduce our exposure to the ceded risk.

Premium Earned (Net)

Our premium earned (net) is the portion of net premium which is actually earned during a fiscal year. Our premium earned (net) is our net premium as adjusted for change in reserve for unexpired risks (UPR). Our net premium equals premium from reinsurance accepted (also called "gross premium") less premium on reinsurance ceded (also called "retrocession").

Incurred Claims

Our incurred claims in a fiscal year are the claims paid during that fiscal year plus the outstanding claims at the end of that fiscal year less outstanding claims at the beginning of the fiscal year.

Net Commission

Our commission paid is the commission that we pay (i) to cedents (direct insurers and reinsurers) which is generally paid for meeting the cedent's cost of acquiring business and contribution to its management expenses and (ii) to brokers to acquire the premium (when brokers are used). Our net commission is the commission paid less commission we receive from reinsurers in respect of retrocession.

Operating Profit

Our operating profit or loss is the sum of (a) (i) earned premium (net), (ii) profit or (loss) on sale of investments from the policy holders' fund, (iii) profit or (loss) on exchange fluctuations from the policy holders' fund and (iv) interest, dividend and rent from the policy holders' fund; less (b) (i) claims incurred net, (ii) net commission, (iii) operating expenses related to the insurance business, (iv) expense relating to investments, and (v) premium deficiency.

Profit on sale of investments

Our profit on sale of investments in our revenue accounts relates to our investments allocated to our policy holders' fund.

Interest, dividend & rent – gross

Our interest, dividend and rent in our revenue accounts relates to our interest, dividend and rent income allocated our policy holders' fund.

Claims Incurred (Net)

Our claims incurred (net) in a fiscal year are the net claims paid (claims paid net of retrocession) plus the outstanding claims at the end of that fiscal year less outstanding claims at the beginning of the fiscal year.

Net Commission

Our net commission equals the commission we paid less commission we received from reinsurers in respect of retrocession. Our commission paid is the commission that we pay (i) to cedents (direct insurers and reinsurers) which is generally paid for meeting the cedent's cost of acquiring business and contribution to its management expenses and (ii) to brokers to acquire the premium (when brokers are used).

Operating Expenses related to Insurance Business

Our operating expenses related to our insurance business are set forth in "Schedule 4" of our Restated Consolidated Financial Statements in the section entitled "*Financial Statements – Restated Consolidated Financial Statements*" on page 295.

Profit and Loss Account

Operating Profit (Loss)

Our operating profit (loss) on our profit and loss account is the amount of profit or loss transferred to our shareholders account from the revenue accounts for our four segments, fire insurance, marine insurance, miscellaneous insurance and life insurance.

Income from Investments

Our income from investments is our income from our shareholders' fund and includes (i) interest, dividend and rent income and (ii) profit on the sale of investments.

Other Income

Our other income primarily includes (a) profit on exchange, (b) interest on income-tax refund, (c) doubtful debts written back and (d) miscellaneous receipts.

Provision for doubtful loans and investments

Our provision for doubtful loans and investments relates to:

(a) provision on corporate debt securities wherever there has been a default of more than 90 days, either in the servicing of interest or the repayment of principal;

(b) 0.40% provision on all the performing corporate debt assets;

(c) provision on thinly traded equity shares whose intrinsic book value is less than our book value;

(d) provision on venture fund units whose latest net asset value (NAV) is less than our book value; and

(e) provision on units of foreign equity investments whose net worth is less than the book value.

Provision for doubtful debts

This provision relates to receivables from customers determined to be doubtful.

Amortization of premium on investments

Our amortisation of premium on investments relates to the proportionate writing off of the premium paid on the face value of debt securities over the remaining tenure of the securities.

Diminution in the value of investments written off

Our diminution in the value of investments relates to writing off of the book value of various equity and debt securities in our investment portfolio.

Other Expenses

Our other expenses are (a) expenses relating to investments of our shareholders' fund, (b) loss on foreign exchange, (c) loss on the sale of assets (net), (d) interest motor pool and others, and (e) corporate social responsibility expenses.

Key Non-GAAP Performance Indicators

The table below sets forth our key performance indicators on a consolidated restated basis as at, or for the years ended, March 31, 2017, 2016 and 2015.

(amounts in ₹ millions except ratios)

Key Performance Indicators	As at, or for the year ended, March 31, 2017	As at, or for the year ended, March 31, 2016	As at, or for the year ended, March 31, 2015
Combined Ratio	100.16%	107.03%	108.86%
Net Commission Ratio	17.70%	21.34%	20.06%
Net Incurred Claims Ratio	81.63%	84.53%	87.62%
Operating Profit Ratio	7.07%	9.65%	11.20%
Return on Net Worth	16.09%	16.21%	18.97%
Solvency Ratio (1)	2.41	3.80	3.32

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(1) *On a standalone restated basis.*

In evaluating our business, we consider and use non-GAAP financial measures and key performance indicators that are presented above, as supplemental measures to review and assess our operating performance. The presentation of these non-GAAP financial measures and key performance indicators is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with Indian GAAP. We present these non-GAAP financial measures and key performance indicators because they are used by our management to evaluate our operating performance and formulate business plans. They are also used industry-wide as performance benchmarks.

These non-GAAP financial measures are not defined under Indian GAAP and are not presented in accordance with Indian GAAP. The non-GAAP financial measures and key performance indicators have limitations as analytical tools. Further, these non-GAAP financial measures and key performance indicators may differ from the similar information used by other companies, including peer companies, and therefore their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to profit before tax, net earned premiums, incurred claims, operating profit (loss) or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or results of operation.

Set forth below are descriptions of these key performance information appearing in the table above.

Combined Ratio

"Combined ratio" is a measure of profitability which we use to indicate how well our underwriting operations are performing. The combined ratio is calculated by taking claims incurred (net) divided by premiums earned (net) plus expenses of management and net commission and then dividing the quotient by net premium. A ratio below 100% indicates that we are making underwriting income while a ratio above 100% means that we are paying out more money than we are receiving from premiums.

Net Commission Ratio

"Net commission ratio" shows in percentage terms of the commissions we pay to cedents. The net commission ratio is calculated by dividing our net commission by our net premium.

Net Incurred Claims Ratio

"Net incurred claims ratio" shows in percentage terms of our claims payable to our earned premiums written in the period. The net incurred claims ratio is calculated by dividing our net incurred claims by our net earned premium.

Operating Profit Ratio

"Operating profit ratio" is an indication of our margins. The operating profit ratio for a particular reinsurance business is calculated by dividing the sum of operating profit (loss) by net premium.

Return on Net Worth

"Return on net worth" is a profitability measure and gives an indication of the return we generate with funds our shareholders have invested in us. Our return on net worth is calculated by dividing our profit after tax by our net worth.

Solvency Ratio

"Solvency ratio" is a regulatory measure of capital adequacy, calculated by dividing available solvency margin by required solvency margin, each as calculated in accordance with the guidelines of the IRDAI on a standalone restated basis. The IRDAI has set a minimum solvency ratio of 1.50%.

Fiscal 2017 Compared to Fiscal 2016

Our results of operations for Fiscal 2017 compared to Fiscal 2016 are described below.

Premiums earned (Net) – Revenue Accounts

Our gross premiums increased by 82.05% to ₹337,407.91 million in Fiscal 2017 from ₹185,342.45 million in Fiscal 2016. Our increase in gross premiums was due primarily to an increase of 654.95% in gross premiums from our agriculture line of business.

Our gross premiums from our international business (which is reinsurance written outside of India) grew 23.51% to ₹103,004.52 million in Fiscal 2017 from ₹83,396.92 million in Fiscal 2016. In Fiscal 2017 and Fiscal 2016, our gross premiums from international business were 30.53% and 45.00%, respectively, of our total gross premiums, reflecting the large growth in our domestic agriculture business in Fiscal 2017. Our fire (property), motor, health and marine business lines are our largest contributors to international business. In Fiscal 2017, international business from our fire (property), motor, health and marine business lines contributed 16.31%, 4.40%, 2.90% and 2.11%, respectively, to our total gross premiums in the fiscal year.

Our premium on reinsurance ceded increased by 66.70% to ₹34,404.64 million in Fiscal 2017 from ₹20,638.40 million in Fiscal 2016. The increase in our retrocession premiums was primarily due to our business growth particularly in the agriculture business line.

Adjustment for changes to the reserve for unexpired risks (UPR) were (₹39,256.39 million) in Fiscal 2017 and (₹11,321.69 million) in Fiscal 2016. This change was primarily due to an increase in net premium of ₹303,003.27 million in Fiscal 2017 from ₹164,704.05 million in Fiscal 2016.

Our premiums earned (net) increased by 71.95% to ₹263,746.88 million in Fiscal 2017 from ₹153,382.36 million in Fiscal 2016 primarily due to the increase in our gross premiums from our agriculture business line.

The following table shows our premiums earned (net) on a restated consolidated basis by business line for Fiscal 2017 and Fiscal 2016 and the percentage change from Fiscal 2017 to Fiscal 2016.

(amounts in ₹ millions, except percentages)

Premiums earned (net)	Fiscal 2017	Fiscal 2016	Percent Change
Fire (Property)	55,958.89	46,372.06	20.67%
Miscellaneous			
Motor	55,920.60	41,468.78	34.85%
Aviation	4,686.72	4,726.55	-0.84%
Engineering	8,174.15	7,349.43	11.22%
Liability	1,780.18	1,226.05	45.20%
Health	33,049.12	23,051.87	43.37%
Financial Liability/Credit	1,441.15	1,385.25	4.04%
Agriculture	82,498.14	9,147.42	801.87%
Other (1)	8,742.59	7,054.52	23.93%
Marine	9,103.90	9,189.16	-0.93%
Life	2,391.44	2,411.27	-0.82%
Total Premiums earned (net)	**263,746.88**	**153,382.36**	**71.95%**

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(1) *Other includes workmen's compensation, personal accident and other miscellaneous risks*

A discussion of our premiums earned (net) from our fire, miscellaneous, marine and life insurance business segments are set forth below.

Fire (Property) Insurance Segment:

Our gross premiums in our fire insurance segment increased by 25.73% to ₹81,845.66 million in Fiscal 2017 from ₹65,095.82 million in Fiscal 2016 primarily due to growth in domestic insurance market premiums. During Fiscal 2017, we reinsured new products like long term home and also established multiyear multiline contracts with several clients which resulted in increased reinsurance business. Our overseas premiums increased following our strategic expansion in various territories such as the United States, China, Turkey, Latin America, Russia and ASEAN countries. Such increases were offset in part by a reduction in domestic primary fire insurance pricing and also a reduction in global reinsurance pricing across various territories due to in both cases soft market conditions.

Our premiums on reinsurance ceded in our fire insurance segment increased by 58.52% to ₹20,523.92 million in Fiscal 2017 from ₹12,947.19 million in Fiscal 2016. This increase includes additional retrocession coverage necessary due to the growth of our domestic and overseas fire insurance business. We purchased significantly enhanced Earthquake peril coverage in Fiscal 2017. In respect of our foreign business, we purchased additional catastrophe protection for our US and Middle East businesses and have reduced the deductible on our US retrocession coverage.

Adjustment for changes to the reserve for unexpired risks (UPR) in our fire insurance segment were (₹5,362.85 million) in Fiscal 2017 and (₹5,776.57 million) in Fiscal 2016 primarily due to an increase in net premium of ₹61,321.74 million in Fiscal 2017 from ₹52,148.63 million in Fiscal 2016.

As a result of foregoing, our premiums earned (net) in our fire insurance segment increased by 20.67% to ₹55,958.89 million in Fiscal 2017 from ₹46,372.06 million in Fiscal 2016.

Miscellaneous Insurance Segment:

Our gross premiums in our miscellaneous insurance segment increased by 123.51% to ₹240,582.32 million in Fiscal 2017 from ₹107,636.47 million in Fiscal 2016, primarily due to the growth in our agriculture segment in Fiscal 2017 as we accepted more reinsurance business under the PMFBY.

Our premiums on reinsurance ceded in our miscellaneous insurance segment increased by 101.23% to ₹11,213.59 million in Fiscal 2017 from ₹5,572.50 million in Fiscal 2016, primarily due to increased retrocession in our agriculture business line primarily tracking its large growth in the fiscal year.

Adjustment for changes to the reserve for unexpired risks (UPR) in our miscellaneous insurance segment were (₹33,076.08 million) in Fiscal 2017 and (₹6,654.10 million) in Fiscal 2016. This change was primarily due to an increase in net premium of ₹229,368.73 million in Fiscal 2017 from ₹102,063.97 million in Fiscal 2016.

As a result of foregoing, our premiums earned (net) in our miscellaneous insurance segment increased by 105.74% to ₹196,292.65 million in Fiscal 2017 from ₹95,409.87 million in Fiscal 2016.

A discussion of our premiums earned (net) by business line in our miscellaneous insurance business segment is set forth below.

Motor. Our gross premiums in our motor business line increased by 47.59% to ₹66,243.95 million in Fiscal 2017 from ₹44,882.91 million in Fiscal 2016 primarily due to growth in domestic proportional own-damage business and industry growth in third party motor insurance. We do not look to increase our third party motor business which has historically had high losses and has not been a profitable business line. Our obligatory cession under the IRDAI regulations, however, requires us to accept 5% of domestic third party motor insurance coverage, and, because third party motor coverage in India is a fast growing segment, our third party business continued to grow in Fiscal 2017.

We did not purchase retrocession coverage for our motor business line as its cost was not viable.

Our premiums earned (net) in our motor business line increased by 34.85% to ₹55,920.60 million in Fiscal 2017 from ₹41,468.78 million in Fiscal 2016.

Aviation. Our gross premiums in our aviation business line increased by 46.17% to ₹6,623.87 million in Fiscal 2017 from ₹4,531.75 million in Fiscal 2016 primarily due to growth in international business offset in part by lower prices across all areas of business. Our premiums on reinsurance ceded in our aviation business line decreased by 11.78% to ₹859.35 million in Fiscal 2017 from ₹974.13 million in Fiscal 2016 primarily due to discounts negotiated cedents because of lower losses in Fiscal 2016 and the continued softening of the aviation reinsurance market. Our premiums earned (net) in our aviation business line decreased by 0.84% to ₹4,686.72 million in Fiscal 2017 from ₹4,726.55 million in Fiscal 2016.

Engineering. Our gross premiums in our engineering business line decreased by 1.40% to ₹8,781.60 million in Fiscal 2017 from ₹8,906.02 million in Fiscal 2016 primarily due to lower premium from domestic surplus treaties as well as a decline in the domestic engineering facultative insurance. Our premiums on reinsurance ceded in our engineering business line decreased by 77.36% to ₹281.91 million in Fiscal 2017 from ₹1,245.46 million in Fiscal 2016. The higher ceded premiums in Fiscal 2016 as compared to Fiscal 2017 was due to ceded premiums for reinstating our retrocessional cover following certain large losses (like the Uttarakhand flood and landslide and the J&K flood). Our premiums earned (net) in our engineering business line increased by 11.22% to ₹8,174.15 million in Fiscal 2017 from ₹7,349.43 million in Fiscal 2016.

Liability. Our gross premiums in our liability business line increased by 55.05% to ₹2,334.04 million in Fiscal 2017 from ₹1,505.30 million in Fiscal 2016 primarily due to growth in our domestic treaty business. Our premiums on reinsurance ceded in our liability business line increased by 120.83% to ₹196.65 million in Fiscal 2017 from ₹89.05 million in Fiscal 2016 due to an increase in coverage purchased and an increase in business ceded. Our premiums earned (net) in our liability business line increased by 45.20% to ₹1,780.18 million in Fiscal 2017 from ₹1,226.05 million in Fiscal 2016.

Health. Our gross premiums in our health business line increased by 66.64% to ₹41,728.83 million in Fiscal 2017 from ₹25,041.90 million in Fiscal 2016. This increase was primarily due to growth in our domestic health business, which increased by 93.91% to ₹31,929.86 million from ₹16,466.51 million in Fiscal 2016 due to domestic health insurance market growth and as we increased our participation for proportional treaties. We did not purchase retrocession coverage for our health business line in Fiscal 2016 and our premiums on reinsurance ceded in our health business line was ₹1,112.26 million in Fiscal 2017. Our premiums earned (net) in our health business line increased by 43.37% to ₹33,049.12 million in Fiscal 2017 from ₹23,051.87 million in Fiscal 2016.

Financial Liability/Credit. Our gross premiums in our financial liability/credit business line increased by 13.78% to ₹2,010.09 million in Fiscal 2017 from ₹1,766.69 million in Fiscal 2016 primarily due to growth in our domestic business. Our premiums on reinsurance ceded in our financial liability/credit business line decreased by 0.89% to ₹446.00 million in Fiscal 2017 from ₹450.00 million in Fiscal 2016. Our premiums earned (net) in our financial liability/credit business line increased by 4.04% to ₹1,441.15 million in Fiscal 2017 from ₹1,385.25 million in Fiscal 2016.

Agriculture. Our gross premiums in our agriculture business line increased by 654.95% to ₹97,523.27 million in Fiscal 2017 from ₹12,917.86 million in Fiscal 2016 primarily due to growth in the reinsurance we accepted under the PMFBY, premiums of which are subsidized by Government of India and Indian state governments. Our premiums on reinsurance ceded in our agriculture business line increased by 640.57% to ₹6,788.71 million in Fiscal 2017 from ₹ 916.69 million in Fiscal 2016 as we increased retrocession because of our additional exposure under the PMFBY. Our premiums earned (net) in our agriculture business line increased by 801.87% to ₹82,498.14 million in Fiscal 2017 from ₹9,147.42 million in Fiscal 2016.

Other Miscellaneous. Our gross premiums in other miscellaneous business lines increased by 89.72% to ₹15,336.67 million in Fiscal 2017 from ₹8,084.04 million in Fiscal 2016 primarily due to growth in treaties in domestic business from personal accident, jewellers block, rural insurance and cash-in-transit. Our premiums earned (net) in our other miscellaneous business lines increased by 23.93% to ₹8,742.59 million in Fiscal 2017 from ₹7,054.52 million in Fiscal 2016.

Marine Insurance Segment:

Our gross premiums in our marine insurance segment increased by 10.67% to ₹11,317.92 million in Fiscal 2017 from ₹10,226.40 million in Fiscal 2016. Our gross premiums from marine hull decreased by 0.43% to ₹6,727.17 million in Fiscal 2017 from ₹6,756.22 million in Fiscal 2016 primarily due to a soft reinsurance market worldwide in the oil and energy and shipping industry segments. Our lower gross premiums in our marine hull business were offset in part by higher gross premiums in our marine cargo business which increased by 32.29% to ₹4,590.75 million in Fiscal 2017 from ₹3,470.18 million in Fiscal 2016 primarily due to our focus on new territories like China, Russia, Europe, Latin America and our increased participation in the domestic market.

Our premiums on reinsurance ceded in our marine insurance segment increased by 42.65% to ₹2,406.06 million in Fiscal 2017 from ₹1,686.68 million in Fiscal 2016 as we increased retrocession because of an increase in underwriting capacity and an increase in our overall treaty limits in connection with our increase in marine cargo business.

Adjustment for changes to the reserve for unexpired risks (UPR) in our marine insurance segment were ₹192.04 million in Fiscal 2017 and ₹649.44 million in Fiscal 2016. This change was primarily due to a reduction in marine hull net premium of ₹4,936.88 million in Fiscal 2017 from ₹5,530.73 million in Fiscal 2016.

Our premiums earned (net) in our marine insurance segment decreased by 0.93% to ₹9,103.90 million in Fiscal 2017 from ₹9,189.16 million in Fiscal 2016. This decrease was driven by a 5.60% decrease of premiums earned (net) from our marine hull business to ₹5,586.58 million in Fiscal 2017 from ₹5,917.98 million in Fiscal 2016 offset in part by a 7.52% increase in our premiums earned (net) from marine cargo business to ₹3,517.32 million in Fiscal 2017 from ₹3,271.18 million in Fiscal 2016.

Life Insurance Segment:

Our gross premiums in our life insurance segment increased by 53.62% to ₹3,662.01 million in Fiscal 2017 from ₹2,383.76 million in Fiscal 2016 due to growth in treaty and facultative business including PMJJBY (which is a social insurance scheme under the Government of India initiative) in our domestic market.

Our premiums on reinsurance ceded in our life insurance segment decreased by 39.57% to ₹261.07 million in Fiscal 2017 from ₹432.03 million in Fiscal 2016 as we increased in retention in our domestic business.

Adjustment for changes to the reserve for unexpired risks (UPR) in our life insurance segment were (₹1,009.50 million) in Fiscal 2017 and ₹459.54 million in Fiscal 2016. This change was primarily due to an increase in net premium to ₹3,400.94 million in Fiscal 2017 from ₹1,951.73 million in Fiscal 2016.

Our premiums earned (net) in our life insurance segment decreased by 0.82% to ₹2,391.44 million in Fiscal 2017 from ₹2,411.27 million in Fiscal 2016.

Profit on sale of investments (Net) (Policy Holders' Fund) - Revenue Accounts

Our profit on sale of investments (net) in respect of our policy holders' fund increased by 8.78% to ₹11,120.15 million in Fiscal 2017 from ₹10,222.24 million in Fiscal 2016.

Our profit on sale of investments (net) is apportioned between our policy holders' fund and shareholders' account as described above in the section entitled "-Apportionment – Policy Holders' Funds and Shareholders' Funds".

For further information on our investment performance for our policy holders' fund and our shareholders' fund see "*Business-Investment Performance*" on page 147.

Forex gain/loss - Revenue Account

Our foreign exchange gain/loss decreased by 123.81% to a loss of ₹362.99 million in Fiscal 2017 from a gain of ₹1,524.32 million in Fiscal 2016. Our foreign exchange loss in Fiscal 2017 was primarily due to a loss on the revaluation of assets as a result of strengthening of rupee against major currencies like United Stated Dollars and UK Pound Sterling as at March 31, 2017 as compared to the exchange rates as at March 31, 2017.

Interest, dividend and rent (Policy Holders' Fund) - Revenue Accounts

Our gross income from interest, dividend and rent increased by 8.75% to ₹18,395.82 million in Fiscal 2017 from ₹16,915.71 million in Fiscal 2016 was primarily due to an increase in total investment assets attributable to our revenue accounts in Fiscal 2017 and generally weaker equity market prices in India in Fiscal 2016.

Our interest, dividend and rent income from investments is apportioned between our policy holders' fund and shareholders' account as described above in the section entitled "-Apportionment – Policy Holders' Funds and Shareholders' Funds".

For further information on our investment performance for our policy holders' fund and our shareholders' fund see "*Business-Investment Performance*" on page 147.

Claims incurred (Net) – Revenue Accounts

Our claims incurred (net) increased by 66.05% to ₹215,293.13 million in Fiscal 2017 from ₹129,659.12 million in Fiscal 2016. Claims outstanding at the end of Fiscal 2017 were 40.78% higher than that at the end of Fiscal 2016. Net claims paid increased 12.33% to ₹130,024.24 million in Fiscal 2017 from ₹115,755.33 million in Fiscal 2016.

The following table shows our total claims incurred (net) on a restated consolidated basis by business line for Fiscal 2017 and Fiscal 2016 and the percentage change from Fiscal 2017 to Fiscal 2016.

(amounts in ₹ millions, except percentages)

Claims incurred (Net)	Fiscal 2017	Fiscal 2016	Percent Change
Fire (Property)	42,532.76	35,070.45	21.28%
Miscellaneous			
Motor	53,886.74	38,991.68	38.20%
Aviation	4,344.87	3,303.99	31.50%
Engineering	3,695.51	2,342.70	57.75%
Liability	1,014.10	583.57	73.78%
Health	29,604.44	21,271.97	39.17%
Financial Liability/Credit	171.13	2,220.07	-92.29%
Agriculture	66,796.68	14,145.50	372.21%
Other (1)	2,186.88	3,648.69	-40.63%
Marine	7,569.45	6,330.22	19.58%

Claims incurred (Net)	Fiscal 2017	Fiscal 2016	Percent Change
Life	3,490.57	1,750.28	99.43%
Total Claims incurred (Net)	215,293.13	129,659.12	66.05%

(1) *Other includes workmen's compensation, personal accident and other miscellaneous risks*

As a percentage of earned premiums (net), our claims incurred (net) decreased from 84.53% in Fiscal 2016 to 81.63% in Fiscal 2017.

