

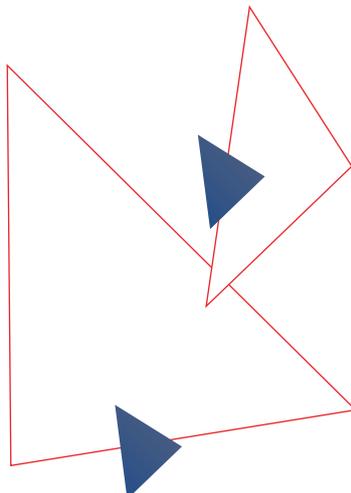
**Soaring up
with Simplicity.**



ANNUAL REPORT 2022-23

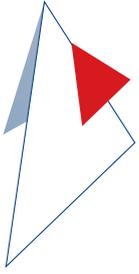
CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED

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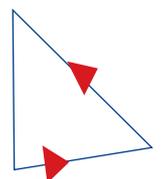
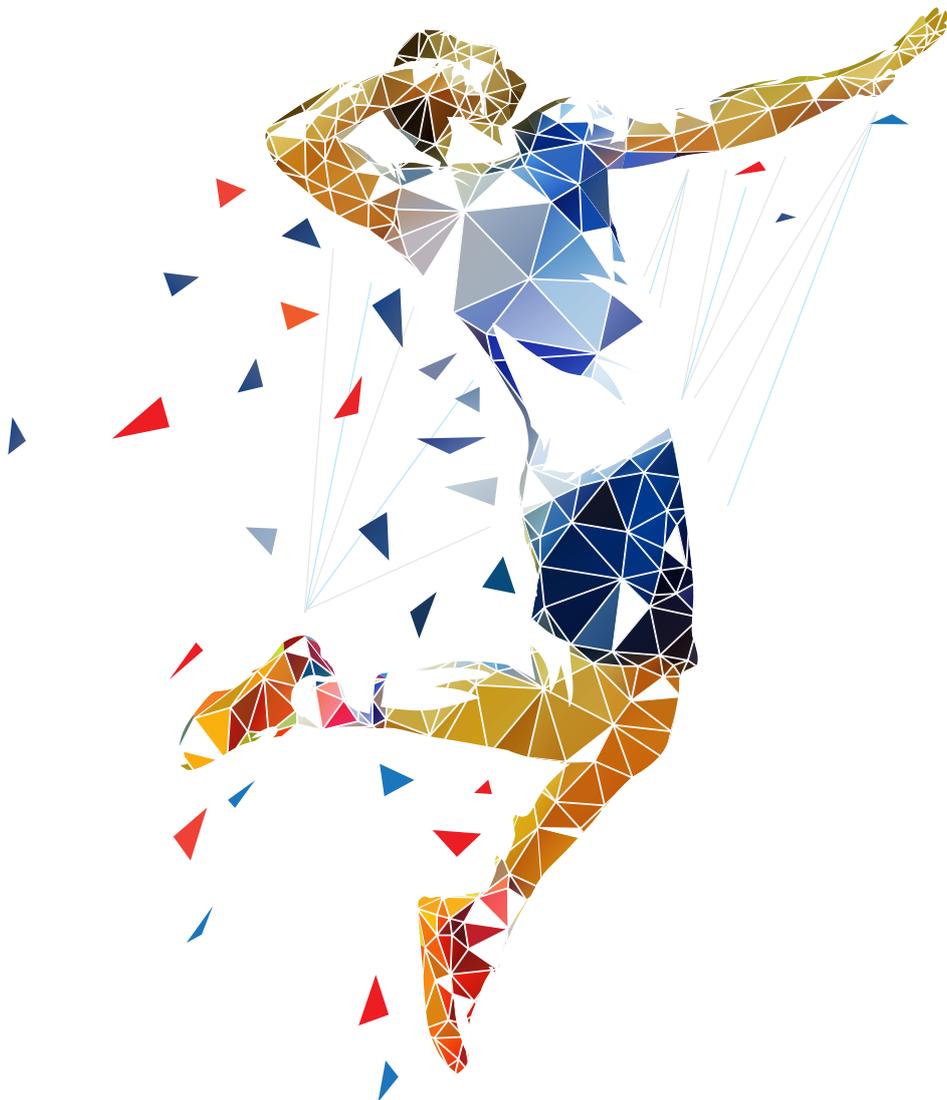


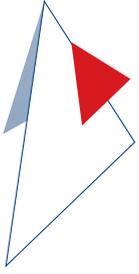
CAUTIONARY STATEMENT

Certain expectations and projections regarding the future performance of the company referred to in this annual report constitute forward-looking statements. These expectations and projections are based on currently available competitive, financial and economic data, along with the Company's operating plans and are subject to certain future events and uncertainties, which could cause actual results to differ materially from those indicated by such statements. We undertake no obligation to publicly update any forward-looking statements in this report, whether as a result of new information, future events or otherwise.