The following table shows for Fiscal 2017 and Fiscal 2016 our incurred claims ratio by business line, which is our total claims incurred (net) on a restated consolidated basis as a percentage of earned premiums (net).

Claims Incurred (net) as a percentage of Earned Premium (net)	Fiscal 2017	Fiscal 2016
Fire (Property)	75.96%	75.63%
Miscellaneous		
Motor	96.36%	94.03%
Aviation	92.71%	69.90%
Engineering	45.21%	31.88%
Liability	56.97%	47.60%
Health	89.58%	92.28%
Financial Liability/Credit	11.87%	160.26%
Agriculture	80.97%	154.64%
Other (1)	25.01%	51.72%
Marine	83.15%	68.89%
Life	145.96%	72.59%
Total Claims Incurred (net)	81.63%	84.53%

(1) *Other includes workmen's compensation, personal accident and other miscellaneous risks*

A discussion of our claims incurred (net) and our incurred claims ratio from our fire, miscellaneous, marine and life insurance business segments is set forth below.

Fire (Property) Insurance Segment:

Our claims incurred (net) in our fire insurance segment increased by 21.28% to ₹42,532.76 million in Fiscal 2017 from ₹35,070.45 million in Fiscal 2016. Claims outstanding at the end of Fiscal 2017 were 16.86% higher than at the end of Fiscal 2016. Net claims paid increased 1.76% to ₹30,237.62 million in Fiscal 2017 from ₹29,714.78 million in Fiscal 2016.

As a percentage of earned premiums (net), our claims incurred (net) increased to 76.01% in Fiscal 2017 from 75.63% in Fiscal 2016, which is within the normal variation expected in our underwriting business.

Miscellaneous Insurance Segment:

Our claims incurred (net) in our miscellaneous insurance segment increased by 86.92% to ₹161,700.35 million in Fiscal 2017 from ₹86,508.17 million in Fiscal 2016. Claims outstanding at the end of Fiscal 2017 were 58.50% higher than at the end of Fiscal 2016. Net claims paid increased 16.88% ₹91,820.00 million in Fiscal 2017 from ₹78,559.17 million in Fiscal 2016. These increases were primarily due to the scale up of our agriculture business line where incurred claims increased 372.21% to ₹66,796.68 million in Fiscal 2017 from ₹14,145.50 million in Fiscal 2016.

As a percentage of earned premiums (net), our claims incurred (net) in the miscellaneous insurance segment decreased from 90.67% in Fiscal 2016 to 82.38% in Fiscal 2017.

A discussion of our claims incurred (net) by business line in our miscellaneous insurance business segment is set forth below.

Motor. Our claims incurred (net) in our motor business line increased by 38.20% to ₹53,886.74 million in Fiscal 2017 from ₹38,991.68 million in Fiscal 2016. As a percentage of earned premiums (net), our claims incurred (net) in our motor business line increased to 96.36% in Fiscal 2017 from 94.03% in Fiscal 2016, which is within the normal variation expected in our underwriting business.

Aviation. Our claims incurred (net) in our aviation business line increased by 31.50% to ₹4,344.87 million in Fiscal 2017 from ₹3,303.99 million in Fiscal 2016. As a percentage of earned premiums (net), our claims incurred (net) in our aviation business line increased to 92.71% in Fiscal 2017 from 69.90% in Fiscal 2016. This increase was primarily due to a relatively low value of losses during Fiscal 2017.

Engineering. Our claims incurred (net) in our engineering business line increased by 57.75% to ₹3,695.51 million in Fiscal 2017 from ₹2,342.70 million in Fiscal 2016. As a percentage of earned premiums (net), our claims incurred (net) in our engineering business line increased to 45.21% in Fiscal 2017 from 31.88% in Fiscal 2016, which is within the normal variation expected in our underwriting business.

Liability. Our claims incurred (net) in our liability business line increased by 73.78% to ₹1,014.10 million in Fiscal 2017 from ₹583.57 million in Fiscal 2016. As a percentage of earned premiums (net), our claims incurred (net) in our liability business line increased to 56.97% in Fiscal 2017 from 47.60% in Fiscal 2016, which is within the normal variation expected in our underwriting business.

Health. Our claims incurred (net) in our health business line increased by 39.17% to ₹29,604.44 million in Fiscal 2017 from ₹21,271.97 million. As a percentage of earned premiums (net), our claims incurred (net) in our health business line decreased from 92.28% in Fiscal 2016 to 89.58% in Fiscal 2017, primarily on the account of the premium growth in the health segment.

Financial Liability/Credit. Our claims incurred (net) in our financial liability/credit business line decreased by 92.29% to ₹171.13 million in Fiscal 2017 from ₹2,220.07 million in Fiscal 2016. As a percentage of earned premiums (net), our claims incurred (net) in our financial liability/credit business line decreased from 160.26% in Fiscal 2016 to 11.87% in Fiscal 2017, primarily due to lower reported claims during Fiscal 2017 and recovery under retrocession protection in respect of large losses.

Agriculture. Our claims incurred (net) in our agriculture business line increased by 372.21% to ₹66,796.68 million in Fiscal 2017 from ₹14,145.50 million in Fiscal 2016. As a percentage of earned premiums (net), our claims incurred (net) in our agriculture business line decreased from 154.64% in Fiscal 2016 to 80.97% in Fiscal 2017. This decrease was primarily due to growth in the gross premiums and the normal monsoon during Fiscal 2017.

Other Miscellaneous. Our claims incurred (net) in other miscellaneous business lines decreased by 40.06% to ₹2,186.88 million in Fiscal 2017 from ₹3,648.69 million in Fiscal 2016. As a percentage of earned premiums (net), our claims incurred (net) in our other miscellaneous business lines decreased from 51.72% in Fiscal 2016 to 25.01% in Fiscal 2017 on account of the growth of premiums in these business lines.

Marine Insurance Segment:

Our claims incurred (net) in our marine insurance segment increased by 19.58% to ₹7,569.45 million in Fiscal 2017 from ₹6,330.22 million in Fiscal 2016. Claims outstanding at the end of Fiscal 2017 were 14.72% higher than at the end of Fiscal 2016. Net claims paid decreased by 11.16% to ₹5,265.46 million in Fiscal 2017 from ₹5,927.13 million in Fiscal 2016. As a percentage of earned premiums (net), our claims incurred (net) in our marine segment increased to 83.15% in Fiscal 2017 from 68.89% in Fiscal 2016.

There were two major claims reported in Fiscal 2017, one from our oil and gas business (which was partly paid in Fiscal 2017) and one from our marine hull business due to the Vardha cyclone (which was not paid in Fiscal 2017). In Fiscal 2016, there were losses resulting from the Chennai floods for which provisions were made.

Life Insurance Segment:

Our claims incurred (net) in our life insurance segment increased by 99.43% to ₹3,490.57 million in Fiscal 2017 from ₹1,750.28 million in Fiscal 2016. Claims outstanding at the end of Fiscal 2017 were 74.74% higher than that at the end of Fiscal 2016. Net claims paid increased by 73.79% to ₹2,701.16 million in Fiscal 2017 from ₹1,554.25 million in Fiscal 2016, primarily due to the growth in our life business. As a percentage of earned premiums (net), our claims incurred (net) in our life insurance segment increased to 145.96% in Fiscal 2017 from 72.59% in Fiscal 2016, primarily due to a change in reserves.

Net Commission (including brokerage) – Revenue Accounts

Our commission (net) expense increased by 52.63% to ₹53,642.83 million in Fiscal 2017 from ₹35,145.42 million in Fiscal 2016. This increase was primarily due to the 71.95% growth of our gross premiums written in the Fiscal 2017.

The following table shows our total commissions (net) on a restated consolidated basis by business line for Fiscal 2017 and Fiscal 2016 and the percentage change from Fiscal 2017 to Fiscal 2016.

(amounts in ₹ millions, except percentages)

Net Commission	Fiscal 2017	Fiscal 2016	Percent Change
Fire (Property)	16,239.17	12,613.72	28.74%
Miscellaneous			
Motor	11,257.44	8,218.64	36.97%
Aviation	897.15	697.20	28.68%
Engineering	2,018.44	2,028.38	-0.49%
Liability	281.84	206.35	36.58%
Health	8,116.27	5,150.06	57.60%

Net Commission	Fiscal 2017	Fiscal 2016	Percent Change
Financial Liability/Credit	291.07	304.74	-4.49%
Agriculture	9,552.01	1,732.18	451.44%
Other (1)	3,356.08	2,290.96	46.49%
Marine	1,574.01	1,828.83	-13.93%
Life	59.35	74.36	-20.19%
Total Net Commission	53,642.83	35,145.42	52.63%

(1) *Other includes workmen's compensation, personal accident and other miscellaneous risks*

The following table shows for Fiscal 2017 and Fiscal 2016 the net commissions on a restated consolidated basis by business line as a percentage of our total net premiums.

Net Commission as a percentage of Net Premiums	Fiscal 2017	Fiscal 2016
Fire (Property)	26.48%	24.19%
Miscellaneous		
Motor	16.99%	18.31%
Aviation	15.56%	19.60%
Engineering	23.75%	26.48%
Liability	13.19%	14.57%
Health	19.98%	20.57%
Financial Liability/Credit	18.61%	23.14%
Agriculture	10.53%	14.43%
Other (1)	24.31%	37.03%
Marine	17.66%	21.42%
Life	1.75%	3.81%
Total Net Commission	17.70%	21.34%

(1) *Other includes workmen's compensation, personal accident and other miscellaneous risks*

As a percentage of net premiums, our net commissions decreased from 21.34% in Fiscal 2016 to 17.70% in Fiscal 2017 primarily due to the significant growth in our agriculture business carrying lower commission rates.

Our commission paid increased by 56.00% to ₹48,517.08 million in Fiscal 2017 from ₹31,100.95 million in Fiscal 2016. As a percentage of net premiums, our commission paid decreased from 18.88% in Fiscal 2016 to 16.01% in Fiscal 2017 primarily due to a significant increase in our agriculture business carrying lower commission rates.

Our brokerage paid increased by 26.73% to ₹5,125.75 million in Fiscal 2017 from ₹4,044.47 million in Fiscal 2016. As a percentage of net premiums our brokerage paid decreased from 2.46% in Fiscal 2016 to 1.69% in Fiscal 2017 primarily due to due to a significant increase in our agriculture business which is mostly on direct basis.

Operating expenses related to insurance business– Revenue Accounts

Our operating expenses related to insurance business increased by 32.30% to ₹2,513.83 million in Fiscal 2017 from ₹1,900.07 million in Fiscal 2016. This increase in Fiscal 2017 included a 11.61% increase in employees remuneration and welfare benefits, a 63.96% increase in legal and professional charges, a 67.58% increase in other expenses (including letter of credit charges and regulatory fees) as well as a ₹349.40 million for a government levy ("swatch bharat cess") in Fiscal 2017.

As a percentage of net premiums, our operating expenses related to insurance business decreased from 1.15% in Fiscal 2016 to 0.83% in Fiscal 2017, primarily due to the increase in net premiums in Fiscal 2017.

Allocation of operating expenses related to insurance business is as described above in the section entitled "--Apportionment – Expenses –Insurance Business".

Expenses related to investments– Revenue Accounts

Our expenses related to investments increased by 24.53% to ₹28.68 million in Fiscal 2017 from ₹23.03 million in Fiscal 2016. Allocation of expenses related to investments is as described above in the section entitled *"--Apportionment – Expenses – Investments*".

Transfer to Shareholders' Account – Revenue Accounts

Our transfer to shareholders' account from our insurance business revenue account was ₹21,421.39 million in Fiscal 2017 from ₹15,901.58 million in Fiscal 2016.

Operating Profit – Profit and Loss Account

Our operating profit on our profit and loss account is the amount of operating profit or loss transferred to shareholders account from our revenue accounts for the fire, the marine, miscellaneous and life insurance segments.

Our operating profit increased by 34.71% to ₹21,421.39 million in Fiscal 2017 from ₹15,901.58 million in Fiscal 2016. As detailed above, this increase was primarily due to the large increase in our agriculture business line in Fiscal 2017 and higher investment income offset in part by higher incurred claims across most of our businesses.

The following table shows our operating profit on a restated consolidated basis by segment for Fiscal 2017 and Fiscal 2016 and the percentage change from Fiscal 2017 to Fiscal 2016.

(amounts in ₹ millions, except percentages)

Operating Profit	Fiscal 2017	Fiscal 2016	Percent Change
Fire (Property)	6370.49	7,321.87	-12.99%
Miscellaneous	14,042.70	3,812.78	268.31%
Marine	2,104.77	40,66.71	-48.24%
Life	(1,096.57)	700.22	-256.60%
Total Operating Profit	**21,421.39**	**15,901.58**	34.71%

Income from Investments (Shareholders' Fund) – Profit and Loss Account

Our income from investments increased by 14.07% to ₹16,384.07million in Fiscal 2017 from ₹14,363.65 million in Fiscal 2016 was primarily due to an increase in total investment assets attributable to the profit and loss account in Fiscal 2017 and a generally weaker equity market prices in India in Fiscal 2016.

Gross income from interest, dividend and rent increased by 14.24% to ₹10,198.94 million in Fiscal 2017 from ₹8,928.04 million in Fiscal 2016. Profit on sale of investments increased by 13.79% to ₹6,185.13 million in Fiscal 2017 from ₹5,435.61 million in Fiscal 2016.

Our interest, dividend and rent income from investments is apportioned between our policy holders' fund and shareholders' account as described above in the section entitled "*-Apportionment – Policy Holders' Funds and Shareholders' Funds*".

For further information on our investment performance for our policy holders' fund and our shareholders' fund see "*Business-Investment Performance*" on page 147.

Other Income – Profit and Loss Account

Our other income decreased by 92.53% to ₹181.21 million in Fiscal 2017 from ₹2,426.30 million in Fiscal 2016. This was primarily due to a foreign exchange gain in Fiscal 2016 of ₹829.66 million primarily due to a revaluation of assets and liabilities at the fiscal year end and ₹1,573.30 million in doubtful debts written back in respect of balances due from reinsurance business partners in Fiscal 2016. In Fiscal 2017, we earned interest on an income tax refund of ₹166.82 million.

Provision for doubtful loans and investments – Profit and Loss Account

Our provision for doubtful loans and investments decreased by 30.02% to ₹293.99 million in Fiscal 2017 from ₹420.09 million in Fiscal 2016. There was a recovery from certain state Government loans and Fiscal 2017 provisioning requirement was less than Fiscal 2016.

Provision for doubtful debts – Profit and Loss Account

Our provision for doubtful debts was ₹2,305.58 million in Fiscal 2017 as against a write back of ₹1,573.30 million in Fiscal 2016 due to continuous reconciliation of accounts payable and accounts receivable in the ordinary course of business.

Amortization of premium on investments – Profit and Loss Account

Our amortization of premium on investments was ₹185.15 million in Fiscal 2017 and ₹185.60 million in Fiscal 2016.

Diminution in the value of investments written off – Profit and Loss Account

Our diminution in the value of investments decreased by 59.08% to ₹ 556.44 million in Fiscal 2017 from ₹1,359.92 million in Fiscal 2016. The diminution in Fiscal 2017 and Fiscal 2016 relates to writing off of the book value of equity shares of issuers without balance sheet information for an extended period or whose net worth was negative. In Fiscal 2016, the diminution also includes writing off of debt security book values arising out of a one-time settlement scheme.

Other Expenses – Profit and Loss Account

Our other expenses shown in the profit and loss account decreased by 6.14% to ₹480.45 million in Fiscal 2017 from ₹511.88 million in Fiscal 2016. This was primarily due to a 67.35% decrease in corporate social responsibility expenses to ₹160.27

million in Fiscal 2017 from ₹490.94 million Fiscal 2016 offset in part by a ₹240.75 million foreign exchange loss in Fiscal 2017, and an increase in interest and others expenses in Fiscal 2017.

The following table shows our other expenses (pertaining to our shareholders' fund) on a restated consolidated basis for Fiscal 2017 and Fiscal 2016.

(amounts in ₹ millions)

Other Expenses	Fiscal 2017	Fiscal 2016
Expenses relating to investments	18.21	14.49
Loss on exchange	240.75	-
Profit/(Loss) on sale of assets (net)	4.93	(1.07)
Sundry balances written off (net)	-	-
Interest others	56.29	7.52
Corporate social responsibility expenses	160.27	490.94
Total Other Expenses	480.45	511.88

Profit Before Tax – Profit and Loss Account

As a result of the changes described above, our profit before tax increased by 13.08% to ₹34,165.06 million in Fiscal 2017 from ₹30,214.04 million in Fiscal 2016.

Provision for Taxation – Profit and Loss Account

Our provision for taxation increased by 24.25% to ₹4,122.93 million in Fiscal 2017 from ₹3,318.21 million in Fiscal 2016. This was primarily due to a 15.03% increase in current tax to ₹6,190 million in Fiscal 2017 from ₹5,381.11 million in Fiscal 2016 offset in part by lower deferred tax and provision for tax in Fiscal 2017.

The following table shows our provision for taxation on a restated consolidated basis for Fiscal 2017 and Fiscal 2016 and the percentage change from Fiscal 2017 to Fiscal 2016.

(amounts in ₹ millions, except percentages)

Provision for Taxation	Fiscal 2017	Fiscal 2016	Percent Change
Current Tax	6,190.00	5,381.11	15.03%
Wealth Tax	-	-	-
MAT Credit	(1,908.13)	(1,937.60)	-1.52%
Deferred Tax	(53.32)	(23.96)	122.54%
Fringe Benefit Tax	-	-	-
Provision for Tax in respect of earlier years	(224.94)	(101.34)	121.96%
MAT credit of earlier year	119.32	-	-
Total Provision for Taxation	4,122.93	3,318.21	24.25%

Profit After Tax – Profit and Loss Account

Our profit after tax increased by 11.70% to ₹30,042.12 million in Fiscal 2017 from ₹26,895.83 million in Fiscal 2016. This was primarily due to a 13.08% increase in our profit before tax in Fiscal 2017 offset by a 24.25% increase in provision for taxation in Fiscal 2017.

Share of Profit in Associate Companies – Profit and Loss Account

Our share of profit in associate companies increased by 1.93% to ₹1,364.11 million in Fiscal 2017 from ₹1,338.32 million in Fiscal 2016.

Profit for the Year – Profit and Loss Account

For the reasons explained above, our profit for the year increased by 11.23% to ₹31,406.23 million in Fiscal 2017 from ₹28,234.15 million in Fiscal 2016.

Year Ended March 31, 2016 Compared to Year Ended March 31, 2015

Our results of operations for Fiscal 2016 compared to Fiscal 2015 are described below.

Premiums earned (Net) – Revenue Accounts

Our gross premiums increased by 21.38% to ₹185,342.45 million in Fiscal 2016 from ₹152,701.56 million in Fiscal 2015. Our increase in gross premiums was due primarily to premium growth from our agriculture, health, fire and motor business lines.

Our gross premiums from our international business (which is reinsurance written for risks outside of India) grew 26.18% to ₹83,396.92 million in Fiscal 2016 from ₹66,094.53 million in Fiscal 2015. In Fiscal 2016 and Fiscal 2015, our gross premiums from international business were 45.00% and 43.28% our total gross premiums. Our fire (property), motor, health and marine business lines are our largest contributors to international business. In Fiscal 2016, international business from our fire (property), motor, health and marine business lines contributed 23.70%, 6.41%, 4.63% and 3.48%, respectively, to our total gross premiums in the fiscal year.

Our premiums on reinsurance ceded increased by 55.03% to ₹20,638.40 million in Fiscal 2016 from ₹13,312.61 million in Fiscal 2015. The increase in our retrocession premiums was primarily due to our business growth particularly in the agriculture, health and motor business lines and an increase in premiums ceded in our fire (property) business line.

Adjustment for changes to the reserve for unexpired risks (UPR) were (₹11,321.69 million) in Fiscal 2016 and (₹3,441.18 million) in Fiscal 2015. This change was primarily due to an increase in net premium of ₹164,704.05 million in Fiscal 2016 from ₹139,388.95 million in Fiscal 2015.

Our premiums earned (net) increased by 12.82% to ₹153,382.36 million in Fiscal 2016 from ₹135,947.77 million in Fiscal 2015 primarily due to a increases in our gross premiums from our agriculture, health, fire and motor business lines offset by a large increase in premiums for retrocession.

The following table shows our premiums earned (net) on a restated consolidated basis by business line for Fiscal 2016 and Fiscal 2015 and the percentage change from Fiscal 2016 to Fiscal 2015.

(amounts in ₹ millions, except percentages)

Premiums earned (net)	Fiscal 2016	Fiscal 2015	Percent Change
Fire (Property)	46,372.06	39,817.41	16.46%
Miscellaneous			
Motor	41,468.78	36,490.66	13.64%
Aviation	4,726.55	4,716.19	0.22%
Engineering	7,349.43	7,377.00	-0.37%
Liability	1,226.05	956.08	28.24%
Health	23,051.87	18,665.99	23.50%
Financial Liability/Credit	1,385.25	2,000.43	-30.75%
Agriculture	9,147.42	6,578.58	39.05%
Other (1)	7,054.52	8,701.97	-18.93%
Marine	9,189.16	9,248.95	-0.65%
Life	2,411.27	1,394.51	72.91%
Total Premiums earned (net)	**153,382.36**	**135,947.77**	**12.82%**

(1) *Other includes workmen's compensation, personal accident and other miscellaneous risks*

A discussion of our premiums earned (net) from our fire, miscellaneous, marine and life insurance business segments are set forth below.

Fire (Property) Insurance Segment:

Our gross premiums in our fire insurance segment increased by 37.11% to ₹65,095.82 million in Fiscal 2016 from ₹47,478.13 million in Fiscal 2015. The increase in Fiscal 2016 was primarily due to growth in domestic insurance market premiums, increased participation in the reinsurance programmes of domestic clients and growth in our foreign underwriting book due to our expansion in key territories including China, Israel and the United States. This increase in Fiscal 2016 was offset in part by a reduction in domestic insurance market premium pricing for fire insurance and also a reduction in global reinsurance pricing across various territories due to soft market conditions.

Our premiums on reinsurance ceded in our fire insurance segment increased by 69.99% to ₹12,947.19 million in Fiscal 2016 from ₹7,616.66 million in Fiscal 2015. This increase includes additional retrocession coverage necessary due to the growth of our domestic and non-Indian business. For our domestic business, the retrocession cost increased due to heavy losses from the Chennai floods and other claims, and we also purchased enhanced protection in Fiscal 2016. We also purchased increased protection for our US business and enhanced the overall cover for our foreign inward program in Fiscal 2016.

Adjustment for changes to the reserve for unexpired risks (UPR) in our fire insurance segment were (₹5,776.57 million) in Fiscal 2016 and (₹44.06 million) in Fiscal 2015. This change was primarily due to an increase in net premium of ₹52,148.63 million in Fiscal 2016 from ₹39,861.47 million in Fiscal 2015.

Our premiums earned (net) in our fire insurance segment increased by 16.46% to ₹46,372.06 million in Fiscal 2016 from ₹39,817.41 million in Fiscal 2015.

Miscellaneous Insurance Segment:

Our gross premiums in our miscellaneous insurance segment increased by 16.42% to ₹107,636.47 million in Fiscal 2016 from ₹92,458.82 million in Fiscal 2015 primarily due to growth from our agriculture, health and motor business lines.

Our premiums on reinsurance ceded in our miscellaneous insurance segment increased by 49.91% to ₹5,572.50 million in Fiscal 2016 from ₹3,717.17 million in Fiscal 2015. The increase in our retrocession premiums was primarily due to our business growth particularly in the agriculture and health business lines.

Adjustment for changes to the reserve for unexpired risks (UPR) in our miscellaneous insurance segment were (₹6,654.10 million) in Fiscal 2016 and (₹3,254.75 million) in Fiscal 2015 This change was primarily due to an increase in net premium of ₹102,063.97 million in Fiscal 2016 from ₹88,741.65 million in Fiscal 2015.

Our premiums earned (net) in our miscellaneous insurance segment increased by 11.61% to ₹95,409.87 million in Fiscal 2016 from ₹85,486.90 million in Fiscal 2015.

A discussion of our premiums earned (net) by business line in our miscellaneous insurance business segment is set forth below.

Motor. Our gross premiums in our motor business line increased by 16.51% to ₹44,882.91 million in Fiscal 2016 from ₹38,522.95 million in Fiscal 2015 primarily due to growth in our international business including in Turkey, UAE, Saudi Arabia, Thailand, Malaysia and Israel. In the Domestic market, while third party prices remained stable, own damage prices saw some discounts. From April, 2017, third party insurance premium charges were revised upwards by IRDAI. We did not purchase retrocession coverage for our motor business line as its cost was not viable. Our premiums earned (net) in our motor business line increased by 13.64% to ₹41,468.78 million in Fiscal 2016 from ₹36,490.66 million in Fiscal 2015.

Aviation. Our gross premiums in our aviation business line decreased by 33.98% to ₹4,531.75 million in Fiscal 2016 from ₹6,863.95 million in Fiscal 2015 primarily due to weak pricing in soft market conditions in the aviation facultative market. Our premiums on reinsurance ceded in our aviation business line increased by 1.27% to ₹974.13 million in Fiscal 2016 from ₹961.89 million in Fiscal 2015 because of increased coverage and Chennai flood losses (due to aircraft parked for repair at Chennai airport) impacting the protection. Our premiums earned (net) in our aviation business line decreased by 0.22% to ₹4,726.55 million in Fiscal 2016 from ₹4,716.19 million in Fiscal 2015.

Engineering. Our gross premiums in our engineering business line increased by 11.91% to ₹8,906.02 million in Fiscal 2016 from ₹7,958.22 million in Fiscal 2015 primarily due an increase in domestic and non-Indian business underwritten. Our premiums on reinsurance ceded in our engineering business line increased by 45.77% to ₹1,245.46 million in Fiscal 2016 from ₹845.40 million in Fiscal 2015. The higher ceded premiums in Fiscal 2016 were due to premiums for reinstating our retrocessional cover following certain large losses (like Uttarakhand flood and landslide and J&K flood). Our premiums earned (net) in our engineering business line decreased by 0.37% to ₹7,349.43 million in Fiscal 2016 from ₹7,377.00 million in Fiscal 2015.

Liability. Our gross premiums in our liability business line increased by 30.50% to ₹1,505.30 million in Fiscal 2016 from ₹1,153.48 million in Fiscal 2015 primarily due to growth in domestic treaties. Our premiums on reinsurance ceded in our liability business line decreased by 23.64% to ₹89.05 million in Fiscal 2016 from ₹116.62 million in Fiscal 2015 due to better pricing received because of loss free renewal discounts. Our premiums earned (net) in our liability business line increased by 28.24% to ₹1,226.05 million in Fiscal 2016 from ₹956.08 million in Fiscal 2015.

Health. Our gross premiums in our health business line increased by 18.96% to ₹25,041.90 million in Fiscal 2016 from ₹21,049.81 million in Fiscal 2015 primarily due to growth in domestic treaties. We did not purchase retrocession coverage for our health business line in Fiscal 2016 and Fiscal 2015. Our premiums earned (net) in our health business line increased by 23.50% to ₹23,051.87 million in Fiscal 2016 from ₹18,665.99 million in Fiscal 2015.

Financial Liability/Credit. Our gross premiums in our financial liability/credit business line increased by 21.39% to ₹1,766.69 million in Fiscal 2016 from ₹1,455.35 million in Fiscal 2015 primarily due to growth in domestic business. In Fiscal 2016 our premiums on reinsurance ceded was ₹450.00 million. We did not purchase retrocession coverage for our financial liability/credit business line in Fiscal 2015. Our premiums earned (net) in our financial liability/credit business line decreased by 30.75% to ₹1,385.25 million in Fiscal 2016 from ₹2,000.43 million in Fiscal 2015.

Agriculture. Our gross premiums in our agriculture business line increased by 100.51% to ₹12,917.86 million in Fiscal 2016 from ₹6,442.37 million in Fiscal 2015 primarily due growth in domestic reinsurance business under the erstwhile crop insurance schemes. Our premiums on reinsurance ceded in our agriculture business line decreased by 7.81% to ₹916.69 million in Fiscal 2016 from ₹ 994.39 million in Fiscal 2015 due to an improvement in treaty terms offset by an increase in retrocession coverage. Our premiums earned (net) in our agriculture business line increased by 39.05% to ₹9,147.42 million in Fiscal 2016 from ₹6,578.58 million in Fiscal 2015.

Other Miscellaneous. Our gross premiums in other miscellaneous business lines decreased by 10.30% to ₹8,084.04 million in Fiscal 2016 from ₹9,012.69 million in Fiscal 2015 primarily due to a decrease in certain domestic miscellaneous businesses. Our premiums on reinsurance ceded in our other miscellaneous business lines increased by 140.19% to ₹1,897.17 million in Fiscal 2016 from ₹ 789.87 million in Fiscal 2015 due to specific facultative retrocessions purchased in personal accident and other miscellaneous business lines in Fiscal 2016. Our premiums earned (net) in our other miscellaneous business lines decreased by 18.93% to ₹7,054.52 million in Fiscal 2016 from ₹8,701.97 million in Fiscal 2015.

Marine Insurance Segment:

Our gross premiums in our marine insurance segment decreased by 7.71% to ₹10,226.40 million in Fiscal 2016 from ₹11,080.15 million in Fiscal 2015. Our gross premiums from marine hull decreased by 6.39% to ₹6,756.22 million in Fiscal 2016 from ₹7,217.04 million in Fiscal 2015 primarily due to soft market conditions which led to lower market prices and over capacity. Our gross premiums from marine cargo decreased by 10.17% to ₹3,470.18 million in Fiscal 2016 from ₹3,863.11 million in Fiscal 2015 primarily due to a soft reinsurance market worldwide in the oil and energy and shipping industry segments and substantial capacity further driving down the prices.

Our premiums on reinsurance ceded in our marine insurance segment increased by 8.16% to ₹1,686.68 million in Fiscal 2016 from ₹1,559.38 million in Fiscal 2015 as we increased retrocession because of purchase of new protection program to cover our international marine portfolio.

Adjustment for changes to the reserve for unexpired risks (UPR) in our marine insurance segment were ₹649.44 million in Fiscal 2016 and (₹271.82) million in Fiscal 2015. This change was primarily due to a reduction in marine cargo and marine hull net premium of ₹3,008.99 million and ₹5,530.73 million, respectively, in Fiscal 2016 from ₹3,586.01 million and ₹ 5,934.76 million in Fiscal 2015.

Our premiums earned (net) in our marine insurance segment decreased by 0.65% to ₹9,189.16 million in Fiscal 2016 from ₹9,248.95 million in Fiscal 2015. This decrease was driven by a 10.92% decrease of premiums earned (net) from our marine cargo business to ₹3,271.18 million in Fiscal 2016 from ₹3,672.29 million in Fiscal 2015, offset in part by a 6.12% increase in our premiums earned (net) from marine hull business to ₹5,917.98 million in Fiscal 2016 from ₹5,576.66 million in Fiscal 2015.

Life Insurance Segment:

Our gross premiums in our life insurance segment increased by 41.51% to ₹2,383.76 million in Fiscal 2016 from ₹1,684.46 million in Fiscal 2015 primarily due to growth in our domestic business.

Our premiums on reinsurance ceded in our life insurance segment decreased by 3.01% to ₹432.03 million in Fiscal 2016 from ₹419.40 million in Fiscal 2015 due to an increase in our retention.

Adjustment for changes to the reserve for unexpired risks (UPR) in our life insurance segment were ₹459.54 million in Fiscal 2016 and ₹129.45 million in Fiscal 2015. This change was primarily due to an increase in net premium to ₹1,951.73 million in Fiscal 2016 from ₹1,265.06 million in Fiscal 2015.

Our premiums earned (net) in our life insurance segment increased by 72.91% to ₹2,411.27 million in Fiscal 2016 from ₹1,394.51 million in Fiscal 2015.

Profit on sale of investments (Net) (Policy Holders' Fund) - Revenue Accounts

Our profit on sale of investments (net) in respect of our policy holders' fund decreased by 18.99% to ₹10,222.24 million in Fiscal 2016 from ₹12,619.14 million in Fiscal 2015. The Indian equity market had underperformed in Fiscal 2016 compared to Fiscal 2015 and profit from sale of investments was marginally lower. Our subsidiary, GIC Re South Africa Limited. accounted for profits on the sale of investments of ₹0.48 million in Fiscal 2016 and loss on sale of investment of ₹5.44 million in Fiscal 2015.

For further information on our investment performance for our policy holders' fund and our shareholders' fund see "*Business-Investment Performance*" on page 147.

Forex gain/loss - Revenue Accounts

Our foreign exchange gain/loss increased by 368.03% to a gain of ₹1,524.32 million in Fiscal 2016 from a gain on revaluation of assets as a result of weakening of rupee currency against United Stated Dollars as at March 31, 2016 as compared to the exchange rate as at March 31, 2015.

Interest dividend & rent (Policy Holders' Fund) - Revenue Accounts

Our gross income from interest, dividend and rent decreased by 0.16% to ₹16,915.71 million in Fiscal 2016 from ₹16,943.04 million in Fiscal 2015 primarily due to generally weaker equity market prices in India in Fiscal 2016 offset an increase in total investment assets attributable to the revenue accounts.

For further information on our investment performance for our policy holders' fund and our shareholders' fund see "*Business-Investment Performance*" on page 147.

Claims incurred (Net) – Revenue Accounts

Our claims incurred (net) increased by 8.85% to ₹129,659.12 million in Fiscal 2016 from ₹119,113.25 million in Fiscal 2015. Claims outstanding at the end of Fiscal 2016 were 7.03% higher than at the end of Fiscal 2015. Net claims paid decreased by 5.58% to ₹115,755.33 million in Fiscal 2016 from ₹122,593.85 million in Fiscal 2015.

The following table shows our total claims incurred (net) on a restated consolidated basis by business line for Fiscal 2016 and Fiscal 2015 and the percentage change from Fiscal 2016 to Fiscal 2015.

(amounts in ₹ millions, except percentages)

Claims incurred (Net)	Fiscal 2016	Fiscal 2015	Percent Change
Fire (Property)	35,070.45	26,635.63	31.67%
Miscellaneous			
Motor	38,991.68	38,874.41	0.30%
Aviation	3,303.99	4,087.88	-19.18%
Engineering	2,342.70	4,506.54	-48.02%
Liability	583.57	(57.49)	1,115.08%
Health	21,271.97	21,291.18	-0.09%
Financial Liability/Credit	2,220.07	1,988.75	11.63%
Agriculture	14,145.50	6,255.30	126.14%
Other (1)	3,648.69	4,611.35	-20.88%
Marine	6,330.22	9,933.67	-36.28%
Life	1,750.28	986.03	77.51%
Total Claims incurred (Net)	129,659.12	119,113.25	8.85%

(1) *Other includes workmen's compensation, personal accident and other miscellaneous risks*

As a percentage of earned premiums (net), our claims incurred (net) decreased from 87.62% in Fiscal 2015 to 84.53% in Fiscal 2016.

The following table shows for Fiscal 2016 and Fiscal 2015 the claims incurred (net) on a restated consolidated basis by business line as a percentage of our total earned premiums (net).

Claims Incurred (net) as a percentage of Earned Premiums (net)	Fiscal 2016	Fiscal 2015
Fire (Property)	75.63%	66.89%
Miscellaneous		
Motor	94.03%	106.53%
Aviation	69.90%	86.68%
Engineering	31.88%	61.09%
Liability	47.60%	-6.01%
Health	92.28%	114.06%
Financial Liability/Credit	160.26%	99.42%
Agriculture	154.64%	95.09%
Other [(1)]	51.72%	52.99%
Marine	68.89%	107.40%
Life	72.59%	70.71%
Total Claims Incurred (net)	84.53%	87.62%

(1) *Other includes workmen's compensation, personal accident and other miscellaneous risks*

A discussion of our claims incurred (net) from our fire, miscellaneous, marine and life insurance business segments are set forth below.

Fire (Property) Insurance Segment:

Our claims incurred (net) in our fire insurance segment increased by 31.67% to ₹35,070.45 million in Fiscal 2016 from ₹26,635.63 million in Fiscal 2015. Claims outstanding at the end of Fiscal 2016 were 7.77% higher than at the end of Fiscal 2015. Net claims paid decreased by 15.50% to ₹29,714.78 million in Fiscal 2016 from ₹35,165.90 million in Fiscal 2015.

As a percentage of earned premiums (net), our claims incurred (net) in our fire (property) insurance segment increased to 75.63% in Fiscal 2016 from 66.89% in Fiscal 2015 primarily due to a few large catastrophes in Fiscal 2016 like the Chennai flood.

Miscellaneous Insurance Segment:

Our claims incurred (net) in our miscellaneous insurance segment increased by 6.07% to ₹86,508.17 million in Fiscal 2016 from ₹81,557.92 million in Fiscal 2015. Claims outstanding at the end of Fiscal 2016 were 7.08% higher than at the end of Fiscal 2015. Net claims paid decreased by 1.25% to ₹78,559.17 million in Fiscal 2016 from ₹79,552.42 million in Fiscal 2015.

As a percentage of earned premiums (net), our claims incurred (net) in our miscellaneous segment decreased from 95.40% in Fiscal 2015 to 90.67% in Fiscal 2016.

A discussion of our claims incurred (net) by business line in our miscellaneous insurance business segment is set forth below.

Motor. Our claims incurred (net) in our motor business line increased by 0.30% to ₹38,991.68 million in Fiscal 2016 from ₹38,874.41 million in Fiscal 2015. As a percentage of earned premiums (net), our claims incurred (net) in our motor business line decreased from 106.53% in Fiscal 2015 to 94.03% in Fiscal 2016. Decrease was primarily due to the increase in net premium by 13.64% in Fiscal 2016.

Aviation. Our claims incurred (net) in our aviation business line decreased by 19.18% to ₹3,303.99 million in Fiscal 2016 from ₹4,087.88 million in Fiscal 2015. As a percentage of earned premiums (net), our claims incurred (net) in our aviation business line decreased from 86.68% in Fiscal 2015 to 69.90% in Fiscal 2016 primarily due to lower claim incidences in Fiscal 2016.

Engineering. Our claims incurred (net) in our engineering business line decreased by 48.02% to ₹2,342.70 million in Fiscal 2016 from ₹4,506.54 million in Fiscal 2015. As a percentage of earned premiums (net), our claims incurred (net) in our engineering business line decreased from 61.09% in Fiscal 2015 to 31.88% in Fiscal 2016, primarily as a result of higher retrocession recovery under protection in Fiscal 2016.

Liability. Our claims incurred (net) in our liability business line increased by 1,115.08% to ₹583.57 million in Fiscal 2016 from (₹57.49 million) in Fiscal 2015. As a percentage of earned premiums (net), our claims incurred (net) in our liability business line increased to 47.60% in Fiscal 2016 from (6.01%) in Fiscal 2015. This increase was primarily due to a reduction in incurred but not reported reserves (IBNR) and outstanding loss reserves (OSLR) in Fiscal 2015.

Health. Our claims incurred (net) in our health business line decreased by 0.09% to ₹21,271.97 million in Fiscal 2016 from ₹21,291.18 million in Fiscal 2015. As a percentage of earned premiums (net), our claims incurred (net) in our health business line decreased from 114.06% in Fiscal 2015 to 92.28% in Fiscal 2016, primarily due to premium growth in Fiscal 2016.

Financial Liability/Credit. Our claims incurred (net) in our financial liability/credit business line increased by 11.63% to ₹2,220.07 million in Fiscal 2016 from ₹1,988.75 million in Fiscal 2015. As a percentage of earned premiums (net), our claims incurred (net) in our financial liability/credit business line increased to 160.26% in Fiscal 2016 from 99.42% in Fiscal 2015. This increase was partly due to two large claims during Fiscal 2016 and increased claims from a large prior year loss.

Agriculture. Our claims incurred (net) in our agriculture business line increased by 126.14% to ₹14,145.50 million in Fiscal 2016 from ₹6,255.30 million in Fiscal 2015. As a percentage of earned premiums (net), our claims incurred (net) in our agriculture business line increased to 154.64% in Fiscal 2016 from 95.09% in Fiscal 2015. This increase in Fiscal 2016 was primarily due to lower rainfall levels in certain parts of India which resulted in increased claims.

Other Miscellaneous. Our claims incurred (net) in other miscellaneous business lines decreased by 20.88% to ₹3,648.69 million in Fiscal 2017 from ₹4,611.35 million in Fiscal 2016. As a percentage of earned premiums (net), our claims incurred (net) in our other miscellaneous business lines increased to 51.72% in Fiscal 2016 from 52.99% in Fiscal 2015 which is within the normal variation expected in our underwriting business.

Marine Insurance Segment:

Our claims incurred (net) in our marine insurance segment decreased by 36.28% to ₹6,330.22 million in Fiscal 2016 from ₹9,933.67 million in Fiscal 2015. Claims outstanding at the end of Fiscal 2016 were 2.55% higher than at the end of Fiscal 2015. Net claims paid decreased by 17.05% to ₹5,927.13 million in Fiscal 2016 from ₹7,145.08 million in Fiscal 2015. As a percentage of earned premiums (net), our claims incurred (net) in our marine segment decreased from 107.40% in Fiscal 2015 to 68.89% in Fiscal 2016. Two major claims were reported in Fiscal 2015, one from the Hudhud cyclone and one from a grounding loss. In Fiscal 2016, there were losses resulting from the Chennai floods for which provisions were made.

Life Insurance Segment:

Our claims incurred (net) in our life insurance segment increased by 77.51% to ₹1,750.28 million in Fiscal 2016 from ₹986.03 million in Fiscal 2015. Claims outstanding at the end of Fiscal 2016 were 22.66% higher than at the end of Fiscal 2015. Net claims paid increased by 112.78% to ₹1,554.25 million in Fiscal 2016 from ₹730.45 million in Fiscal 2015.

As a percentage of earned premiums (net), our claims incurred (net) in our life insurance segment increased to 72.59% in Fiscal 2016 from 70.71% in Fiscal 2015, which is within the normal variation expected in our underwriting business.

Net Commission – Revenue Accounts

Our commission (net) expense increased by 25.72% to ₹35,145.42 million in Fiscal 2016 from ₹27955.67 million in Fiscal 2015. This increase was primarily due to the 21.38% growth of our gross premiums written in the Fiscal 2016.

The following table shows our total commissions (net) on a restated consolidated basis by business line for Fiscal 2016 and Fiscal 2015 and the percentage change from Fiscal 2016 to Fiscal 2015.

(amounts in ₹ millions, except percentages)

Net Commission	Fiscal 2016	Fiscal 2015	Percent Change
Fire (Property)	12,613.72	9,718.85	29.79%
Miscellaneous			
Motor	8,218.64	6,499.18	26.46%
Aviation	697.20	873.24	-20.16%
Engineering	2,028.38	1,964.17	3.27%
Liability	206.35	187.87	9.84%
Health	5,150.06	3,699.44	39.21%
Financial Liability/Credit	304.74	255.21	19.41%
Agriculture	1,732.18	897.46	93.01%
Other (1)	2,290.96	1,784.38	28.39%
Marine	1,828.83	1,977.49	-8.44%
Life	74.36	78.38	-5.13%
Total Commission (Net)	35,145.42	27,955.67	25.72%

(1) *Other includes workmen's compensation, personal accident and other miscellaneous risks*

The following table shows for Fiscal 2016 and Fiscal 2015 the net commissions on a restated consolidated basis by business line as a percentage of our total net premiums.

Net Commission as a percentage of Net Premiums	Fiscal 2016	Fiscal 2015
Fire (Property)	24.19%	24.38%
Miscellaneous		
Motor	18.31%	16.87%
Aviation	19.60%	14.80%
Engineering	26.48%	27.65%
Liability	14.57%	18.12%
Health	20.57%	17.57%
Financial Liability/Credit	23.14%	17.54%
Agriculture	14.43%	16.47%
Other (1)	37.03%	21.70%
Marine	21.42%	20.98%
Life	3.81%	6.20%
Total Net Commission	21.34%	20.06%

(1) *Other includes workmen's compensation, personal accident and other miscellaneous risks*

As a percentage of net premiums, our net commissions increased to 21.34% in Fiscal 2016 from 20.06% Fiscal 2015.

Our commission paid increased by 23.85% to ₹31,100.95 million in Fiscal 2016 from ₹25,112. 29 million in Fiscal 2015. As a percentage of net premiums, our commission paid increased to 18.88% in Fiscal 2016 from 18.02% in Fiscal 2015 primarily due to higher growth in overseas business.

Our brokerage increased by 42.24% to ₹4,044.47 million in Fiscal 2016 from ₹2,843.38 million in Fiscal 2015. As a percentage of net premiums, our brokerage increased to 2.46% in Fiscal 2016 from 2.04% in Fiscal 2015 primarily due to the growth of our overseas business.

Operating expenses related to insurance business– Revenue Accounts

Our operating expenses related to insurance business increased by 15.05% to ₹1,899.88 million in Fiscal 2016 from ₹1,651.53 million in Fiscal 2015. This increase in Fiscal 2016 included a 27.54% increase in employees remuneration and welfare benefits, a 31.51% increase in travel, conveyance and vehicle running expense, a 48.41% increase in rents, rates and taxes as well as ₹121.26 million in IT expenses in Fiscal 2016.

As a percentage of net premiums, our operating expenses related to insurance business decreased to 1.15% in Fiscal 2016 from 1.18% in Fiscal 2015.

Allocation of operating expenses related to insurance business is as described above in the section entitled "--Apportionment – Expenses –Insurance Business".

Expenses related to investments– Revenue Accounts

Our expenses related to investments decreased by 2.21% to ₹23.03 million in Fiscal 2016 from ₹23.55 million in Fiscal 2015. Allocation of expenses related to investments is as described above in the section entitled "*--Apportionment – Expenses – Investments*".

Premium Deficiency – Revenue Accounts

We had a premium deficiency of ₹584.60 million in Fiscal 2015 in respect of our marine business which was credited back in Fiscal 2016.

Transfer to Shareholders' Account – Revenue Accounts

Our transfer to shareholders' account from our insurance business revenue account was ₹15,901.58 million in Fiscal 2016 from ₹15,612.64 million in Fiscal 2015.

Operating Profit – Profit and Loss Account

For the reasons detailed above, our operating profit increased by 1.85% to ₹15,901.58 million in Fiscal 2016 from ₹15,612.64 million in Fiscal 2015.

The following table shows our operating profit on a restated consolidated basis by segment for Fiscal 2016 and Fiscal 2015 and the percentage change from Fiscal 2016 to Fiscal 2015.

(amounts in ₹ millions, except percentages)

Operating Profit	Fiscal 2016	Fiscal 2015	Percent Change
Fire (Property)	7,321.87	13,180.81	-44.45%
Miscellaneous	3,812.78	3,263.23	16.84%
Marine	4,066.71	(1,217.80)	433.94%
Life	700.22	386.40	81.22%
Total Operating Profit	**15,901.58**	**15,612.64**	1.85%

Income from Investments (Shareholders' Fund) – Profit and Loss Account

Our income from investments increased by 10.31% to ₹14,363.64 million in Fiscal 2016 from ₹13,020.69 million in Fiscal 2015 was primarily due to an increase in total investment assets attributable to the profit and loss account offset by generally weaker equity market prices in India in Fiscal 2016.

Gross income from interest, dividend and rent increased by 19.56% to ₹8,928.04 million in Fiscal 2016 from ₹7,467.23 million in Fiscal 2015. Profit on sale of investments decreased by 2.12% to ₹5,435.61 million in Fiscal 2016 from ₹5,553.46 million in Fiscal 2015.