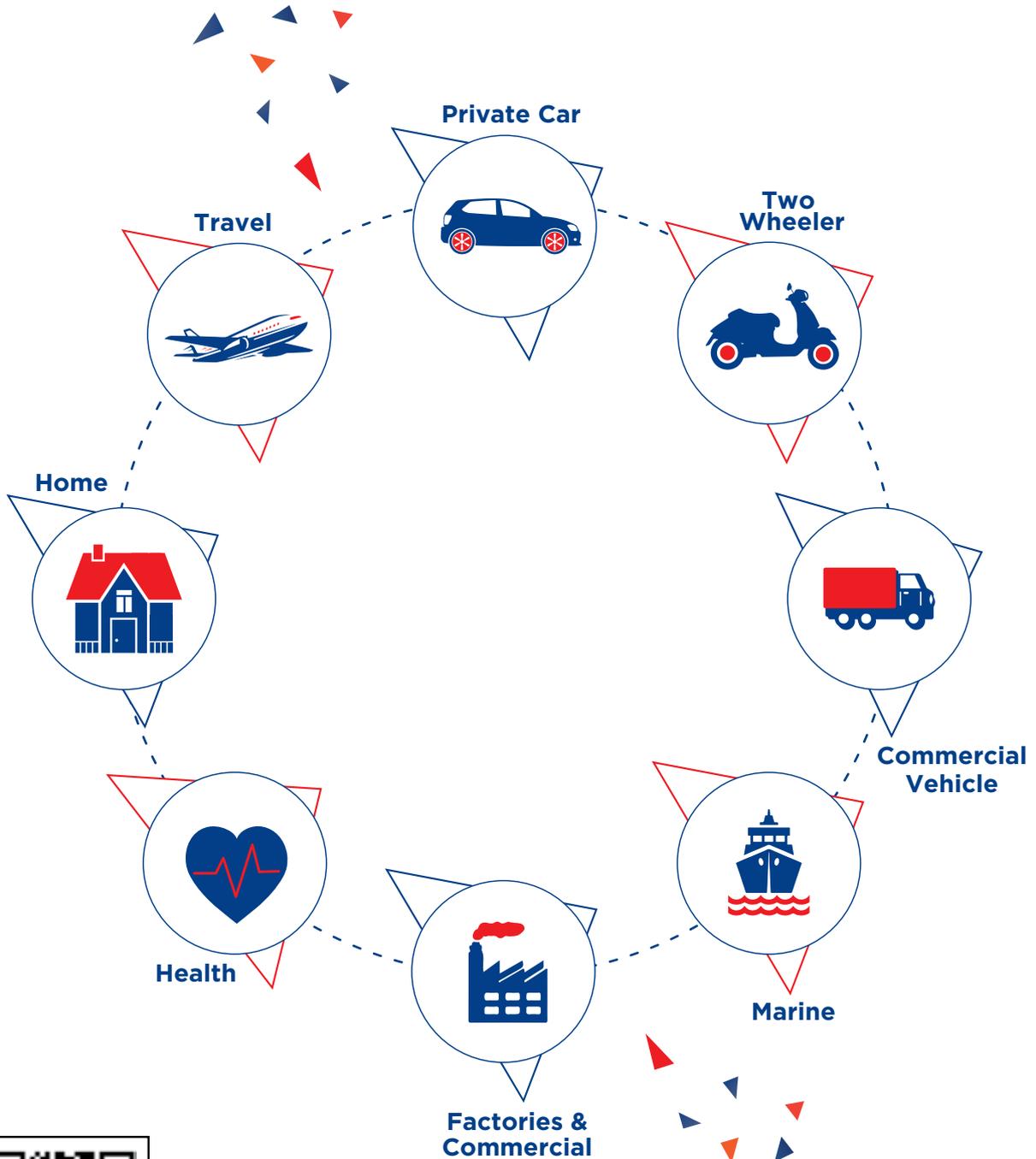


At Chola MS, our pursuit for simplicity has led us to new heightened levels of understanding of our customers, innovation in newer technologies, and efficiency of processes, along with enhanced accessibility and communication. Through this approach, we have laid focus on what's truly important to deliver better results in the best interest of all our stakeholders. Join us as we soar higher with simplicity!