Our interest, dividend and rent income from investments is apportioned between our policy holders' fund and shareholders' account as described above in the section entitled "*-Apportionment – Policy Holders' Funds and Shareholders' Funds*".

For further information on our investment performance for our policy holders' fund and our shareholders' fund see "*Business-Investment Performance*" on page 147.

Other Income – Profit and Loss Account

Our other income increased by 3.75% to ₹2,436.30 million in Fiscal 2016 from ₹2,348.13 million in Fiscal 2015. In Fiscal 2016, our other income included foreign exchange gain of ₹829.66 million and ₹1,573.30 million in doubtful debts written back in respect of receivable from reinsurance business partners. In Fiscal 2015, our other income included ₹2,327.67 million in interest on an income tax refund.

Provision for doubtful loans and investments – Profit and Loss Account

Our provision for doubtful loans and investments increased to ₹420.09 million in Fiscal 2016 from ₹32.01 million in Fiscal 2015 due to an increase in non-performing assets in Fiscal 2016.

Provision for doubtful debts – Profit and Loss Account

Our provision for doubtful debts was ₹1,075.12 million in Fiscal 2015 against write back of nil in Fiscal 2016 due to continuous reconciliation of accounts payable and accounts receivable in the ordinary course of business.

Amortization of premium on investments – Profit and Loss Account

Our amortization of premium on investments was ₹185.60 million in Fiscal 2016 and ₹181.02 million in Fiscal 2015.

Diminution in the value of investments written off – Profit and Loss Account

Our diminution in the value of investments increased by 131.25% to ₹ 1,359.92 million in Fiscal 2016 from ₹588.08 million in Fiscal 2015. The diminution in Fiscal 2016 and Fiscal 2015 relates to writing off of the book value of equity shares of issuers without balance sheet information for an extended period or whose net worth was negative. In Fiscal 2016, the diminution also includes writing off of debt security book values arising out of a one-time settlement scheme.

Other Expenses – Profit and Loss Account

Our other expenses decreased by 36.03% to ₹511.88 million in Fiscal 2016 from ₹800.19 million in Fiscal 2015. This decrease was primarily due to a foreign exchange loss of ₹291.87 million in Fiscal 2015 and a 97.64% decrease in interest on motor pool and other expenses to ₹7.52 million in Fiscal 2016 from ₹318.01 million in Fiscal 2015. The decrease was offset in part by a 173.53% increase in corporate social responsibility expenses to ₹490.94 million from ₹179.48 million in Fiscal 2015.

The following table shows our other expenses (pertaining to our shareholders' fund) on a restated consolidated basis for Fiscal 2016 and Fiscal 2015.

(amounts in ₹ millions)

Other Expenses	Fiscal 2016	Fiscal 2015
Expenses relating to investments	14.49	10.83
Loss on exchange	-	291.87
Profit/(Loss) on sale of assets (net)	(1.07)	-
Sundry balances written off (net)	-	-
Interest motor pool & others	7.52	318.01
Corporate social responsibility expenses	490.94	179.48
Total Other Expenses	511.88	800.19

Profit Before Tax – Profit and Loss Account

As a result of the changes described above, our profit before tax increased by 6.74% to ₹30,214.04 million in Fiscal 2016 from ₹28,305.04 million in Fiscal 2015.

Provision for Taxation – Profit and Loss Account

Our provision for taxation increased by 1,027.22% to ₹3,318.21 million in Fiscal 2016 from ₹294.37 million in Fiscal 2015. This increase was primarily due to 61.88% decrease in MAT credit to ₹1,937.60 million in Fiscal 2016 from ₹5,083.44 million in Fiscal 2015. MAT credit in Fiscal 2015 was higher due to additional MAT credit, not claimed earlier, recorded in Fiscal 2015 and also a higher amount of carry forward losses available for set off. In the Fiscal 2016, the carry forward losses available for set off were minimal and the amount of MAT credit was reduced. Also, a 4.07% increase in current tax to ₹5,381.11 million in Fiscal 2016 from ₹5,170.80 million in Fiscal 2015 resulted in increase in tax provision. The increase was partially offset by 113.24% decrease in deferred tax to ₹ (23.96) million in Fiscal 2016 from ₹180.94 million in Fiscal 2015.

The following table shows our provision for taxation on a restated consolidated basis for Fiscal 2016 and Fiscal 2015 and the percentage change from Fiscal 2016 to Fiscal 2015.

(amounts in ₹ millions, except percentages)

Provision for Taxation	Fiscal 2016	Fiscal 2015	Percent Change
Current Tax	5,381.11	5,170.80	4.07%
Wealth Tax	-	11.36	-
MAT Credit	(1,937.60)	(5,083.44)	-61.88%
Deferred Tax	(23.96)	180.94	-113.24%
Fringe Benefit Tax	-	-	-

Provision for Taxation	Fiscal 2016	Fiscal 2015	Percent Change
Provision for Tax in respect of earlier years	(101.34)	14.71	-788.92%
MAT credit of earlier year	-	-	-
Total Provision for Taxation	3,318.21	294.37	1,027.22%

Profit After Tax – Profit and Loss Account

Our profit after tax decreased by 3.98% to ₹26,895.83 million in Fiscal 2016 from ₹28,909.75 million in Fiscal 2015. This was due to a 6.74% increase in our profit before tax in Fiscal 2016 offset by a 1,027.22% increase in provision for taxation in Fiscal 2016.

Share of Profit in Associate Companies – Profit and Loss Account

Our share of profit in associate companies increased by 48.85% to ₹1,338.32 million in Fiscal 2016 from ₹899.08 million in Fiscal 2015. This was primarily due to increase in profits of AICIL.

Profit for the Year – Profit and Loss Account

For the reasons explained above, our profit for the year decreased by 2.34% to ₹28,234.15 million in Fiscal 2016 from ₹28,909.75 million in Fiscal 2015.

Financial Position

The following table sets forth, at the dates indicated, our summary balance sheet, which is based on our Restated Consolidated Financial Statements set forth in "*Financial Information—Financial Statements*" beginning on page 187.

(amounts in ₹ millions)

Balance Sheet	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Sources of Funds			
Share Capital	4,300.00	4,300.00	4,300.00
Reserves and Surplus	195,387.01	179,877.82	155,941.79
Borrowings	-	-	-
Deferred Tax Liability	-	-	-
Fair Value Change Account	300,371.52	234,567.32	281,475.91
Total	500,058.53	418,745.14	441,717.70
Application of Funds			
Investments	662,119.91	556,859.61	567,577.47
Loans	3,221.25	3,657.76	3,938.45
Fixed Assets	1,693.91	1,759.02	1,429.17
Goodwill on Consolidation	378.67	378.67	378.67
Deferred Tax Asset	161.44	106.79	87.01
Current Assets:			
Cash and Bank Balances	122,314.29	97,793.63	77,488.76
Advances and other assets	180,904.92	100,471.98	98,264.81
Sub –Total (A)	303219.21	198,265.61	175,753.57
Current Liabilities	338,091.86	250,720.72	227,741.62
Provisions	132,644.00	91,561.60	79,705.02
Sub –Total (B)	470,735.86	342,282.32	307,446.64
Net Current Assets (C)=(A)-(B)	(167,516.65)	(144,016.71)	(131,693.07)
Total	500,058.53	418,745.14	441717.70
Contingent Liabilities	33,174.27	27,655.82	30,860.68

Reserves and Surplus

As of March 31, 2017, 2016 and 2015, we had reserves and surplus on a restated consolidated basis of ₹195,387.01million, ₹ 179,877.82 million and ₹ 155,941.79 million, respectively. As of March 31, 2017, our reserves included a general reserve of ₹147,943.08 million and a foreign currency translation reserve of ₹4,388.63 million.

Borrowings

As of March 31, 2017, 2016 and 2015, we had no borrowings on a restated consolidated basis.

Fair value change account

Unrealized gains/losses arising due to changes in the fair value of listed equity shares and mutual fund units are included in the fair value change account and on the realization reported in our profit and loss account.

As of March 31, 2017, 2016 and 2015, our fair value change account on a restated consolidated basis was ₹300,371.52 million, ₹234,567.32 million and ₹ 281,475.91 million, respectively.

Investments

As of March 31, 2017, 2016 and 2015, we had total investments on a restated consolidated basis of ₹662,119.91million, ₹556,859.61 million and ₹567,577.47 million, respectively.

The following table sets forth the carrying value of our investment assets in our policy holders' fund and shareholders' fund on a restated consolidated basis as at March 31, 2017, 2016 and 2015

Investment Funds by Carrying Value	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
	(in ₹ millions)		
Policy holders' Fund	416,153.41	354,881.12	385,678.04
Shareholders' Fund	245,966.50	201,978.49	140,256.39
Total	662,119.91	556,859.61	567,577.47

For a detailed discussion of the composition of our investments and our investment income, see "*Our Business – Composition of Investment Funds*" on page 143.

Loans

We made loans to public and private sector companies through March 31, 2012, when we ended this practice. As of March 31, 2017, 2016 and 2015, we had loans on a restated consolidated basis of ₹3,221.25 million, ₹3,657.76 million and ₹3,938.45 million, respectively.

For a detailed discussion of loans and our non-performing loans, see "*Business – Investments - Loans*" and "*Business – Investments – Non-Performing Loans*" on page 146.

Fixed assets

Our fixed assets include leasehold land, freehold land, buildings, furniture and fittings, IT equipment and software, vehicles, office equipment and other assets. As of March 31, 2017, 2016 and 2015, we had fixed assets on a restated consolidated basis of ₹1,693.91 million, ₹1,759.02 million and ₹1,429.17 million, respectively.

Goodwill on consolidation

Our goodwill on consolidation constitutes on account of acquisition of GIC Re South Africa. As of March 31, 2017, 2016 and 2015, we had goodwill on consolidation of ₹378.67 million, ₹378.67 million and ₹378.67 million, respectively.

Deferred tax asset

Our deferred tax asset is due to timing difference of depreciation and employee benefits. As of March 31, 2017, 2016 and 2015, we had a deferred tax asset of ₹161.44 million, ₹106.79 million and ₹87.01 million, respectively.

Cash and bank balances

As of March 31, 2017, 2016 and 2015, we had cash and bank balances on a restated consolidated basis of ₹122,314.29 million, ₹97,793.63 million and ₹77,488.76 million, respectively. Our bank balances include fixed term deposits held at various overseas financial institutions for our non-Indian business (including business written outside of India at our branches), which as of March 31, 2017, 2016 and 2015 were ₹76,109.93 million, ₹66,044.23 million and ₹47,959.22 million, respectively. These overseas deposits are not included in our investments as set forth above. Our Indian bank balances for our Indian business (written within India) are not included in investments above.

Advances and other assets

As of March 31, 2017, 2016 and 2015, we had advances and other assets on a restated consolidated basis of ₹180,904.92 million, ₹100,471.98 million and ₹98,264.81 million, respectively.

As of March 31, 2017, our advances primarily included reserve deposits with ceding companies of ₹43,842.89 million for premium reserves and loss reserve deposits as per the terms of certain treaties, advances for tax paid and tax deducted at the source (net of provision for taxation) of ₹17,272.94 million, advances for service tax and others of ₹225.45 million, prepayments of ₹60.67 million, advances of deferred commission of ₹17.45 million and advances to directors/officers of ₹5.73 million.

As of March 31, 2017, our other assets primarily included assets due from other entities carrying on insurance business (net of bad and doubtful debts) of ₹108,918.87 million, MAT credit entitlement of ₹16,745.08 million, income accrued on investments (interest accrued but not due) of ₹8,389.39 million and sundry debtors of ₹1.321.65 million.

Current Liabilities

As of March 31, 2017, 2016 and 2015, we had current liabilities on a restated consolidated basis of ₹338,091.86 million, ₹250,720.72 million and ₹227,741.62 million, respectively.

The following table sets forth our current liabilities on a restated consolidated basis as of March 31, 2017, 2016 and 2015.

Current Liabilities	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**
	(in ₹ millions)		
Balances due to other insurance companies	18,583.88	19,392.59	16,326.22
Deposits held on re-insurance ceded	23,782.62	20,022.80	14,955.08
Sundry Creditors	1,047.82	778.87	662.47
Claims Outstanding	294,504.15	210,526.46	195,797.85
Services Tax Liability	173.38	-	-
Total	338,091.86	250,720.72	227,741.62

Provisions

As of March 31, 2017, 2016 and 2015, we had provisions on a restated consolidated basis of ₹132,644.00 million, ₹91,561.60 million and ₹79,705.02 million, respectively.

As of March 31, 2017, our provisions primarily included reserves for unexpired risk (UPR) of ₹121,899.46 million, provisions for taxation of ₹12,092.75 million, provisions for doubtful loans, investments and debts ₹7,908.88 million and provisions for leave encashment of ₹332.09 million.

The largest component of our provisions is our reserve for unexpired risk (UPR) which, as of March 31, 2017, 2016 and 2015, was ₹121,899.46 million, ₹83,334.06 million and ₹72,155.63 million, respectively. Our UPR is made at 50% of net premiums for all non-life businesses (save marine and terrorism risks which are at 100% of net premiums). Our UPR for life business is determined annually by our actuary.

Liquidity and Capital Resources

We manage our liquidity and capital resources on a restated consolidated basis. The following table sets forth, for the periods indicated, a summary of our cash flows.

(amounts in ₹ millions)

Consolidated Cash Flow Statement	Fiscal 2017	Fiscal 2016	Fiscal 2015
Net cash from operating activities	80,816.98	60,127.85	26,348.89
Net cash from investing activities	(45,341.81)	(35,677.64)	(26,766.52)
Net cash from financing activities	(10,350.79)	(6,499.33)	(3,873.70)

Cash flow from operating activities

Net cash flows generated from operating activities increased to ₹ 80,816.98million in Fiscal 2017 from ₹60,127.85 million in Fiscal 2016. This increase was primarily due to increases in unexpired risk reserves and provisions for outstanding claims offset in part by reduced balances with insurance companies.

Net cash flows generated from operating activities increased to ₹60,127.85 million in Fiscal 2016 from ₹26,348.89million in Fiscal 2015. This increase was primarily due to increases in unexpired risk reserves and provisions for outstanding claims and balances with insurance companies.

Cash flows from investing activities

Net cash flows used in investing activities increased to ₹ 45,341.81million in Fiscal 2017 from ₹35,677.64 million in Fiscal 2016. This increase was primarily due to an increase in negative cash flows from changes in net investments and an increase in foreign currency translation reserves.

Net cash flows used in investing activities increased to ₹35,677.64 million in Fiscal 2016 from ₹26,766.52 million in Fiscal 2015. This increase was primarily due to increased negative cash flows from changes in net investments, offset in part by cash flows from foreign currency translation reserves.

Cash flows from financing activities

Net cash flows used in financing activities increased to ₹10,350.79 million in Fiscal 2017 from ₹6,499.33 million in Fiscal 2016. This increase was primarily due to an increase in negative cash flows from changes in net investments and an increase in foreign currency translation reserves.

Net cash flows used in financing activities increased from ₹6,499.33 million in Fiscal 2016 to ₹3,873.70million in Fiscal 2015. This increase was primarily due to an increase in negative cash flows from changes in net investments and an increase in foreign currency translation reserves.

Seasonality

The insurance sector is subject to seasonal fluctuations in operating results and cash flow. Most Indian corporations purchase non-life insurance in the beginning of the fiscal year, and certain individual insurance purchases are concentrated around the third and fourth quarters of the fiscal year due to increase in sales of motor vehicles in the festive season and due to certain tax benefits related to the purchase of health or motor insurance, respectively. Crop/weather insurance purchases are concentrated around the two most-common sowing seasons – Kharif and Rabi. As a result of these factors, we may be subject to seasonal fluctuations in operating results and cash flows during any interim financial period, and consequently, such results cannot be used as an indication of our annual results, and cannot be relied upon as an indicator of our future performance.

Significant Developments after March 31, 2017

According to our Directors, other than as below and otherwise disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstances since March 31, 2017 which materially and adversely affect or are likely to affect the trading of our Corporation's Equity Shares, our profitability, the value of our assets, or our ability to pay our liabilities within the next 12 months.

The following is one major loss which occurred during the month of April 2017:

(amounts in ₹ millions)

Name of Insured	Cause of loss	Date of Loss	Cedent	100% loss	GIC's share of Gross loss	GIC's share of Net loss
Vedanta Ltd	Fire	4/17/2017	New India Assurance Company Limited	1,650.00	715.70	715.70

Material Contractual Obligations

As of March 31, 2017, we did not have any material contractual obligations or commercial commitments, including long-term debt, rental commitments, operating lease commitments, purchase obligations or other capital commitments, other than contractual obligations under insurance and investment contracts we enter in the ordinary course of business.

Off-Balance Sheet Arrangements

As of March 31, 2017, 2016 and 2015, we had no off-balance sheet arrangements.

Contingent Liabilities

From time to time we may have contingent liabilities with respect to guarantees, letters of credit, litigation and claims that arise in the normal course of operations as reported in the Restated Notes forming part of our Restated Consolidated Financial Statements in the section entitled "*Financial Statements – Restated Consolidated Financial Statements*" on page 295.

Indebtedness

As of March 31, 2017, 2016 and 2015, we had no indebtedness on a restated consolidated basis.

Known Trends or Uncertainties

Our business has been impacted, and we expect will continue to be impacted, by the trends identified above in "—*Factors affecting our Financial Results*" on page 408 and the uncertainties described in "*Risk Factors*" on page 19.

Unusual or Infrequent Events or Transactions

To our knowledge, except as disclosed in this Draft Red Herring Prospectus, we have had no events or transactions, in our judgement, that would be considered unusual or infrequent.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

See "*Risk Factors"* beginning on page 19.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

The details of the outstanding litigation or proceedings relating to our Corporation, Subsidiaries, Group Companies and our Directors are described in this section.

Disclosure of litigation involving our Corporation and our Subsidiaries:

Except as disclosed below there are no (i) pending criminal proceedings involving our Corporation and our Subsidiaries, (ii) pending actions taken by regulatory or statutory authorities involving our Corporation and our Subsidiaries, (iii) other pending matters involving our Corporation and our Subsidiaries which are identified as material in terms of the materiality policy (as disclosed herein below), (iv) pending matters involving our Corporation and our Subsidiaries, whose outcome could have material adverse effect on the position of our Corporation, (v) matters initiated against our Corporation for economic offences, (vi) awards given by the insurance ombudsman against our Corporation during the last three years, (vii) acts of material frauds committed against our Corporation in the last five years (including action taken by our Corporation, if so), (viii) default and non-payment of statutory dues by our Corporation, (ix) inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last five years against our Corporation and our Subsidiaries, (x) pending matters involving our Corporation and our Subsidiaries pertaining to violations of securities law, (xi) pending taxation related matters and (xii) all pending matters filed against our Corporation and our Subsidiaries which are in nature of winding up petitions.

Given the nature and extent of operations of our Corporation and our Subsidiaries, our Board has approved that the outstanding litigations involving our Corporation and/or our Subsidiaries which exceed an amount which is the lesser of 1% of the consolidated gross premium and 1% of the profit after tax as per the Restated Consolidated Financial Information of our Corporation, as of and for the Financial Year 2017 would be considered material for our Corporation. The total consolidated gross premium and the consolidated profit after tax of our Corporation as per the Restated Consolidated Financial Information of our Corporation, as of and for the Financial Year 2017, was ₹ 337,407.91 million and ₹ 31,406.23 million, respectively. Accordingly, we have disclosed all outstanding litigation involving our Corporation and/or our Subsidiaries where (i) the aggregate amount involved exceeds ₹ 300 million (being an amount which is less than 1% of the consolidated gross premium and 1% of the consolidated profit after tax of our Corporation as per the Restated Consolidated Financial Information of our Corporation, as of and for the Financial Year 2017) individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 300 million; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Corporation.

Our Board has also approved that dues owed by our Corporation on a standalone basis to the small scale undertakings and other creditors as at March 31, 2017 as per the Restated Consolidated Financial Information of our Corporation exceeding 1% of the total dues owed to the small scale undertakings and other creditors would be considered as material dues for our Corporation and accordingly, we have disclosed consolidated information of outstanding dues owed to small scale undertakings and other creditors, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 8.8 million (being less than approximately 1% of total dues owed by our Corporation to the small scale undertakings and other creditors as of March 31, 2017).

Further, for details of the manner of disclosure of litigation relating to our Group Companies, see "Outstanding Litigation and Material Developments – Litigation involving our Group Companies" on page 445. For details of the manner of disclosure of litigation relating to our Directors, see "Outstanding Litigation and Material Developments – Litigation involving our Directors" on page 446. For details of the litigation in relation to direct and indirect taxes involving our Corporation, Subsidiaries, our Directors, and Group Companies, see 'Outstanding Litigation and Material Developments –Tax proceedings' on page 446.

I. Litigation involving our Corporation

A. Litigation filed against our Corporation

Matters involving an amount above ₹ 300 million

1. The Directorate General of Central Excise Intelligence, Mumbai (the "**Directorate**") upon receipt of certain intelligence information, issued a show cause notice dated October 19, 2016 ("**Notice**") to our Corporation alleging that our Corporation, which was engaged in reinsurance for 'Weather Based Crop Insurance Scheme' (WBCIS) or 'Modified National Agriculture Insurance Scheme' (MNAIS), have been claiming wrong exemption under Notification No. 25/2012-Service Tax dated June 20, 2012 (the "**Notification**"). The Directorate alleged that the exemption under the Notification was limited to general insurance services and was not applicable to re-insurance services provided to a general insurance company and that the re-insurance services provided by our Corporation were neither specifically exempted under the Notification nor under the

negative list provided under Section 66D of the Finance Act, 1994. Further, the Directorate alleged that our Corporation has escaped assessment of service tax during the period from April 2011 to December 2015 by the suppression of facts in filing service tax returns, which resulted in non-payment of service tax amounting to ₹ 3,879.55 million. Accordingly, the Directorate issued the Notice and called upon our Corporation to show cause as to why the aforesaid amount of service tax, applicable interest and penalties should not be demanded and recovered from our Corporation. Our Corporation has replied to the Notice. The amount involved in the matter is ₹ 3,879.55 million. The matter is currently pending.

2. Sumitra Pednekar and others ("**Petitioners**") have filed a writ petition dated April 13, 2017 before the Bombay High Court, against our Corporation and others ("**Respondent**") in relation to the Respondent's investment in certain companies engaged in the manufacture and sale of tobacco. The Petitioner has *inter alia* sought for direction to our Corporation to divest its shareholding from scheduled companies that are directly and indirectly engaged in the tobacco businesses and to desist from making further investments in any commercial enterprise that is linked with funding, promoting, selling, directly or indirectly controlling or operating a tobacco business. Our Corporation has filed its affidavit in reply to the aforesaid writ petition. The book value of shares held by our Corporation in ITC Limited, one of the companies engaged in the manufacture and sale of tobacco is ₹ 1,306.8 million as of July 20, 2017, which amounts to 1.68% out of the total book value of investments in equity made by our Corporation. The matter is currently pending.

Actions taken by regulatory/statutory authority

IRDAI carried out inspection on our Corporation from October 3, 2011 to October 5, 2011 and October 10, 2011 to October 15, 2011, and thereafter, issued a show cause notice dated January 25, 2016 ("**Notice**") to our Corporation stating that our Corporation has not complied with certain provisions of the Insurance Act and certain regulations, guidelines and circulars issued by IRDAI. Subsequently, based on the response filed by our Corporation and a personal hearing attended by our Chairman-cum-Managing Director and certain other officials of our Corporation, the final order was issued by IRDAI on April 26, 2016 whereby it passed the following directions:

- ***Warnings***: IRDAI issued warning to our Corporation for (i) maintaining negative Outstanding Loss Reserves and directed it to strengthen the internal processes to ensure that such negative entries will not recur while calculating Outstanding Loss Reserve and (ii) violating Section 9(1) of the General Insurance Nationalisation Act by procuring 'Direct Aviation Business' for which it was not registered;

- ***Directions***: Our Corporation was directed to (i) discontinue any of the direct business which is not in compliance with Section 9(1) of General Insurance Nationalisation Act and (ii) confirm that the position of the premium deficiency reserve from 2011-2012 are in compliance of the IRDA circular dated May 18, 2004 within 30 days of the order.

- ***Advice***: IRDAI advised our Corporation to, *inter alia*, (i) ensure strict compliance with Regulation 2(1) of Schedule I of IRDA (Asset Liability Solvency Margin of Insurers) Regulations, 2000 and Paragraph 2 of the circular dated May 26, 2009 issued by the IRDAI, in true spirit; (ii) in relation to 'Alternative Risk Transfer Arrangement' entered into by our Corporation, (a) follow the provisions of the circular dated December 8, 2014 issued by the IRDAI, (b) account for financing arrangement and reinsurance arrangement separately as per the Generally Accepted Accounting Principles (GAAP) from the year 2011-12, (c) to calculate the outstanding loss Reserve in compliance with Regulation 2(ii)(b) of Schedule II-B of IRDA (Assets, Liabilities and Solvency Margins of Insurers) Regulations, 2000, reflecting its liability in a prudent manner and (d) furnish the copies of agreements of 'Alternative Risk Transfer arrangement' to the IRDAI as prescribed in the circular dated December 8, 2004 issued by the IRDAI and (iii) ensure reserving in line with the relevant circulars/guidelines/regulation which calls for prudence in calculation of reserves.

Other matters involving an amount below ₹ 300 million

Other matters filed against our Corporation filed before various courts inter alia relate to claims by employees in relation to dismissal and wrongful termination from employment, categorisation of designation, challenge against promotion orders, challenge against reservation policy of our Corporation, claims in relation to recruitment of management trainees, challenge against declaration of results of written examination and transfer orders, motor accidents claims cases, liability to pay for loss of the Sukhoi Superjet 100 in Moscow and an appeal filed by Anupam Dighe in relation to open offer requirements under the SEBI Takeover Regulations, impleading our Corporation as a proforma party. The matters are currently pending.

B. Litigation filed by our Corporation

Matters involving an amount above ₹ 300 million

1. 44 cases have been filed by our Corporation before various courts seeking recovery of amounts against certain companies to which certain loans were given or the debentures of which were subscribed by our Corporation

which have now been classified as non-performing assets. The aggregate amount involved in these matters, including interest is ₹ 6,875.03 million as of March 31, 2017. The matters are currently pending.

II. Litigation involving our Group Companies

Disclosure of litigation involving our Group Companies: *Our Board has approved that the outstanding litigation involving our Group Companies which exceed an amount being lesser of 1% of the total net profit after tax, as per the last audited financial statements of the respective Group Company, on a consolidated basis would be considered material for the respective Group Company. During Fiscal 2017, the profit/(loss) after tax of India International, AICIL, and GIC Bhutan Re Limited was ₹ 1,124.23 million, ₹ 3,237.68 million, and ₹ 23.36 million, respectively and accordingly, any outstanding litigation involving an amount exceeding ₹ 11.24 million for India International, ₹ 32.37 million for AICIL, ₹ 0.23 million for GIC Bhutan Re Limited (being an amount which is less than 1% of the total net profit after tax as per the last audited financial statements of the respective Group Company individually) has been considered material for the purposes of disclosure in this section.*

On basis of the above, except as disclosed below for our Group Companies there are no outstanding litigation (i) above the materiality threshold (ii) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed the materiality threshold or (iii) which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Corporation

In addition to the above, for each of the Group Companies except as disclosed below there are no (i) pending criminal proceedings; (ii) outstanding action by statutory or regulatory authorities (pending actions or any actions taken in the past five years); (iii) outstanding litigation involving taxation matters; (iv)) litigation or legal action pending or taken, or any direction issued upon conclusion of such litigation or legal action, by any Ministry or Department of the Government or a statutory authority during the five years preceding the year of issue of this Draft Red Herring Prospectus; (v) outstanding litigation/disputes involving securities related offences; or (vi) pending proceedings initiated for economic offences.

Litigation filed against India International

1. 45 marine insurance related claims have been made against India International before various courts seeking recovery of claim amounts relating to *inter alia* collision of ships, heavy weather damages and fire damages. The aggregate amount involved in these matters, including interest is USD 29.14 million. The matters are currently pending.

2. 6 motor insurance related claims have been made against India International before various courts seeking recovery of amounts in relation to motor accidents claims. The aggregate amount involved in these matters, including interest is USD 5.09 million. The matters are currently pending.

3. 10 property and casualty ("**P&C**") related claims have been made against India International before various courts seeking recovery of amounts in relation to such claims. The aggregate amount involved in these matters, including interest is USD 8.44 million. The matters are currently pending.

4. The High Court, London issued a court notice dated July 27, 2012 to India International in relation to a claim of Oman Insurance Company, Dubai amounting to USD 2.86 million on account of non-acceptance of risk and breach of premium payment warranty clause. The matter is currently pending for mediation before the Commercial Courts, London.

Litigation involving Agriculture Insurance Company of India Limited ("AICIL")

Litigation filed against AICIL

Actions taken by regulatory / statutory authorities

1. During the Financial Year 2015, IRDAI imposed a penalty amounting to ` 1.00 million on AICIL on account of non-compliances pertaining to (i) creating a possible conflict of interest for entering into agreements with two brokers for the survey of claims of rubber plantation policies in terms of a circular dated August 25, 2008 issued under Regulation 19(1) of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulation, 2002; (ii) a delay in receipt of premium from a broker under Section 64VB of the Insurance Act; and (iii) issuance of acknowledgement-cum-receipts to brokers even prior to receiving any amounts, and the same being inconsistent with the amounts received, in relation to circulars dated November 23, 2007, April 15, 2008 and June 20, 2008.

Other matters involving an amount below ₹ 32.37 million

1. Shri Bhatia Seva Sahakari Mandali and others filed a writ petition against AICIL under Article 226 of the Constitution of India in 2012 before the Ahmedabad High Court arising out of the petitioner's claim of difference in the claim amount. The amount involved in the matter is approximately ₹ 173.99 million. The matter is currently pending before the Ahmedabad High Court.

2. Shri Kerali Seva Sahkari Mandali Limited, Jamnagar and others have filed a complaint against AICIL under section 12 of the Consumer Protection Act, 1986 in 2014 before State Commission, Ahmedabad arising out of petitioner's claim of difference in the claim amount. The amount involved in the matter is approximately ₹ 670.00 million. The matter is currently pending before the State Commission, Ahmedabad.

Litigation filed by AICIL

Criminal cases

AICIL has filed a criminal complaint against Vijay Kumar Mishra and another (the "**Accused**") before the Court of Chief Judicial Magistrate, Patna ("**CJM Court**") under sections 420, 467, 468, 469, 471, 409/34 and 120B of IPC. AICIL has alleged accounting fraud on the part of the Accused. The amount involved in the matter is approximately ₹ 12.50 million. The matter is currently pending before the CJM Court.

III. Litigation involving our Directors

Disclosure of litigation involving our Directors:

Except as disclosed below there are no (i) criminal litigation, (ii) actions taken by regulatory or statutory authorities against our Directors, (iii) outstanding litigation involving taxation matters; and (iv) matters pertaining to violation of securities laws involving our Directors.

Our Board has determined that all outstanding litigation against our Directors where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Corporation, would be considered as material for our Corporation.

Litigation against our Directors

G. Srinivasan

Criminal matters

Mr. Prasanna filed a criminal complaint before the VI Additional Metropolitan Magistrate Court at Bangalore against, among others, the New India Assurance Company Limited ("**New India**") and G. Srinivasan alleging mischief under section 425 of the Indian Penal Code, 1860 ("**IPC**"). The VI Additional Metropolitan Magistrate *vide* its order dated March 21, 2012 initiated criminal proceedings against the accused for the alleged offences. New India filed a criminal petition before the High Court of Karnataka at Bangalore for quashing of the entire proceedings pending before the VI Additional Metropolitan Magistrate Court under section 482 of the Code of Criminal Procedure, 1973. The High Court of Karnataka at Bangalore *vide* its interim order dated October 11, 2012, stayed the proceedings before the VI Additional Metropolitan Magistrate Court. The matter is currently pending before the High Court of Karnataka at Bangalore.

Tax Proceedings involving our Corporation, Subsidiaries, Directors and Group Companies:

Except as disclosed below, we have no pending claims relating to direct and indirect taxation involving our Corporation, Subsidiaries, Directors and Group Companies:

Nature of case	Number of cases	Amount involved (in ₹ million)
Corporation		
Direct Tax	14	27,716.57
Indirect Tax	1	3,879.55
Group Companies		
Agriculture Insurance Company of India Limited		
Direct Tax	8	131.36

IV. Small scale undertakings or any other creditors

Our Corporation, in its ordinary course of business, has outstanding dues aggregating to ₹ 879.96 million as of March 31, 2017. Our Corporation owes the following amounts, whereby material dues to creditors are identified as each creditor exceeding ₹ 8.8 million *(being less than 1% of total dues owed by our Corporation to the small scale undertakings and creditors as of March 31, 2017)*.

Particulars	Number of Cases	(₹ in million)
Dues to small scale undertakings	3	1.23
Material dues to creditors	Nil	Nil
Other dues to creditors	620	878.73
Total	623	879.96

The details pertaining to material dues to creditors are available on the website of our Corporation at https://www.gicofindia.com/en/financialls/outstanding-dues-to-creditors. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Corporation's website, would be doing so at their own risk.

V. Material Developments

For details of material developments since last balance sheet date, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 408.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of material approvals obtained by our Corporation and our Subsidiaries. The indicative approvals set out below are obtained by our Corporation and our Subsidiaries, as applicable, for the purposes of undertaking their business. In view of these approvals, our Corporation can undertake this Offer and our Corporation and its Subsidiaries can undertake their respective current business activities. Except as disclosed below, there are no material pending approvals which have been applied for by our Corporation and our Subsidiaries and material approvals that are required but not obtained.

Approval for the Offer

For the approvals and authorisations obtained by our Corporation in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 450.

Incorporation Details of our Corporation and our Subsidiaries

1. Certificate of incorporation dated November 22, 1972 issued by the RoC.

2. Fresh certificate of incorporation dated March 7, 2016 issued by the RoC consequent on conversion of our Corporation from a "private limited" to a "public limited" company.

3. Certificate of incorporation dated September 30, 2011 issued by the Registrar of Companies for England and Wales to ICAT CCM Ten Limited, renamed as GIC Re, India Corporate Member Limited on December 3, 2013.

4. Certificate of incorporation dated November 24, 1956 issued by the Registrar of Companies to Swedish Atlas Reinsurance Company of South Africa Limited, renamed as Gerling Global Reinsurance Company of South Africa Limited on March 3, 1962, which was again, renamed as Saxum Reinsurnce Limited on December 8, 2003, and presently renamed as GIC Re South Africa Limited since August 6, 2014.

5. Certificate of registration dated June 30, 2000 issued by Registrar of Short-Term Insurance to Gerling Global Reinsurance Company of South Africa Limited, renamed as Saxum Reinsurnce Limited on December 8, 2003 and presently renamed as GIC Re South Africa Limited since August 6, 2014.

Business related approvals of our Corporation and our Subsidiaries

Our Corporation and our Subsidiaries require various approvals for us to carry on our businesses. The approvals that we require include the following:

(a) **Regulatory approvals**

1. Certificate of registration to undertake reinsurance business dated April 2, 2001 issued by the IRDAI under the Insurance Act and renewal of certificate of registration dated April 1, 2014 issued by the IRDAI. Pursuant to Section 3A of the Insurance Act and letter dated April 7, 2015, the renewal of certificate of registration dated April 1, 2014 will continue to be in force from April 1, 2015, subject to Sections 3 and 3A of the Insurance Act.

(b) **Branch related approvals of our Corporation**

1. Approval dated February 9, 2007 for establishing a branch office for underwriting foreign inward business at Dubai issued by the IRDAI.

2. Approval dated March 19, 2010 for opening of branch office at Malaysia issued by the IRDAI.

3. Certificate of registration dated July 20, 2010 issued by Labuan Financial Services Authority to register the Labuan branch of our Corporation as a foreign Labuan company under the Labuan Companies Act, 1990.

4. Approval dated August 30, 2010 issued by Labuan Financial Services Authority to the Labuan branch of our Corporation to carry on Labuan reinsurance business in Federal Territory of Labuan, Malaysia under the Labuan Financial Services and Securities Act, 2010.

5. Approval dated July 20, 2011 issued by Labuan Financial Services Authority to the Labuan branch of our Corporation for establishment of a Retakaful Window within the Labuan branch of the Corporation.

6. Approval dated October 7, 2009 issued by the Department of Financial Services, Government of India for setting up a branch office at Kuala Lumpur, Malaysia.

7. Approval dated September 5, 2007 for upgrading the representative office in the United Kingdom to a full-fledged branch office for underwriting foreign inward business, issued by the IRDAI.

(c) **Other Approvals**

1. Trade license dated August 16, 2013 issued by Ministry of Economic Affairs, Royal Government of Bhutan to GIC Re Bhutan Limited in relation to general reinsurance business.

2. Certificate of License dated August 12, 2013 issued by the Royal Monetary Authority of Bhutan to GIC Bhutan Re Limited to operate as a General Reinsurance Company to engage in general reinsurance business.

3. Approval dated April 12, 2016 issued by the Central Bank of the Russian Federation granting an in principle approval to set up a subsidiary in Russian Federation.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board of Directors and our Shareholders have approved the Offer pursuant to the resolutions each dated August 4, 2017. The Selling Shareholder has confirmed that they have held the Equity Shares proposed to be offered and sold in the Offer for Sale for at least one year prior to the date of filing this Draft Red Herring Prospectus and the Equity Shares proposed to be offered and sold by them are free from any lien, charge, encumbrance or contractual transfer restrictions. The Selling Shareholder has also confirmed that they are the legal and beneficial owners of the Equity Shares being offered under the Offer for Sale.

Our Corporation received the approval dated July 3, 2017 from IRDAI to undertake a public offer in accordance with the provisions of the SEBI ICDR Regulations, under the provisions of the IRDAI Issuance of Capital Regulations. This approval is subject to certain conditions as set out below and our Corporation's compliance with such conditions:

1. Our Corporation to provide prescribed confirmations from concurrent auditor, appointed actuary and custodian: Complied with to the extent applicable

2. Maximum subscription that may be allotted to any class of foreign investors shall be in accordance with (a) Foreign Investment Rules; (b) Guidelines on 'Indian owned and controlled'; and (c) any other statutory/regulatory stipulations, as may be applicable and prescribed by any other regulator in this regard: Noted for compliance

3. The shares subject to any prior directions on lock-in period issued by the IRDAI shall not be divested: Noted for compliance

4. Disclosures in the prospectus/offer document shall be in compliance with the requirements as indicated at Schedule I of the IRDAI Issuance of Capital Regulations (over and above the disclosure requirements prescribed by SEBI): Complied with and noted for compliance

5. The Articles shall be amended so as to explicitly state that no transfer beyond the limits specified in Section 6A of the Insurance Act shall be registered without prior approval of IRDAI: Complied with

6. Our Corporation is required to ensure compliance with Insurance Act and other applicable circulars, directions and regulations issued therein including IRDA (Protection of Policyholders Interests) Regulations, 2002: Noted for compliance

Our Corporation received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Corporation, our Promoter/ Selling Shareholder, our Directors and our Group Companies have not been prohibited or debarred from accessing or operating in capital markets for any reasons by SEBI or any other authorities.

The companies, with which our Promoter or Directors are or were associated as promoter, directors or persons in control have not been prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

Further, G. Srinivasan is associated with the securities market in his capacity as a director of India International, our Group Company, which operates in the securities market. India International has been registered with SEBI as an FII and such registration expired on February 15, 2017. The registration is to be renewed under the FPI category.

Prohibition with respect to Wilful Defaulters

Neither our Corporation, nor our Promoter/ Selling Shareholder, Directors, Group Companies, have been identified as Wilful Defaulters.

Eligibility for the Offer

Our Corporation is eligible for the Offer in accordance with the Regulation 26(1) of the SEBI ICDR Regulations as explained below:

- Our Corporation has had net tangible assets of at least ₹30 million in each of the preceding three full years (of 12 months each). As the Offer is being made entirely through an offer for sale, the limit of not more than 50% of net tangible assets being monetary assets, is not applicable;

- Our Corporation has a minimum average pre-tax operating profit of ₹ 150 million calculated on a restated consolidated basis, during the three most profitable years out of the immediately preceding five years;

- Our Corporation has a net worth of at least ₹ 10 million in each of the preceding three full years (of 12 months each);

- The aggregate size of the proposed Offer and all previous issues made in the same fiscal year is not expected to exceed five times the pre-Offer net worth as per the audited balance sheet of our Corporation for the year ended March 31, 2016; and

- Our Corporation has not changed its name within the last one year.

Our Corporation's pre-tax operating profit, as restated, net worth and net tangible assets derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at, and for the last five years ended March 31 are set forth below:

(*In ₹ million, unless otherwise stated*)

Particulars	Fiscal Year ended March 31, 2017		Fiscal Year ended March 31, 2016		Fiscal Year ended March 31, 2015		Fiscal Year ended March 31, 2014		Fiscal Year ended March 31, 2013	
	Standalone	**Consolidated**	**Standalone**	**Consolidated**	**Standalone**	**Consolidated**	**Standalone**	**Consolidated**	**Standalone**	**Consolidated**
Net tangible assets(1)	484,998.56	499,380.04	406,098.39	418,062.31	430,686.88	441,008.80	331,676.29	341,530.61	281,214.31	-
Pre-tax operating profit(2)	32,702.25	34,165.06	29,866.28	30,214.04	28,320.42	28,305.04	23,048.77	23,024.30	23,102.79	-
Net worth(3)	179,916.72	195,136.94	161,741.60	174,135.25	141,715.70	152,367.00	117,381.62	127,235.93	101,204.09	-
Monetary assets(4)	121,907.65	122,314.29	97,614.01	97,793.63	77,280.87	77,488.76	82,639.20	82,640.68	82,342.79	-
Monetary assets as a percentage of the net tangible assets	25.14%	24.49%	24.04%	23.39%	17.94%	17.57%	24.92%	24.20%	29.28%	-

Notes:

(1) *Net tangible assets' means the sum of all net assets of our Corporation excluding intangible assets as defined in Accounting Standard 26 issued by Institute of Chartered Accountants of India and goodwill on consolidation accounted as per Accounting Standard 21 issued by Institute of Chartered Accountants of India.*

(2) *Pre-tax operating profit is profit before tax based on Restated Financial Information.*

Average pre-tax operating profit calculated on a restated Standalone and consolidated basis, during the three most profitable years out of the immediately preceding five years, being Fiscal Years 2016-17, 2015-16 and 2014-15, is ₹ 30,296.32 million and ₹. 30,894.71 million respectively.

(3) *'Net worth' means the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the deferred tax assets and aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of statement of profit and loss;*

(4) *Monetary assets comprise of cash and bank balances, money at call and short notice.*

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Corporation shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application monies shall be refunded forthwith.

Our Corporation is in compliance with the conditions specified in Regulation 4(2) of the SEBI ICDR Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, AXIS CAPITAL LIMITED, DEUTSCHE EQUITIES INDIA PRIVATE LIMITED, HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED AND KOTAK MAHINDRA CAPITAL COMPANY LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE CORPORATION IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF OR FOR THE EQUITY SHARES OFFERED BY THEM BY WAY OF THE OFFER FOR SALE, BOOK RUNNING LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE CORPORATION AND THE SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, BOOK RUNNING LEAD MANAGER HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 7, 2017 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID OFFER;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE CORPORATION, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE CORPORATION, WE CONFIRM THAT:**

   A. **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**

   B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   C. **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR, AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID – <u>COMPLIED WITH</u>**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS - <u>NOTED FOR COMPLIANCE</u>**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF ITS EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS. - <u>COMPLIED WITH</u>**

6. **WE CERTIFY THAT REGULATION 33 OF SEBI ICDR REGULATIONS, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS - <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT**

PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE CORPORATION ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER – NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE CORPORATION FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE CORPORATION – COMPLIED WITH

AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION; COMPLIED WITH

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS WILL BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE CORPORATION AND THE SELLING SHAREHOLDER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE BIDDERS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES IN THE OFFER SHALL BE ISSUED IN DEMATERIALISED FORM ONLY

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION COMPLIED WITH

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS: COMPLIED WITH

A. AN UNDERTAKING FROM THE CORPORATION THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE CORPORATION; AND

B. AN UNDERTAKING FROM THE CORPORATION THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE OFFER – NOTED FOR COMPLIANCE

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE CORPORATION, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC – COMPLIED WITH

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. – COMPLIED WITH

16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE OFFER)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR. COMPLIED WITH

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO THE EXTENT OF THE RELATED

<u>PARTY TRANSACTIONS OF THE CORPORATION, IN ACCORDANCE WITH ACCOUNTING STANDARD 18 AND INCLUDED IN THE DRAFT RED HERRING PROSPECTUS</u>

18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y(1)(A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI ICDR REGULATIONS. (IF APPLICABLE). – <u>NOT APPLICABLE.</u>

The filing of this Draft Red Herring Prospectus does not, however, absolve our Corporation from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up, at any point of time, with the BRLMs any irregularities or lapses in this Draft Red Herring Prospectus, the Red Herring Prospectus, and the Prospectus.

The filing of this Draft Red Herring Prospectus does not absolve the Selling Shareholder from any liabilities to the extent of the statements made by it in respect of the Equity Shares offered by the Selling Shareholder, as part of the Offer for Sale, under Section 34 or Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Caution - Disclaimer from our Corporation, the Selling Shareholder and the BRLMs

Our Corporation, our Directors, our Promoter, the Selling Shareholder, the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Corporation's instance. Anyone placing reliance on any other source of information, including on our Corporation's website www.gicofindia.com or the respective websites of our Group Companies, would be doing so at his or her own risk.

The Selling Shareholder and officers accept/ undertake no responsibility for any statements made other than those made in relation to the Selling Shareholder and to the Equity Shares offered by the Selling Shareholder, by way of the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholder and our Corporation.

All information shall be made available by our Corporation, the Selling Shareholder, and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

None among our Corporation, the Selling Shareholder or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Corporation, the Selling Shareholder, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Corporation, the Selling Shareholder, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Certain of the BRLMs and/or their respective associates and affiliates has engaged, and may in the future engage, in transactions with, and has performed, and may in the future perform, services for, our Corporation, the Selling Shareholder and their respective group companies, affiliates or associates or any third parties in the ordinary course of their commercial banking and investment banking activities, for which they have received, and may in the future receive, compensation. In addition, in the ordinary course of their commercial banking and investment banking activities, the BRLMs, and their respective associates and affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for their own account or the accounts of their customers, in debt or equity securities (or related derivative instruments) or senior loans of our Corporation, the Selling Shareholder and/or any of their respective group companies, affiliates or associates or any third parties. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Price information of past issues handled by and the BRLMs

A. Citigroup Global Markets India Private Limited ("Citi")

Price Information of Past Issues Handled by Citi:

Sr. No.	Issue Name	Issue size (in Rs. Mn)	Issue price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	UFO Moviez India Limited	6,000.0	625.00	May 14, 2015	600.00	(-)11.68% [(-)2.93 %]	(-)3.18% [+2.90%]	(-)18.27% [(-)3.76%]
2.	Coffee Day Enterprise Limited	11,500.0	328.00	November 2, 2015	317.00	(-)21.42% [(-)1.19%]	(-)20.76% [(-)6.15%]	(-)20.98% [(-)2.50%]
3.	InterGlobe Aviation Limited	30,085.0	765.00	November 10, 2015	855.80	+32.39% [(-)2.20%]	+9.41% [(-)3.78%]	+40.59% [(-)0.64%]
4.	Dr. Lal Pathlabs Limited	6,319.1	550.00	December 23, 2015	720.00	+32.54% [(-)7.49%]	+66.95% [(-)2.06%]	+63.13% [+3.87%]
5.	Mahanagar Gas Limited	10,388.8	421.00	July 1, 2016	540.00	+20.86% [+3.72%]	+57.15% [+5.00%]	+83.71% [(-)3.55%]
6.	L&T Infotech Limited	12,363.8	710.00	July 21, 2016	667.00	(-)6.39% [+1.84%]	(-)12.44% [+1.97%]	(-)4.21% [(-)1.14%]
7.	RBL Bank Limited	12,129.7	225.00	August 31, 2016	274.20	+27.07% [(-)2.22%]	+56.98% [(-)7.50%]	+103.07% [+1.74%]
8.	Endurance Technologies Limited	11,617.4	472.00	October 19, 2016	572.00	+16.06% [(-)6.69%]	+23.78% [(-)2.84%]	+76.32% [+5.68%]
9.	Laurus Labs Limited	13,305.1	428.00	December 19, 2016	489.90	+11.44% [+3.62%]	+23.97% [+13.03%]	+41.43% [+18.31%]
10.	India Grid Trust	22,499.6	100.00	June 6, 2017	99.70	(-)7.66% [+0.00%]	NA	NA
11.	Tejas Networks Limited	7,766.9	257.00	June 27, 2017	257.00	+28.04% [+5.35%]	NA	NA
12.	Eris Lifesciences Limited	17,404.9	603.00	June 29, 2017	611.00	+0.87% [+5.37%]	NA	NA
13.	AU Small Finance Bank Limited	19,125.1	358.00	July 10, 2017	530.00	NA	NA	NA

Source: www.nseindia.com

Notes:

1. *Nifty is considered as the benchmark index.*
2. *In case 30th/ 90th/180th day is not a trading day, closing price on the NSE of a trading day immediately prior to the 30th/ 90th/180th day, is considered.*
3. *Since the listing date of India Grid Trust, Tejas Networks Limited and Eris Lifesciences Limited was June 6, 2017, June 27, 2017 and June 29, 2017 respectively, information relating to closing prices and benchmark index as on 90th / 180th calendar day from listing date is not available.*
4. *Since the listing date of AU Small Finance Bank Limited was July 10, 2017, information relating to closing prices and benchmark index as on 30th / 90th / 180th calendar day from listing date is not available.*

Summary Statement of Price Information of Past Issues Handled by Citi:

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹in Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18	4	66,796.5	-	-	1	-	1	1	-	-	-	-	-	-
2016-17	5	59,804.8	-	-	1	-	1	3	-	-	1	3	1	-
2015-16	4	53,904.1	-	-	2	-	2	-	-	-	2	1	1	-

Notes:

1. *Since the listing date of India Grid Trust, Tejas Networks Limited and Eris Lifesciences Limited was June 6, 2017, June 27, 2017 and June 29, 2017 respectively, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available.*

2. *Since the listing date of AU Small Finance Bank Limited was July 10, 2017, information relating to closing prices and benchmark index as on 30th / 180th calendar day from listing date is not available.*

B. Axis Capital Limited ("Axis Capital")

1. Price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Axis Capital

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Central Depository Services (India) Limited	5,239.91	149	30-Jun-17	250.00	+127.92%,[5.84%]	-	-
2	Eris Lifesciences Limited	17,404.86	603[1]	29-Jun-17	611.00	+0.87%,[+5.37%]	-	-
3	Tejas Networks Limited	7,766.88	257	27-Jun-17	257.00	+28.04%,[+5.35%]	-	-
4	S Chand And Company Limited	7,286	670.00	09-May-17	700.00	-17.37%,[+3.59%]	-	-
5	Avenue Supermarts Limited	18,700	299	21-Mar-17	600.00	+145.08%, [-0.20%]	+166.35%,[+5.88%]	-
6	BSE Limited	12,434.32	806	03-Feb-17	1085.00	+17.52%,[+2.55%]	+24.41%,[+6.53%]	+34.43%,[+15.72%]
7	Varun Beverages Limited	11,250.00	445	08-Nov-16	430.00	-7.72%,[-5.17%]	-9.36%,[+3.01%]	+10.60%,[+9.02%]
8	Endurance Technologies Limited	11,617.35	472	19-Oct-16	572.00	+16.06%,[-6.69%]	+ 23.78%,[-2.84%]	+73.98%,[+5.55%]
9	RBL Bank Limited	12,129.67	225	31-Aug-16	274.20	+27.07%,[-2.22%]	+56.98%,[-7.50%]	+107.91%,[+1.26%]
10	Dilip Buildcon Limited	6,539.77	219	11-Aug-16	240.00	+5.11%,[+3.20%]	+1.53%,[-0.57%]	+22.12%,[+2.43%]

Source: www.nseindia.com

[1] *Price for eligible employees was ₹ 543.00 per equity share*

Notes:

a. *The CNX NIFTY is considered as the Benchmark Index.*
b. *Price on NSE is considered for all of the above calculations.*
c. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.*
d. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. Summary statement of price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Axis Capital:

Financial Year	Total no. of IPOs	Total funds Raised (in ₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	4	37,697.65	-	-	1	1	1	1	-	-	-	-	-	-
2016-2017	10	1,11,377.80	-	-	1	4	2	3	-	-	-	6	-	2
2015-2016	8	60,375.66	0	0	3	0	4	1	0	0	3	1	2	2

* *The information is as on the date of the document*

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

C. Deutsche Equities India Private Limited ("Deutsche")

Table 1: Price information of past issues handled by Deutsche

Sr. No.	Issue Name	Issue Size (in ₹ million)	Issue Price (in ₹)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	ICICI Prudential Life Insurance	60,567.9	334	September 29, 2016	330.00	-7.60% [+0.54%]	-11.54% [-6.50%]	12.31% [+5.28%]
2.	Adlabs Entertainment Limited(1)	3,745.9	180	April 6, 2015	162.20	-18.36% [-3.87%]	-12.08% [-2.02%]	-38.39% [-8.19%]

Source: www.nseindia.com

Notes:

1. *In Adlabs Entertainment Limited, the issue price to retail individual investor was ₹ 168 per equity share after a discount of ₹ 12 per equity share. The anchor investor issue price was ₹ 221 per equity share;*

NIFTY is considered as the benchmark index

Table 2: Summary statement of disclosure of Deutsche

Financial Year	Total no. of IPOs	Total amount of funds raised (in ₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18*	0	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-17	1	60,567.9	-	-	1	-	-	-	-	-	-	-	-	1
2015-16	1	3,745.9	-	-	1	-	-	-	-	1	-	-	-	-

* *The information is as on the date of this Draft Red Herring Prospectus*

D. HSBC Securities and Capital Markets (India) Private Limited ("HSBC")

1. *Price information of past issues (during current financial year and two financial years preceding the current financial year)handled by HSBC:*

Sr. No.	Issue Name	Issue Size (INRm)	Issue price (INR)	Listing date	Opening price on listing date (INR)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	VRL Logistics Limited	4,679.00	205.00	30-Apr-15	288.00	+50.90%, [+3.08%]	+85.49%, [+1.90%]	+100.90%, [+0.97%]
2	Equitas Holdings Limited	21,766.85	110.00	21-Apr-16	144.00	+34.63%, [-2.05%]	+57.91%, [+7.79%]	+35.06%, [+9.68%]
3	ICICI Prudential Life Insurance Company limited	60,567.91	334.00	29-Sep-16	330.00	+3.71%, [+0.54%]	+0.72%, [-6.48%]	+24.88%, [+5.93%]

Notes:

– *All above data is of NSE (Website www.nseindia.com)*

– *Benchmark Index considered above in all the cases was NIFTY*

– *10th, 20th, 30th trading day from listed day have been taken as listing day plus 10, 20 and 30 calendar days. Wherever 10th, 20th, 30th trading day is a holiday, we have considered the closing data of the next trading date / day*

2. *Summary statement of price information of past issues(during current financial year and two financial years preceding the current financial year) handled by HSBC*:

Financial year	Total no. of IPOs	Total funds raised (INRm)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25% and 50%	Less than 25%	Over 50%	Between 25% and 50%	Less than 25%	Over 50%	Between 25% and 50%	Less than 25%	Over 50%	Between 25% and 50%	Less than 25%
2015-16	1	4,679.00	-	-	-	1	-	-	-	-	-	1	-	-
2016-17	2	82,334.76	-	-	-	-	1	1	-	-	-	-	1	1
2017-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

– *All above data is of NSE (Website www.nseindia.com)*

– *Benchmark Index considered above in all the cases was NIFTY*

– *10th, 20th, 30th trading day from listed day have been taken as listing day plus 10, 20 and 30 calendar days. Wherever 10th, 20th, 30th trading day is a holiday, we have considered the closing data of the next trading date / day*

E. Kotak Mahindra Capital Company Limited ("Kotak")

1. Price information of past issues handled by Kotak:

Table 1: Price information of past issues handled

Sr. No.	Issue Name	Issue Size (₹ Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	CL Educate Limited	238.95	502	31-Mar-17	402.00	-8.98%[+ 1.42%]	-15.36%[+3.46%]	-
2.	Avenue Supermarts Limited	1,870.00	299	21-Mar-17	600.00	+145.08%[- 0.33%]	+167.59%[+4.97%]	-
3.	Laurus Labs Limited(1)	1,330.50	428	19-Dec-16	489.90	+11.44%[+3.62%]	+23.97%[+13.03%]	+41.43%[+18.31%]
4.	Varun Beverages Limited	1,112.50	445	8-Nov-16	430.00	-7.72%[-5.17%]	-11.49%[+2.31%]	+8.89%[+8.68%]
5.	PNB Housing Finance Limited(2)	3,000.00	775	7-Nov-16	860.00	+11.70%[-4.16%]	+21.28%[+2.87%]	+70.50%[+9.28%]
6.	L&T Technology Services Limited	894.40	860	23-Sep-16	920.00	-0.85%[-1.57%]	-8.54%[-8.72%]	-9.55%[+3.28%]
7.	RBL Bank Limited	1,212.97	225	31-Aug-16	274.20	+27.07%[-2.22%]	+56.98%[-7.50%]	+103.07%[+1.74%]

Sr. No.	Issue Name	Issue Size (₹ Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
8.	Larsen & Toubro Infotech Limited[3]	1,236.38	710	21-Jul-16	667.00	-6.39%[+1.84%]	-12.44%[+1.97%]	-4.21%[-1.14%]
9.	Mahanagar Gas Limited[4]	1,038.88	421	1-Jul-16	540.00	+20.86%[+3.72%]	+57.15%[+5.00%]	+83.71%[-3.55%]
10.	Parag Milk Foods Limited[5]	750.54	215	19-May-16	217.50	+17.07%[+4.97%]	+48.67%[+11.04%]	+38.93%[+6.59%]
11.	Ujjivan Financial Services Limited	882.50	210	10-May-16	231.90	+72.38%[+4.88%]	+120.90%[+10.08%]	+98.31%[+6.92%]
12.	Healthcare Global Enterprises Limited	649.64	218	30-Mar-16	210.20	-15.32%[+1.45%]	-19.98%[+4.65%]	-1.31%[+14.17%]
13.	Dr. Lal PathLabs Limited[6]	631.91	550	23-Dec-15	720.00	+32.54%[-7.49%]	+66.95% [-2.06%]	+63.13% [+3.87%]
14.	S H Kelkar and Company Limited	508.17	180	16-Nov-15	223.70	+21.69%[-1.35%]	+20.78%[-10.58%]	+24.97% [+0.11%]
15.	Interglobe Aviation Limited[7]	3,008.50	765	10-Nov-15	855.80	+32.39%[-2.20%]	+9.41%[-3.78%]	+40.59% [-0.64%]
16.	Coffee Day Enterprises Limited	1,150.00	328	2-Nov-15	317.00	-21.42%[-1.19%]	-19.73%[-6.05%]	-20.98% [-2.50%]
17.	Sadbhav Infrastructure Project Limited	491.66	103	16-Sep-15	111.00	-2.28% [+3.55%]	-5.63%[-3.15%]	-12.67% [-4.92%]
18.	Power Mech Projects Limited	273.22	640	26-Aug-15	600.00	-9.36% [+0.98%]	-4.63%[+0.74%]	-10.65% [-7.15%]
19.	Manpasand Beverages Limited	400.00	320	9-Jul-15	300.00	+23.20% [+2.83%]	+36.53% [-2.11%]	+58.34% [-6.45%]
20.	Adlabs Entertainment Limited[8]	374.59	180	6-Apr-15	162.20	-18.36% [-3.87%]	-12.08% [-2.02%]	-38.39% [-8.19%]
21.	Ortel Communications Limited	173.65	181	19-Mar-15	160.05	-3.67% [-0.33%]	-5.91% [-6.80%]	+12.21% [-8.83%]

Source: www.nseindia.com

Notes:

1. *In Laurus Labs Limited, the issue price to employees was ₹ 388 per equity share after a discount of ₹ 40 per equity share. The Anchor Investor Issue price was ₹ 428 per equity share.*

2. *In PNB Housing Finance Limited, the issue price to employees was ₹ 700 per equity share after a discount of ₹ 75 per equity share. The Anchor Investor Issue price was ₹ 775 per equity share.*

3. *In Larsen & Toubro Infotech Limited , the issue price to retail individual investor was ₹ 700 per equity share after a discount of ₹ 10 per equity share. The Anchor Investor Issue price was ₹ 710 per equity share.*

4. *In Mahanagar Gas Limited, the issue price to employees was ₹ 383 per equity share after a discount of ₹ 38 per equity share. The Anchor Investor Issue price was ₹ 421 per equity share.*

5. *In Parag Milk Foods Limited , the issue price to retail individual investor and employees was ₹ 203 per equity share after a discount of ₹ 12 per equity share. The Anchor Investor Issue price was ₹ 227 per equity share.*

6. *In Dr. Lal PathLabs Limited, the issue price to retail individual investor was ₹ 535 per equity share after a discount of ₹ 15 per equity share. The Anchor Investor Issue price was ₹ 550 per equity share.*

7. *In Interglobe Aviation Limited, the issue price to employees was ₹ 688.50 per equity share after a discount of ₹ 76.5 per equity share. The Anchor Investor Issue price was ₹ 765 per equity share.*

8. *In Adlabs Entertainment Limited, the issue price to retail individual investor was ₹ 168 per equity share after a discount of ₹ 12 per equity share. The Anchor Investor Issue price was ₹ 221 per equity share.*

9. *In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.*

10. *Nifty is considered as the benchmark index.*

Table 2: Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-2017	11	13,567.63	-	-	4	2	1	4	-	-	2	4	2	1
2015-2016	9	7,487.69	-	-	5	-	2	2	-	1	4	2	1	1
2014-2015	1	173.65	-	-	1	-	-	-	-	-	-	-	-	1

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLMs, as set out in the table below:

Serial Number	Name of the BRLMs	Website
1.	Citigroup Global Markets India Private Limited	www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
2.	Axis Capital Limited*	www.axiscapital.co.in
3.	Deutsche Equities India Private Limited	www.db.com/India
4.	HSBC Securities and Capital Markets (India) Private Limited	http://www.hsbc.co.in/1/2/corporate/equities-globalinvestment-banking
5.	Kotak Mahindra Capital Company Limited	www.investmentbank.kotak.com

* *In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, Axis Capital Limited will be involved only in marketing of the Offer.*

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, insurance companies registered with the IRDAI, permitted provident funds and pension funds, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India) and Eligible NRIs, FPIs and other eligible foreign investors (viz. bilateral and multilateral development financial institution). This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Corporation, our Subsidiaries or the Selling Shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act, "Rule 144A") and referred to in this Draft Red Herring Prospectus as "U.S. QIBs", for the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as — QIBs in reliance on Rule 144 A or another available exemption from the registration requirements of the U.S. Securities Act and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and pursuant to the applicable laws of the jurisdiction where these offers and sales occur. Prospective purchasers are hereby notified that the seller of the Equity Shares may be relying on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws or such jurisdiction.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer within the United States, by its acceptance of the Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with our Corporation, the Selling Shareholder and the BRLMs that it has received a copy of the Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(3) the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of one or more U.S. QIBs with respect to which it exercises sole investment discretion;

(4) the purchaser is not an affiliate of our Corporation or a person acting on behalf of an affiliate;

(5) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act, (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder (if available), or (iv) pursuant to another available exemption from the registration requirements under the U.S. Securities Act and (B) in each case in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Corporation determines, in its sole discretion, to remove them;

(6) the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

(7) the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

(8) the purchaser is not acquiring the Equity Shares as a result of any form of "general solicitation" or "general advertising" (within the meaning of Rule 502(c) of Regulation D under the U.S. Securities Act);

(9) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Corporation determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

"**THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), OR (4) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR RESALES OF THE EQUITY SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE EQUITY SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE EQUITY SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK.**"

(10) our Corporation will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

(11) the purchaser acknowledges that our Corporation, the Selling Shareholder, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Corporation, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All other Equity Shares Offered and Sold in the Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer outside the United States, by its acceptance of the Draft Red Herring Prospectus and of the Equity Shares offered pursuant to the Offer, will be deemed to have acknowledged, represented to and agreed with our Corporation, the Selling Shareholder and the BRLMs that it has received a copy of the Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(3) the purchaser is purchasing the Equity Shares offered pursuant to the Offer in an offshore transaction in reliance on Regulation S under the U.S. Securities Act;

(4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares, was located outside the United States at the time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

(5) the purchaser is not an affiliate of our Corporation or a person acting on behalf of an affiliate;

(6) the purchaser is not acquiring the Equity Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) of Regulation S under the U.S. Securities Act);

(7) our Corporation will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

(8) the purchaser acknowledges that our Corporation, the Selling Shareholder, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Corporation, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Corporation, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Corporation, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of IRDAI

Insurance Regulatory and Development Authority of India does not undertake any responsibility for the financial soundness of our Corporation or for the correctness of any of the statements made or opinions expressed in this connection.

ANY APPROVAL BY THE IRDAI UNDER THE IRDAI ISSUANCE OF CAPITAL REGULATIONS SHALL NOT IN ANY MANNER BE DEEMED TO BE OR SERVE AS A VALIDATION OF THE REPRESENTATIONS BY OUR CORPORATION IN THE OFFER DOCUMENT.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Corporate Finance Department, Plot number C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the office of the Registrar of Companies, 100, Everest, Marine Drive, Mumbai 400 002.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Corporation and the Selling Shareholder shall forthwith repay, without interest, all moneys received from the Bidders / Applicants in pursuance of the Red Herring Prospectus / the Prospectus. If such money is not repaid within the prescribed time after our Corporation and the Selling Shareholder become liable to repay it, then our Corporation and every Director of our Corporation who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest, as disclosed in the Red Herring Prospectus or the Prospectus.

Our Corporation shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within six Working Days from the Bid/Offer Closing Date. Further, the Selling Shareholder confirm that they shall provide assistance to our Corporation, the BRLMs, as may be reasonably required and necessary, for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/Offer Closing Date.

If our Corporation does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

The Selling Shareholder confirms that it shall reimburse our Corporation for any interest payments made by our Corporation on behalf of the Selling Shareholder in this regard.

Consents

Consents in writing of the Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, legal advisors, Bankers to our Corporation, Bankers to the Offer, the BRLMs, the Syndicate Members and the Registrar to the Offer to act in their respective capacities, have been obtained / will be obtained prior to filing of the Red Herring Prospectus with the RoC and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, our Joint Auditors, M/s G B C A & Associates and M/s. Samria & Co., Chartered Accountants have given their written consent to the inclusion of their examination reports dated August 4, 2017 on Restated Standalone Financial Statements, Restated Consolidated Financial Statements and the statement of tax benefits dated August 6, 2017 included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Experts

Except as stated below, our Corporation has not obtained any expert opinions:

Our Corporation has received written consent from the Joint Auditors namely, M/s G B C A & Associates and M/s. Samria & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" defined under Section 2(38) of the Companies Act, 2013 in respect of the report of the Joint Auditors dated August 4, 2017 on the Restated Standalone Financial Statements, Restated Consolidated Financial Statements and the statement of tax benefits dated August 6, 2017 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. As the Equity Shares in the Offer will not be registered under the U.S. Securities Act, any references to the term "expert" herein and the Joint Auditors' consent to be named as "expert" with respect to the Offer are not in the context of a U.S. registered offering of securities.

Offer Expenses

The expenses of this Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Offer expenses, see "*Objects of the Offer – Offer Expenses*" beginning on page 87.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the engagement letter with the BRLMs and the Syndicate Agreement. For further details of Offer expenses, see "*Objects of the Offer – Offer Expenses*" beginning on page 87.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see "*Objects of the Offer*" on page 86.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated [●] to be entered into, between our Corporation, the Selling Shareholder and the Registrar to the Offer, a copy of which will be available for inspection at the Registered Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post.

Particulars regarding public or rights issues by our Corporation during the last five years

Our Corporation has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed in the section "*Capital Structure*" beginning on page 79, our Corporation has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid on previous issues

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for the Equity Shares since our Corporation's inception.

Capital issue during the previous three years by listed Group Companies and Subsidiary of our Corporation

None of our Group Companies nor our Subsidiaries has its equity shares listed on any stock exchange.

Performance vis-à-vis objects – Public/rights issue of our Corporation and/or listed Group Companies and associates of our Corporation

Other than as disclosed in "*Capital Structure*", beginning on page 79, our Corporation has not undertaken any previous public or rights issue.

Except GIC Re Bhutan Limited, none of our Group Companies or our Subsidiaries have undertaken any public or rights issue of their equity shares in the last ten years preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures or Bonds

There are no outstanding debentures or bonds issued by our Corporation as of the date of filing this Draft Red Herring Prospectus.

Outstanding Preference Shares or other convertible instruments issued by our Corporation

Our Corporation does not have any outstanding preference shares or other convertible instruments as on date of this Draft Red Herring Prospectus.

Partly Paid-up Shares

Our Corporation does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Corporation, the Equity Shares are not listed on any stock exchange.

Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Corporation and the Selling Shareholder will provide for retention of records with the Registrar to the Offer for a period of at least three years from the last date of despatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Disposal of Investor Grievances by our Corporation

Our Corporation estimates that the average time required by our Corporation or the Registrar to the Offer or the Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Corporation will seek to redress these complaints as expeditiously as possible.

Our Corporation has constituted a Stakeholders' Relationship Committee comprising Alice G Vaidyan, Usha Sangwan; and Y. Ramulu. For details, see "*Our Management - Committees of the Board - Stakeholders Relationship Committee*" beginning on page 180.

Our Corporation has also appointed Suchita Gupta, as the Compliance Officer for the Offer and she may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

Suchita Gupta
'Suraksha'
170 J Tata Road
Churchgate, Mumbai 400 020
Tel: (91 22) 2286 7000
Fax: (91 22) 2288 4010
E-mail: cs.gic@gicofindia.com

Investor grievance mechanism and investor complaints for the listed companies (whose equity shares are listed on stock exchanges) under the same management within the meaning of section 370 (1B) of the Companies Act, 1956

Except for GIC Bhutan Re Limited, there are no listed companies under the same management within the meaning of section 370 (113) of the Companies Act, 1956.

Changes in joint auditors

Except as described below, there has been no change in our Joint Auditors for the last three years:

Name of Auditors	Date of Appointment	Date of Resignation	Reason for change
Manubhai & Shah Ghalla & Bhansali	September 10, 2014	At the next AGM	Appointed by CAG
Samria & Co M/s G B C A & Associates	July 06, 2015	-	Appointed by CAG
Samria & Co M/s G B C A & Associates	July, 11 2016	-	Appointed by CAG

Capitalisation of Reserves or Profits

Our Corporation has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

Except as disclosed in "*Financial Statements*" beginning on page 187, there has been no revaluation of assets by our Corporation.

SECTION VIII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being Offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the Insurance Act, the IRDA Act and the rules and regulations made thereunder including the IRDAI Issuance of Capital Regulations, the SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN, the SEBI Listing Regulations, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government, the Stock Exchanges, the RBI, RoC, the IRDAI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the IRDAI, the Government, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Offer.

Offer for Sale

The Offer comprises a Fresh Issue and an Offer for Sale by the Selling Shareholder. The fees and expenses relating to the Offer shall be borne on a pro-rata basis in proportion to the Equity Shares issued and allotted by our Corporation in the Fresh Issue and the Equity Shares sold by the Selling Shareholder in the Offer for Sale.

Ranking of the Equity Shares

The Equity Shares being offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the Insurance Act, the SEBI Listing Regulations, the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights to receive dividend and other corporate benefits, if any, declared by our Corporation after the date of Allotment. The Allottees, upon Allotment of the Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Corporation after the date of Allotment. For further details, see "*Main Provisions of the Articles of Association*" beginning on page 513.

Mode of Payment of Dividend

Our Corporation shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the Memorandum of Association and the Articles of Association and provisions of the SEBI Listing Regulations. For further details in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" beginning on pages 186 and 513, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 5 per Equity Share and the Offer Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] and the Price Band is ₹ [●] - ₹ [●].

The Price Band and the minimum Bid Lot will be decided by our Corporation and the Selling Shareholder in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares by way of a book-building process and will be advertised in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation at least five Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price and such advertisement shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites.

At any given point of time there shall be only one denomination of the Equity Shares.

Compliance with disclosure and accounting norms

Our Corporation shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of our Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;

- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any IRDAI or RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and the Memorandum of Association and the Articles of Association of our Corporation and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Corporation relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Main Provisions of Articles of Association*" beginning on page 513.

Option to Receive Securities in Dematerialised Form

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. Our Corporation will enter into tripartite agreements with the respective Depositories and the Registrar to the offer prior to filing of the Red Herring Prospectus.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the Sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Corporation.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may, thereafter, withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Corporation. Nominations registered with respective depository participant of the applicant would prevail. If the Bidders require changing of their nomination, they are requested to inform their respective depository participant.

Period of operation of subscription list

See "*Offer Structure – Bid/Offer Programme*" beginning from page 472.

Minimum Subscription

If our Corporation does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Offer equivalent to at least 10% post- Issue paid up Equity Share capital of our Corporation (the minimum number of securities as specified under Rule 19(2)(b)(iii) of the SCRR), including devolvement of Underwriters, if any, within 60 days from the date of Bid/ Offer Closing Date, our Corporation and the Selling Shareholder shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Corporation and the Selling Shareholder shall pay interest prescribed under the applicable law. The requirement for minimum subscription is not applicable to the Offer for Sale. In case of undersubscription of the Issue, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

Further, our Corporation and the Selling Shareholder shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI ICDR Regulations, failing which our Corporation and the Selling Shareholder shall forthwith refund the entire subscription amount received and in case of any delay, shall pay interest prescribed under the applicable law.

Arrangement for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer Equity Share capital of our Corporation, the minimum promoter's contribution as detailed in "*Capital Structure*" on page 79 and except as provided in the Insurance Act, the IRDAI Transfer of Equity Shares Regulations and the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of the Equity Shares and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Risk Factors*" and "*Main Provisions of the Articles of Association*" on pages 19 and 519 respectively.

The Insurance Act requires prior approval from the IRDAI where the nominal value of the shares intended to be transferred by any individual, firm, group, constituents of the group, or body corporate under the same management, jointly or severally exceeds 1% of the paid-up Equity Share capital of our Corporation. The Insurance Act prohibits any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed 5% of the paid up capital after the transfer, unless a prior approval has been obtained by the acquirer from the IRDAI, in this regard. Accordingly, our Corporation shall not Allot Equity Shares pursuant to the Offer to any Bidder in excess of such number of Equity Shares which is likely to result in the total post-Offer paid up capital held by such Bidder to exceed 5% of the paid up capital of our Corporation after the Allotment without such approval.

Additionally, the Listed Indian Insurance Companies Guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. The guidelines, inter alia, propose self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to 1% or more, but less than 5%, of the paid up equity share capital of the insurer. The self certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, if the person proposing to acquire equity shares is likely to result in (i) the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid up equity share capital of the insurer or the total voting rights of the insurer, or (ii) the aggregate holding of such person along with the persons acting in concert, increasing to in excess of 10%, each such acquisition would require prior approval of the IRDAI. The investors intending to acquire Equity Shares amounting to 1% or more, up to 5%, of the paid up equity share capital of our Corporation in the Offer would be required to comply with the self-certification criteria as set out in "Offer Procedure - *Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Corporation*" beginning on page 475. Additionally, investors intending to acquire Equity Shares in the Offer such that (i) the aggregate holding of such investor, his relatives, associate enterprises and persons acting in concert, would increase to 5% or more of the paid up Equity Share capital of our Corporation or the total voting rights of our Corporation, or (ii) the aggregate holding of the investor along with the persons acting in concert, increasing to in excess of 10% of the paid up Equity Share capital of our Corporation or the total voting rights of our Corporation, each such acquisition would require prior approval of the IRDAI. For further details, see "*Regulations and Policies*", beginning on page 155.

OFFER STRUCTURE

Initial Public Offer of 124,700,000 Equity Shares for cash at a price of ₹ 5 per Equity Share, aggregating to ₹ [●] million comprising of a Fresh Issue of 17,200,000 Equity Shares aggregating to ₹ [●] million by our Corporation and the Offer for Sale of 107,500,000 Equity Shares aggregating to ₹ [●] million by the Selling Shareholder. The Offer will constitute 14.22% of the post-Offer paid-up Equity Share capital of our Corporation.

The Offer is being made through the Book Building Process.

Particulars	QIBs	Non Institutional Investors	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation(1)	Not more than 62,350,000 Equity Shares	Not less than 18,705,000 Equity Shares or Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 43,645,000 Equity Shares or Offer less allocation to QIB Bidders and Non Institutional Investors shall be available for allocation
Percentage of Offer Size available for Allotment/allocation	Not more than 50% of the Offer However at least 5% of the QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. Unsubscribed portion in the Mutual Fund Portion will be added to the QIB Portion.	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35% of the Offer or Offer less allocation to QIB Bidders and Non Institutional Investors shall be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed	Proportionate as follows: At least [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only and [●] Equity Shares shall be available for allocation on a proportionate basis to all other QIBs, including Mutual Funds receiving allocation as above.	Proportionate	Proportionate, subject to minimum Bid Lot. For details see, "*Offer Procedure – Part B – Allotment Procedure and Basis of Allotment – Allotment to RIIs*" on page 502.
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares so that the Bid Amount does not exceed ₹200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of Allotment	Compulsorily in dematerialised form		
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of [●] Equity Share		
Trading Lot	One Equity Share		
Who can apply(2)	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, multilateral and bilateral development	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, societies	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)

Particulars	QIBs	Non Institutional Investors	Retail Individual Bidders
	financial institutions, mutual funds registered with SEBI, FPIs other than Category III Foreign Portfolio Investors, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250 million, systemically important non-banking financial companies and pension fund with minimum corpus of ₹250 million in accordance with applicable law and National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India	and trusts, Category III Foreign Portfolio Investors	
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form.		

(1) *Subject to valid Bids being received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR. The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIB. 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance offered shares available for allocation in the Mutual Fund portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*

(2) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Corporation reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*

Under-subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Corporation and the Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange.

The Insurance Act prohibits any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed 5% of the paid up capital after the transfer, unless a prior approval has been obtained by the acquirer from the IRDAI, in this regard. Accordingly, our Corporation shall not Allot Equity Shares pursuant to the Offer to any Bidder in excess of such number of Equity Shares which is likely to result in the total post-Offer paid up capital held by such Bidder to exceed 5% of the paid up capital of our Corporation after the Allotment without such approval.

Additionally, the Listed Indian Insurance Companies Guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. The guidelines, inter alia, propose self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to 1% or more, but less than 5%, of the paid up equity share capital of the insurer. The self certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, if the person proposing to acquire equity shares is likely to result in (i) the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid up equity share capital of the insurer or the total voting rights of the insurer, or (ii) the aggregate holding of such person along with the persons acting in concert, increasing to in excess of 10%, each such acquisition would require prior approval of the IRDAI. The investors intending to acquire Equity Shares amounting to 1% or more, up to 5%, of the paid up equity share capital of our Corporation in the Offer would be required to comply with the self-certification criteria as set out in "*Offer Procedure - Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Corporation*" on page 475. Additionally, investors intending to acquire Equity Shares in the Offer such that (i) the aggregate holding of such investor, his relatives, associate enterprises and persons acting in concert, would increase to 5% or more of the paid up Equity Share capital of our Corporation or the total voting rights of our Corporation, or (ii) the aggregate holding of the investor along with the persons acting in concert, increasing to in excess of 10% of the paid up Equity Share capital of our Corporation or the total voting rights of our Corporation, each such acquisition would require prior approval of the IRDAI. For further details, see "*Regulations and Policies*", beginning on page 155.

Withdrawal of the Offer

Our Corporation and the Selling Shareholder, in consultation with the BRLMs, reserve the right not to proceed with the Offer after the Bid/Offer Opening Date but before the Allotment. In such an event, our Corporation shall issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date, or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Corporation shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

If our Corporation and the Selling Shareholder withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue and/or offer for sale of the Equity Shares, our Corporation shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Corporation shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/Offer Programme

BID/OFFER OPENS ON	[●]
BID/OFFER CLOSES ON	[●][(1)]

(1) Our Corporation and the Selling Shareholder may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds /unblocking of funds from ASBA Account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Corporation or the Selling Shareholder or the BRLMs.

While our Corporation and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days from the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Corporation and the Selling Shareholder, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholder confirms that it shall extend complete co-operation required by our Corporation, the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Bids:

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time)
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time)

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs, Non-Institutional Investors and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. IST on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only on Business Days i.e. Monday to Friday (excluding any public/bank holiday). Investors may note that as per letter no. LIST/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006, issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Our Corporation, the Selling Shareholder and the members of Syndicate are not liable for any failure in uploading Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time.

In case of any discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form, for a particular Bidder, the Registrar to the Offer shall ask for rectified data.

Our Corporation and the Selling Shareholder in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price as advertised at least 5 Working Days prior to the Bid and the Cap Price will be revised accordingly.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to BSE and NSE, by issuing a press release, and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Members.

OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, as modified and updated from time to time ("General Information Document") included below under "**Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

Our Corporation, the Selling Shareholder and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis. 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Insurance Act prohibits any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed 5% of the paid up capital after the transfer, unless a prior approval has been obtained by the acquirer from the IRDAI, in this regard. Accordingly, our Corporation shall not Allot Equity Shares pursuant to the Offer to any Bidder in excess of such number of Equity Shares which is likely to result in the total post-Offer paid up capital held by such Bidder to exceed 5% of the paid up capital of our Corporation after the Allotment without such approval.

Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Corporation and the Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres and the Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com), at least one day prior to the Bid/Offer Opening Date.

All Bidders shall mandatorily participate in the Offer only through the ASBA process.

ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FPI or FVCIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue

* *Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB or any Escrow Collection Bank.

Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Corporation

If any Bidder makes a Bid for Equity Shares representing 1% or more but less than 5% of the post-Offer paid up equity share capital of our Corporation, such Bidder will be required to attach a self certification with the Bid cum Application Form, confirming and certifying that such Bidder is a 'fit and proper person'. To be a 'fit and proper person' the Bidder must be:

1. Either:

   (a) an intermediary registered (or deemed to be registered) with the Securities and Exchange Board of India ("SEBI") in terms of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008, as amended; or

   (b) an entity carrying out business which is regulated in India by the Reserve Bank of India, the SEBI, the Insurance Regulatory and Development Authority of India, the Pension Fund Regulatory and Development Authority or outside India by any financial services, capital markets or banking regulatory authorities including the U.S. Securities and Exchange Commission, the (U.K.) Prudential Regulation Authority, Monetary Authority of Singapore and Hong Kong Monetary Authority; or

   (c) a subsidiary of an entity falling under a and b above; or

   (d) a sovereign wealth fund or an investment company which is controlled by a sovereign wealth fund, either directly or indirectly; or

   (e) a person who or whose affiliates (including the investment companies of such Bidder) is the promoter of a company in the top 100 listed companies in India. The top 100 listed companies will be on the basis of their respective market capitalisation. The market capitalisation shall be the product of the "weighted average number of total shares" of such company and the "volume weighted average market price" of such shares for the preceding quarter. (The terms "weighted average number of total shares" and "volume weighted average market price" have the meaning assigned to them in the SEBI Takeover Regulations. The preceding quarter in relation to the Offer, is the period from April 1, 2017 until June 30, 2017 (inclusive of both days). Additionally, the "volume weighted average market price" will be adjusted for corporate actions such as issuances pursuant to rights issue, bonus issue, stock consolidations, stock splits, payment of extraordinary dividend (50% higher than the dividend per share paid during the preceding three financial years), de-mergers and reduction of capital, where the record date for effecting such corporate actions falls within the preceding quarter).

2. Is eligible to hold, subscribe and deal with the Equity Shares under the applicable laws; and

3. The aggregate of the existing shareholding of the Bidder, if any, and the Equity Shares for which the Bid has been made do not exceed 5% of the post-Offer paid up equity share capital of our Corporation.

For details relating to the paid up equity share capital of our Corporation, see "*Capital Structure*" beginning on page 79.

Bidders submitting Bid for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Corporation should satisfy the 'fit and proper person' criteria as set out hereinabove. Bidder not qualifying the above criteria may submit the self-certification highlighting the 'fit and proper person', as their application, for our consideration. Based on the self-certification submitted by the Bidder, our Corporation shall determine whether the Bidder is 'fit and proper' to acquire 1% or more and less than 5% of the post-Offer paid up equity share capital of our Corporation. Failing this, our Corporation reserves the right to reject any Bid in whole or in part, in either case, without assigning any reason thereof. The aforementioned 'fit and proper person' criteria has been noted by our Board.

In the event any Bidder places a Bid for such number of Equity Shares, as may result in the shareholding of a Bidder amounting to five percent or more of the post-Offer paid-up share capital of our Corporation, such Bidders would be required to submit a copy of the prior approval obtained from the IRDAI with the Registrar to the Offer, at least one Working Day prior to the finalization of the Basis of the Allotment. The Basis of Allotment is expected to be finalized on or around [●]. In case of failure by such Bidder to submit the prior approval obtained from the IRDAI within the above time period, our Corporation shall Allot maximum number of Equity Shares, as adjusted for the Bid Lot (and in case of over-subscription in the Issue, after making applicable proportionate allocation for the Equity Shares Bid for), that will limit the resultant aggregate shareholding of the Bidder to less than five percent of the post-Offer paid-up equity share capital of our Corporation.

Participation by Promoter, BRLMs, Syndicate Members and persons related to them.

The BRLMs and Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Corporation and the Selling Shareholder reserve the right to reject any Bid in whole or in part without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Corporation and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Corporation. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Corporation and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The existing individual and aggregate investment limits for an FPI in our Corporation is 10% and 24% of the total paid-up Equity Share capital of our Corporation, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations and circulars issued in this regard, an FPI, other than Category III Foreign Portfolio Investors and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investors by virtue of their investment manager being appropriately regulated, may issue, subscribe or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only if (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms, and (iii) such offshore derivatives investments shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by residents Indian or NRIs.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the foreign portfolio investor is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the foreign portfolio investor.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3 of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Corporation and the Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Corporation and the Selling Shareholder reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Corporation and the Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 as amended are broadly set forth below:

(a) equity shares of a company: the lower of 10*% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Corporation and the Selling Shareholder reserve the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form, as the case may be. Failing this, our Corporation and the Selling Shareholder reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Corporation and the Selling Shareholder in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

The above information is given for the benefit of the Bidders. Our Corporation, the Selling Shareholder, the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

General Instructions

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form, in the prescribed form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center within the prescribed time;

6. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

8. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised Acknowledgment Slip;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that the Demographic Details are updated, true and correct in all respects;

14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

15. Ensure that the category and the investor status is indicated;

16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

18. Bidders should note that in case the DP ID, Client ID and PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, matches with the DP ID, Client ID and PAN available in the Depository database;

19. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid; and

20. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cheques, demand drafts, by cash, money order, by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs, Non-Institutional Investors (subject to the Bid Amount being above ₹ 200,000))
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
8. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
9. Do not submit Bid for an amount more than funds available in your ASBA Account;
10. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
11. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
12. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
13. Do not submit more than five Bid cum Application Forms per ASBA Account; and
14. Do not Bid on another Bid cum Application Form after you have submitted a Bid to any of the Designated Intermediaries.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Corporation shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●], each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Corporation, the Selling Shareholder and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) ***makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***

(c) ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Corporation

Our Corporation undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Corporation expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date will be taken;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Corporation;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Corporation shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- intimation of the credit of securities/refund orders to Eligible NRIs shall be despatched within specified time;
- no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in ASBA Account on account of non-listing, under-subscription, etc.; and
- adequate arrangements shall be made to collect all Bid cum Application Forms by Bidders.

Undertakings by the Selling Shareholder

The Selling Shareholder undertakes that:

- it shall deposit its Equity Shares offered in the Offer in an escrow account opened with the Registrar to the Offer at least [●] Working Day prior to the Bid/Offer Opening Date in accordance with the Share Escrow Agreement;
- the Equity Shares offered by it in the Offer have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI;
- it shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges;
- it shall take all steps and provide all assistance to our Corporation, the BRLMs, as may be required for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/Offer Closing Date of the Offer, failing which it shall forthwith repay without interest all monies received from Bidders to the extent of the Equity Shares offered for sale by it in the Offer. In case of delay, interest as per applicable law shall be paid by the Selling Shareholder;
- it shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose off any of the Equity Shares held by it except the Equity Shares being offered in the Offer for Sale until such time that the lock-in remains effective save and except as may be permitted under the SEBI ICDR Regulations;
- it shall ensure that the Equity Shares being offered by it in the Offer, shall be transferred to the successful Bidders within the time specified under applicable law; and

- it shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law.

Utilisation of Offer Proceeds

The Selling Shareholder along with our Corporation declare that all monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the issuer and the issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("**RHP**")/Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalised terms and abbreviations used herein Bidders/Applicants may see "*Glossary and Abbreviations*".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 ("SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Offers – Fixed Price Offers and Book Built Offers

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the advertisement in the newspaper(s) issued in this regard.

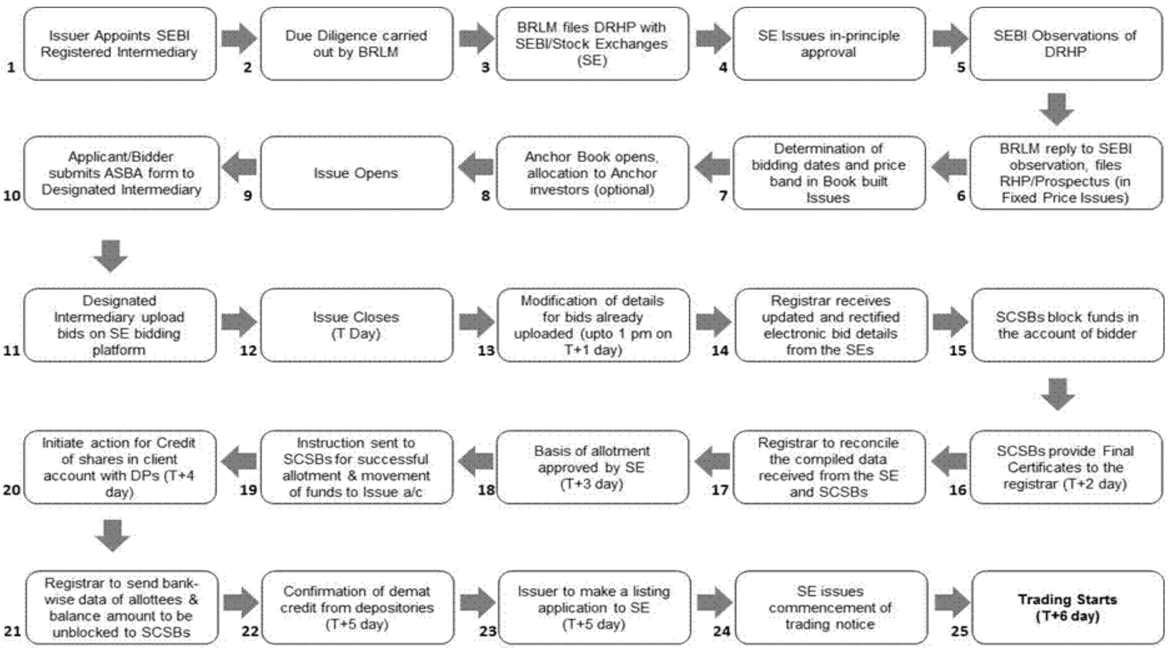
2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

  i. Step 7: Determination of Issue Date and Price

  ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries.



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders/Applicants should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of the Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders/Applicants may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FPIs, on a repatriation basis	Blue

Category	Colour of the Bid cum Application Form
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialised form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below. The samples of the Bid cum Application Form for resident Bidders/Applicants and the Bid cum Application Form for non-resident Bidders/Applicants are reproduced below:

Application Form – For Residents

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : .... Contact Details: .... CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 7 6 5 4 3 2 1	Bid Price (3 2 1)	Retail Discount (3 2 1)	Net Price (3 2 1)	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2					
(OR) Option 3					

5. CATEGORY

- Retail Individual Bidder
- Non-Institutional Bidder
- QIB

6. INVESTOR STATUS

- Individual(s) - IND
- Hindu Undivided Family* - HUF
- Bodies Corporate - CO
- Banks & Financial Institutions - FI
- Mutual Funds - MF
- Non-Resident Indians - NRI (Non-Repatriation basis)
- National Investment Fund - NIF
- Insurance Funds - IF
- Insurance Companies - IC
- Venture Capital Funds - VCF
- Alternative Investment Funds - AIF
- Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorise the SCSB to do all acts as are necessary to make the Application in the Issue	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

Application Form – For Non – Residents

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : .... Contact Details: .... CIN No	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

NRI	Non-Resident Indian(s) (Repatriation basis)
FII	FII or Sub-account not a Corporate/Foreign Individual
FIISA	FII Sub-account Corporate/Individual
FVCI	Foreign Venture Capital Investor
FPI	Foreign Portfolio Investors
OTH	Others (Please Specify)________

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	1)	
	2)	
Date : ____________	3)	

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No. ____________

Bank & Branch ____________

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective CDP.

4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

(a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

(e) Bids by Bidders/Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.

(c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.

(d) Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders'/Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

(b) The Bidders/Applicants may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders/Applicants may Bid at Floor Price or any price above the Floor Price (For further details Bidders/Applicants may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders/Applicants may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder/Applicant may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder/Applicant does not exceed ₹ 200,000.

(b) In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount, if any), then such Bid may be rejected if it is at the Cut-off Price.

(c) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut-off Price.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder/Applicant including QIB Bidder/Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder/Applicant in the Bid cum Application Form may be treated as optional bids from the Bidder/Applicant and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders/Applicants may refer to (Section 5.6 (e)).

4.1.4.2 **Multiple Bids**

(a) Bidder/Applicant should submit only one Bid cum Application Form. Bidder/Applicant shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders/Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders/Applicants other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder/Applicant and may be rejected.

ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders/Applicants, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS/APPLICANTS**

(a) The categories of Bidders/Applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.

(b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders/Applicants may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicant are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicant should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder/Applicant. In case of Bidders/Applicant specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) Bidders/Applicant who Bid at Cut-off Price shall deposit the Bid Amount based on the Cap Price.

(c) All Bidders/Applicants (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by RTGS, direct credit or NEFT.

(c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 **Payment instructions for ASBA Bidders/Applicants:**

(a) Bidders/Applicants may submit the ASBA Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorising blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary.

(b) Bidders/Applicants must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders/Applicants should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders/Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders/Applicants should submit the Bid cum Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) Bidders/Applicants bidding through a Designated Intermediary (other than an SCSB) should note that ASBA Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that location for such Designated Intermediary to deposit ASBA Forms.

(h) Bidders/Applicants bidding directly through the SCSBs should ensure that the ASBA is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.3 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

4.1.7.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders/Applicants applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(c) The Bidders/Applicants entitled to the applicable Discount in the Issue may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation/undertaking box in the ASBA Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder and/or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders/Applicants should ensure that they receive the Acknowledgement Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids made in the Issue may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

(c) Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

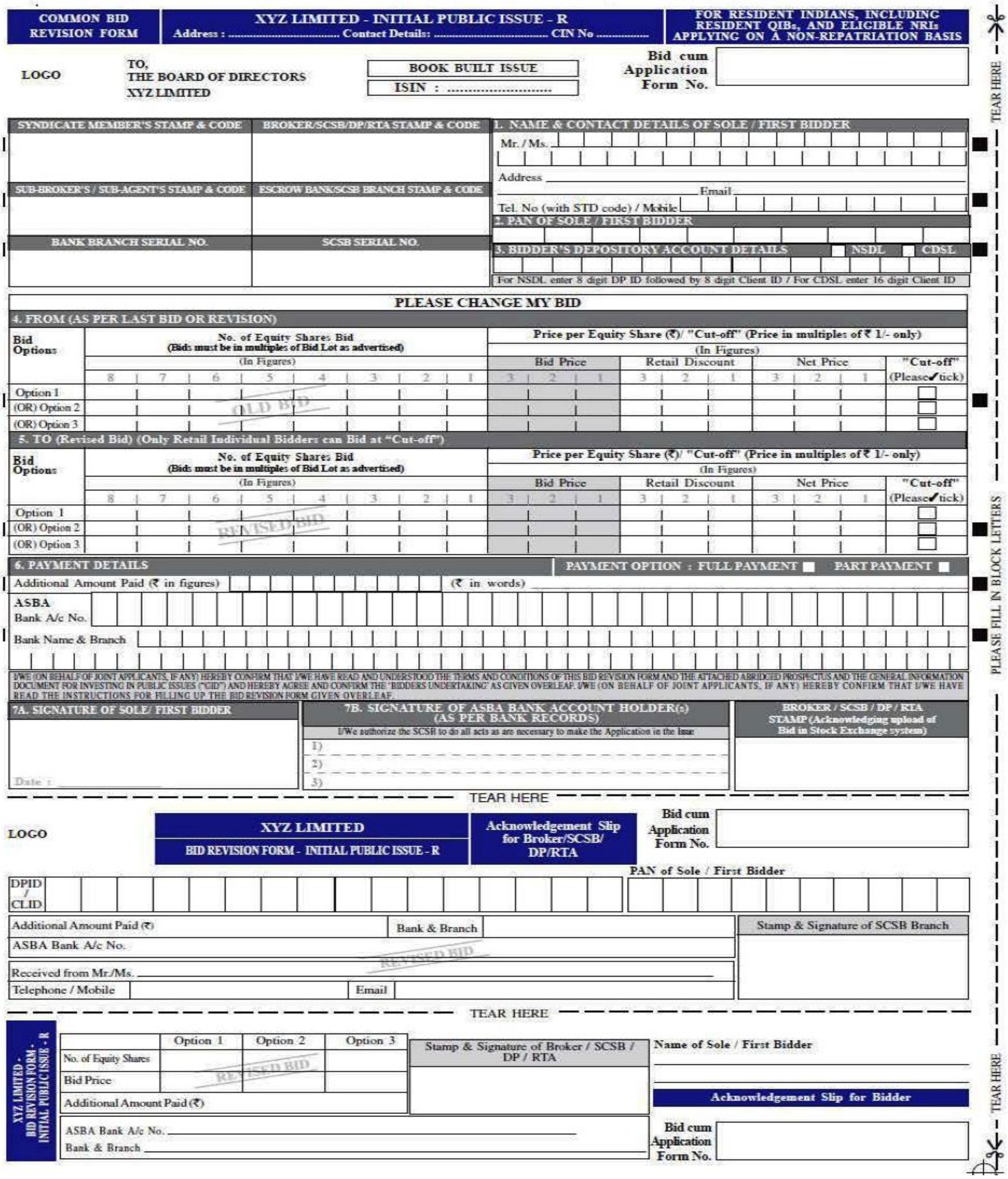
(a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their bids or withdraw their Bids till the Bid/Issue Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:


COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : .... Contact Details: .... CIN No ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 7 6 5 4 3 2 1	Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2	OLD BID				
(OR) Option 3					

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 7 6 5 4 3 2 1	Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2	REVISED BID				
(OR) Option 3					

6. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Additional Amount Paid (₹) | Bank & Branch

Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

REVISED BID

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the Allotment is finalised.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorise blocking of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after finalisation of Basis of Allotment.

4.2.4 **FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However, a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Bids bearing the same PAN may be treated as multiple applications by a Bidder and may be rejected.

ii. For applications from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

(a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue.

(b) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 Payment instructions for Applicants

Applicants should refer to instructions contained in paragraph 4.1.7.2.

4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraph 4.1.7.2.1.

4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraph 4.1.7.2.3.

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM

4.4.1 **Bidders may submit completed Bid cum application form/Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investor Application Form
ASBA Form	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the CDP at the Designated CDP Location (b) To the Designated Branches of the SCSBs

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorised the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding Centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after finalisation of Basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

i. the Bids accepted by the Designated Intermediary,

ii. the Bids uploaded by the Designated Intermediary, and

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediary.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders/Applicants, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, entities forming part of the Promoter Group, NIIs & RIIs can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

(a) Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account supported by guardian as per Demographic Details provided by Depositories);

(b) Bids by OCBs;

(c) Bids by any entity forming part of the Promoter Group;

(d) In case of partnership firms, Bid for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(e) In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum Application Form;

(f) Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(g) Bids by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) PAN not mentioned in the Bid cum Application Form, except for Bids by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(j) Bids for lower number of Equity Shares than the minimum specified for that category of investors;

(k) Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;

(l) Bids at Cut-off Price by NIIs and QIBs;

(m) The amounts mentioned in the Bid cum Application Form do not tally with the amount payable for the value of the Equity Shares Bid for;

(n) Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;

(o) Submission of more than five ASBA Forms as through a single ASBA Account;

(p) Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(q) Multiple Bids as defined in this GID and the RHP/Prospectus;

(r) Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account;

(s) Where no confirmation is received from SCSB for blocking of funds;

(t) Bids by Bidders/Applicants (other than Anchor Investors) not submitted through ASBA process;

(u) Bids submitted to Designated Intermediaries at locations other than the Bidding Centres or to the Escrow Collection Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

(v) Bids not uploaded on the terminals of the Stock Exchanges;

(w) Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form; and

(x) Bids uploaded without affixing the approval of the IRDAI to the Bid cum Application Form, in the event the Allotment of Equity Shares by the Bidder results in the Bidder holding 5% or more of the post-Offer paid up equity capital of our Corporation.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder may refer to the RHP/Prospectus.

(b) Under-subscription in any category (except QIB Category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders/Applicants should *note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.*

Bidders/Applicants can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from Bidders/Applicants, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid quantity	Bid amount (₹)	Cumulative quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the book running lead managers, may finalise the issue price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder/Applicant with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder/Applicant is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders/Applicants is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder/Applicant, decide whether a Bidder/Applicant be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder/Applicant be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("**Maximum RII Allottees**"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.4 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.5 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Selling Shareholders and the BRLMs, subject to compliance with the following requirements:

i. not more than 60% of the QIB Category will be allocated to Anchor Investors;

ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 100 million;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100 million and up to ₹ 2,500 million subject to minimum Allotment of ₹ 50 million per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation more than ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof, subject to minimum Allotment of ₹ 50 million per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹ 100 million in the Issue.

(c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(d) **In the event that the Issue Price is higher than the Anchor Investor Issue Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(e) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.6 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders/Applicants may be categorised according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders/Applicants in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders/Applicants may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder/Applicant in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder/Applicant, the Allotment may be made as follows: the successful Bidders/Applicants out of the total Bidders/Applicants for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder/Applicant may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder/Applicant is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded to the lower whole number. Allotment to all Bidders/Applicants in such categories may be arrived at after such rounding; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders/Applicants in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders/Applicants in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders/Applicants applying for minimum number of Equity Shares.

7.7 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders/Applicants applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories, within six Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue involving a Fresh Issue and the Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders/Applicants, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid and also for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders or transmit refund by way of electronic mode for all amounts payable to unsuccessful Anchor Investors and also any excess amount paid on bidding.

(c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Bidders'/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Collection Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(b) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(c) **RTGS**—Anchor Investors having a bank account at any of the centres notified by SEBI where **clearing houses are managed by the RBI, may have the option to receive refunds, if any,** through RTGS; and

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Collection Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum, if the Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner. Instructions for unblocking of funds in the ASBA Account are not dispatched within the 15 days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
ASBA Bidder/Applicant	All Bidders/Applicants except Anchor Investors
Banker(s) to the Issue/Escrow Collection Bank(s)/Collecting Banker	Banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	Basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder/Applicants pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicants upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid	Anchor Investor Application Form or the ASBA Form, as the context requires

Term	Description
Bid/Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Closing Date
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Period
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres/	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid/ Issue Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant’s Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidders’/Applicants’ address, name of the Applicant’s father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html

Term	Description
Designated CDP Locations	Such locations of the CDPs where Bidders/Applicants can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which our Board may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Members of the Syndicate, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders/Applicants, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders/Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NEFT, direct credit or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable

Term	Description
Locations	Bidding centres where the syndicate shall accept ASBA Forms from Bidders/Applicants
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholders
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders/Applicants other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	Date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	Prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	Bank account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date

Term	Description
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTO	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 200,000
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders/Applicants in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Stock Exchanges/SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement among the Issuer, and the Underwriters to be entered into on or after the Pricing Date

Term	Description
Working Day	All days other than the second and fourth Saturdays of each month, Sundays or public holidays, on which commercial banks in Mumbai are open for business; provided however, when referring to (a) announcement of Price Band; and (b) Bid/Issue Period, the term shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI. Accordingly, pursuant to the Office Memorandum dated June 5, 2017 issued by the Department of Economic Affairs, Ministry of Finance, approval for foreign investment under the FDI Policy and FEMA has been entrusted to the concerned ministries/departments. Foreign investment in the insurance sector is also regulated by the Insurance Act, the IRDA Act and the rules and regulations made thereunder and such laws are implemented by the IRDAI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP, issued the consolidated FDI Policy by way of circular no. D/o IPP F. No. 5(1)/2016-FC-1 dated the June 7, 2016 which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 6, 2016. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy will be valid until the DIPP issues an updated FDI Policy. Additionally, pursuant to the FDI Policy, the sectoral cap for foreign investment in an insurance company is 49%. Further, the FDI Policy allows foreign investment (including by FPIs) of up to 49% under the automatic route subject to verification by the IRDAI.

The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy will be valid until an updated circular is issued by the DIPP.

Further, the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000, provides for calculation of shareholding of foreign investors in an insurer to be the aggregate of the quantum of paid up equity share capital held by the foreign investors (including foreign venture capital investors) in the insurer and the proportion of the paid up equity share capital held or controlled by such foreign investor(s) either by itself or through its subsidiary companies in the Indian promoter(s) or Indian investor(s) of the insurer, unless the Indian promoter or investor is a banking company other than foreign bank (or a branch of a foreign bank functioning in India) or a public financial institution.

Additionally, the Foreign Investment Rules also permit total foreign investment up to 49% of the paid up equity capital of Indian insurance companies, under the automatic route while ensuring that its ownership and control remains at all times in the hands of resident Indian entities as determined by Department of Financial Services, Government of India and the IRDAI. On March 30, 2016, the FEMA Regulations were also amended to reflect this change.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and the RBI.

The above information is given for the benefit of the Bidders / Applicants. Our Corporation, the Selling Shareholder, and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders / Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Corporation. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Corporation are detailed below.

Share capital and variation of rights

Article 1 provides that "the authorized share capital of the Company will be as stated in Clause V of the Memorandum of Association of the Company."

Article 2 provides that "subject to provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares, provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting."

Article 3 provides that "the Company shall not, at any time, vary the terms of a contract referred to in prospectus or objects for which the prospectus was issued, except subject to the approval of, or except subject to an authority given by the Company in general meeting by way of special resolution, and in accordance with the provisions of the Act."

Article 5 provides that "every holder of or subscriber to the securities of the Company shall have the option to receive Security Certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, 1996. If a person opts to hold its Security with a Depository, the Company shall intimate such Depository the details of allotment of the security and on receipt of such information, the Depository shall enter in its record, the name of the allottees as the beneficial owner of that security. If a beneficial owner seeks to opt out of a Depository in respect of any security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations issue to the beneficial owner the required Certificates for the securities. The Company shall maintain a Register of Beneficial Owners of its shares in accordance with Section 6A of the Insurance Act and the Board may, subject to the provisions of Section 6A of the Insurance Act and rules and regulations made thereunder, make and vary norms, as it may think fit, in respect of the keeping of any such Register."

Article 6 provides that "the shares shall be under the control of the Board of Directors who may allot or otherwise dispose of them on such terms and conditions as it consider fit, subject to such directions as the President may issue from time to time and to the provisions hereinafter contained and contained in Section 6A of the Insurance Act."

Article 8 provides that "except as required by law and subject to Section 6A of the Insurance Act, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder."

Article 12 provides that "subject to the provisions of section 55 of the Act and subject to and in accordance with the provisions of the Insurance Act, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine."

Further issue of shares

Article 13 provides that "where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares then:

(a) Such further shares shall be offered to the persons who, at the date of offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;

(b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement to this right;

(d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company."

Article 14 provides that "notwithstanding anything contained in sub clause (1) the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub- clause (1) hereof) in any manner whatsoever.

(a) If a special resolution to that effect is passed by the company in general meeting, or

(b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company.

Article 15 provides that "nothing in sub –clause (c) of (1) hereof shall be deemed:

(a) To extend the time within which the offer should be accepted; or

(b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation."

Article 16 provides that nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:

(a) To convert such debentures or loans into shares in the company; or

(b) To subscribe for shares in the company"

Provided that the terms if issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the central government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and

(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

Article 17 provides that "the Capital of the Corporation is Rs. 10,00,00,00,000 (Rupees one thousand crore) divided into 10,00,00,00,000 (One thousand crore) equity shares of Rs. 1 (Rupee one) each with rights, privileges and conditions attaching thereto as the Board may decide from time to time and with power to the Board to reduce the Capital of the Corporation and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act. The powers referred to above are to be exercised subject to the approval by the President."

Lien

Article 18 provides that "the Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member/holder (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share/debenture shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures."

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

Calls on shares

Article 22 provides that "the Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. The procedure for call shall be in accordance with as mentioned in Articles of Association."

Transfer and transmission of shares

Article 30 provides that "in case of death of a member the persons mentioned in the Articles of Association will get a right also in that a common form of transfer shall be used and the instrument of transfer of any share in the Company shall be in writing and all provisions of section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof and be executed by or on behalf of both the transferor and transferee. Procedure for transfer is according to the procedure provided in articles of association."

Article 33 provides that "Subject to the provisions of Sections 58 and 59 of the Act and the provisions of the Insurance Act, the AoA and other applicable provisions of the Act or any other law for the time being in force, the Board of Directors may refuse whether in pursuance of any power of the Company under the AoA or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares/debentures in whatever lot shall not be refused."

Article 36 provides that "Any transfer of the shares of the Company shall be subject to the provisions of the Act, as applicable to public companies limited by shares and these Articles. Further, the transfer of the shares shall be in compliance with the statutory provisions as stipulated under the Insurance Act, regulations and circulars issued by IRDAI from time to time, including obtaining prior approval of IRDAI for registration/ transfer of shares, exceeding such percentage or other thresholds, as may be prescribed or specified under the relevant statutory provisions, including Section 6A of the Insurance Act."

Article 38 provides that " (i) any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made. (ii) That the board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency. (iii) The next-of-kin and /or legal heir of a deceased member or the executor or administrators or the holder of a succession certificate or other legal representatives of a deceased member shall transfer the share or shares held by the deceased member to such person as the President may in writing direct.

Forfeiture of shares

Article 41 provides that "if a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued. The procedure shall be as provided in the articles of association."

Alteration of capital

Article 48 provides that "the company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution."

Article 49 provides that "subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

The shares can be converted to stock in 3 conditions provided in the AOA."

Capitalization of profits

Article 52 provides that "in a general meeting upon the recommendation of the board the part of amount can be capitalized according to the procedure mentioned the article."

Buy-back of shares

Article 54 provides that "notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities."

Dematerialisation and rematerialisation of shares

Article 55 provides that "the Company shall be entitled to dematerialise its existing Shares and rematerialise its Shares held in the depositories and/or to issue fresh Shares in a dematerialised form pursuant to the Depositories Act, 1996 and rules framed thereunder, if any."

Term of issue of debenture

Article 56 provides that "any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution."

Unpaid or unclaimed dividend

Article 57 provides that "in case of a dividend but which has not been paid or claimed within 30 days from the date of declaration, the company shall transfer the same to a special account for unclaimed dividends."

Meetings

Article 58 provides that "all general meetings other than annual general meeting shall be called extraordinary general meeting"

Article provides that " (i) The Board may, whenever it thinks fit, call an extraordinary general meeting. (ii) If at any time directors capable of acting who are sufficient in number to form quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Articles 60,61,62,63 provide that quorum is necessary for general meetings and the procedure of the meetings is to be in accordance with Articles 60,61,62,63.

Article 64 provides that "the adjournment of the meeting can be done by the chairperson with consent according to the provisions of the article"

Article 108 provides that "the voting rights shall be in accordance with companies act section 108 and the articles of association"

Appointment of proxy shall be in accordance with section 105 the companies act.

Board of directors

Article 76 provides that "the number and name of the first director shall be decided by subscribers of memorandum or majority of them. The rule for appointment of director shall be as stated in the AOA. The remuneration and other expenses are paid to the directly on monthly basis."

Article 82 provides that "subject to the provisions of section 161, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. The President may from time to time remove any Director before the expiry of the period referred to in Article 58 and may appoint another Director in his place. The President may also fill up any vacancy caused by the death, resignation, retirement or otherwise of a Director."

Appointment of alternate director

Article 83 provides that "in place of Director who is out of India or is about to go out of India or who expects to be absent for not less than three months from India, the President may appoint any person to be an Alternate Director during the absence out of India or absence of not less than three months from India and such appointment shall have effect, and such appointee whilst he holds office as an Alternative Director shall be entitled to notice of meetings of the Directors and to attend and to vote thereat accordingly, and he shall ipso facto vacate office if and when the original Director returns to India or vacates office as Director."

Article 84 provides that "the President may from time to time appoint Chairman-Cum-Managing Director on such terms and at such remuneration as he may think fit, and may from time to time remove or dismiss him and appoint another in his place."

Article 85 provides that "additional remuneration as may be fixed by the President may be paid to any one or more of the Directors for extra or special service rendered by him or them or otherwise."

Article 86 provides that "in addition to the remuneration payable to the Directors as provided in Articles 68, the Directors may be paid all travelling and other expenses as may be determined by the President and properly incurred by them."

Proceedings of the Board

Article 87 provides that "the Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit." These proceedings are covered by article 91-95 in detail."

To constitute executive committee, regional advisory committee

Article 96 provides that "To constitute committee or committees consisting of such member or members of their body and / or from outside and for such period as they think fit, and in the case of persons other than members of the Board fix their remuneration with the prior approval of the President; any committee so formed shall, in exercise of the powers delegated and / or duties prescribed by the Board, conform to any regulations or instructions that may be imposed on or given to them by the Board. The terms of reference of such committees shall not be in violation of the Act and the Insurance Act."

Committee

Article 97 provides that "the Directors may, subject to the provisions of Sections 292 and 297 of the Act, delegate any of the powers to a Committee consisting of such member or members of the Board of Directors as they think fit, any committee so formed. The Chief Executive Officer may be appointed by the board subject to the companies act."

The seal

Article 100 provides that "(i) the Board shall provide for the safe custody of the seal. (ii) the seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence."

Dividends and Reserve

Article 101 provides that "the company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board."

Article 102 provides that "subject to the provisions of Section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company."

Accounts

Article 110 provides that "the board shall determine regulations for accounts, and it shall be open for inspection of members not being directors as provided by law."

Winding Up

Article 111 provides that "subject to the provisions of Chapter XX of the Act and Rules made thereunder— If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not."

Indemnity

Article 112 provides that "every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal."

Secrecy

Article 113 provides that "every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all secret purposes or other secret technical information of any nature whatsoever, transactions, and affairs of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of this duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained."

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Corporation (not being contracts entered into in the ordinary course of business carried on by our Corporation or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the above mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid / Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated August 7, 2017 among our Corporation, the Selling Shareholder, and the BRLMs.
2. Registrar Agreement dated [●] among our Corporation, the Selling Shareholder and the Registrar to the Offer.
3. Escrow Agreement dated [●] among our Corporation, the Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Members and the Bankers to the Offer.
4. Share Escrow Agreement dated [●] among the Selling Shareholder, our Corporation and the Escrow Agent.
5. Syndicate Agreement dated [●] among our Corporation, the Selling Shareholder, the BRLMs and the Syndicate Members.
6. Underwriting Agreement dated [●] among our Corporation, the Selling Shareholder and the Underwriters.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Corporation as amended from time to time.
2. Certificate of incorporation dated November 22, 1972 and a fresh certificate of incorporation dated March 7, 2016 consequent on conversion of our Corporation from a “private limited” to a “public limited” company and change in the name of our Corporation.
3. Certificate of registration to undertake reinsurance business in India, dated April 2, 2001.
4. Resolution of our Board and Shareholders, each dated August 4, 2017, respectively, in relation to the Offer.
5. Letter bearing file number F No. 3/1/2017 – DIPAM(M) dated August 3, 2017 conveying the approval granted by the Government of India for the Offer.
6. The approval dated July 3, 2017 from IRDAI to undertake a public offer in accordance with the provisions of the SEBI ICDR Regulations, under the provisions of the IRDAI Issuance of Capital Regulations.
7. Copies of the annual reports of our Corporation for the Fiscal Years 2017, 2016, 2015, 2014 and 2013.
8. The examination reports of the Joint Auditors dated August 4, 2017 in relation to our Corporation’s Restated Standalone Financial Information and Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus.
9. The Statement of Tax Benefits dated August 6, 2017 from the Joint Auditors.
10. The certification dated August 6, 2017 issued by the Joint Auditors in relation to liabilities, as required under the IRDAI Issuance of Capital Regulations.
11. Consent of the Directors, the BRLMs, Indian Legal Counsel to our Corporation, Indian Legal Counsel to the BRLMs, International Legal Counsel to our Corporation, International Legal Counsel to the BRLMs, Registrar to the Offer, Syndicate Banks, Bankers to our Corporation, Bankers to the Offer, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.
12. Consent letter dated August 6, 2017 from the Joint Auditors, for inclusion of their names as experts herein.
13. Due Diligence Certificate dated August 7, 2017 addressed to SEBI from the BRLMs.
14. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.

15. Tripartite agreement dated [●], 2017 among our Corporation, NSDL and the Registrar to the Offer.

16. Tripartite agreement dated [●], 2017 among our Corporation, CDSL and the Registrar to the Offer.

17. SEBI observation letter bearing reference number [●] dated [●].

18. Consent letter dated August 5, 2017 issued by CRISIL Research for inclusion of CRISIL Report herein.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Corporation or if required by the other parties, subject to compliance with the provisions contained in the Companies Act and other relevant statutes and regulations.

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to itself in connection with the Offer, and the Equity Shares offered by it in the Offer, are true and correct.

Signed by the Selling Shareholder

For **Authorized Signatory of the President of India, acting through the Ministry of Finance**

Date: August 7, 2017

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, and IRDAI, established under Section 3 of the Insurance Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or the Insurance Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR CORPORATION

Alice G. Vaidyan
Chairman-cum-Managing Director

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Ravi Mital
Non-Executive Director

____

Usha Sangwan
Independent Director

____

G. Srinivasan
Non-Executive Director

____

Segar Sampathkumar
Whole-time Director

____

Y Ramulu
Whole-time Director

____

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR CORPORATION

Vimal Chand Jain
(Chief Financial Officer**)**

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Date: August 7, 2017