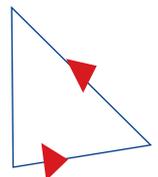


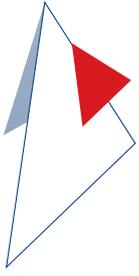


SIMPLIFYING THE INSURANCE BUYING EXPERIENCE.



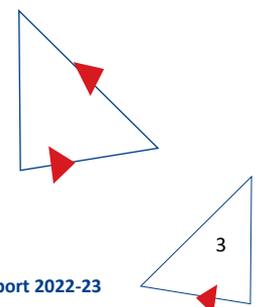
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COMPANY HIGHLIGHTS

- ▶ GWP growth of 27.60% in Financial Year 2022-23
- ▶ Solvency ratio of 201% as against the 150% mandated by IRDAI
- ▶ 16.21 Million policies + certificates issued in FY 2022-23 (an increase of 30% from FY 2021-22)
- ▶ Serviced 0.57 Million claims in FY 2022-23 (an increase of 20% from FY 2021-22)
- ▶ Wide product portfolio with comprehensive channel mix
- ▶ Credit rating of ICRA AA, CRISIL AA with a stable outlook for the Non-Convertible Debentures issued by the Company
- ▶ ISO certified processes for:
 - ▶ Risk Management in General Insurance
 - ▶ Processing of Motor Vehicle Insurance Claims
 - ▶ Processing and settlement of Health Claims through Chola MS HELP
 - ▶ Processing and settlement of Commercial Claims
 - ▶ Provision of investigation process for Claims Settlement
 - ▶ Provision of Customer Relationship Management through Voice Support, Claim Support and Grievance Redressal
- ▶ PAN-India presence with more than 150 branches
- ▶ A PAN-India network of 11,000+ Cashless Hospitals
- ▶ A PAN-India network of 14,000+ Cashless Garages





From the Chairman's Desk

DEAR SHAREHOLDER,

The financial year 2023 was characterized by the globe recovering in a post-pandemic environment but getting subjected to geopolitical challenges which in turn triggered a rise in inflation, hardening of interest rates, threat of recession etc. In the Indian context even as inflation remained high for the better part of the year, India emerged as the most populous country in the world. It has the favourable advantage of its demographic profile which is expected to provide sustainable growth for the next two decades.

The Indian insurance industry is undergoing a rapid shift in terms of regulations, customer expectations, accelerated digitization of processes – all of which augur well for the growth of the industry and for enhancing operating efficiencies. The regulatory thrust on stepping up insurance penetration and the mission of “Insurance for all by 2047” is bound to accelerate insurance awareness into the semi-urban, rural and micro markets in the country.

The General Insurance industry (excluding standalone health insurance companies) grew by 16.2% in FY 2022-23 – largely in motor, health and fire lines of business.

Chola MS celebrated its 20th anniversary in October 2022 by expressing its gratitude to the enduring trust of its policyholders, business partners and all other stakeholders. In a momentous year, Chola MS recorded a gross written premium (direct) of ₹61.5 Billion, a growth of over 27.60%, helping it to grow its market share. Chola MS continues to add new channel partners, progress its strategic intent of de-risking and diversification, increase efforts on digitisation and operate on sound financial stability as is reflected in a solvency level of 2.01 times as at March 31, 2023.

Chola MS is committed to grow, expand its geographical and product presence across channels and in transforming its technology architecture to a contemporary, customer friendly, analytics enabled framework. In a vibrant and continuously evolving landscape, the emphasis is on being nimble, quick to adapt and approach markets and new lines of business based on emerging realities and possibilities. What would remain unchanged, however, is the philosophy of being a trusted, transparent and reliable insurer. The company's plans will be focused on improving Environment, Social and Governance standards.

I would like to thank our Joint Venture partner, Mitsui Sumitomo Insurance Co. Ltd. (MSI), for their continued trust and support

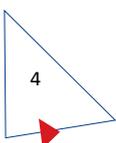


almost through the life of the company. Together, the Murugappa Group and MSI have built a strong, vibrant brand that is well recognised and respected by channels and customers.

The members of the Board continue to be a great source of encouragement and support to the Company's management team and personally, to me. I thank them for their involvement and participation. Mr. K L R Babu stepped down as an Independent Director on October 28, 2022. I thank him for the contributions made during his tenure. I take pleasure in welcoming Mr. Sujay Banarji to the board, and look forward to his counsel. I also take this opportunity to express my sincere thanks to all the stakeholders, associates and staff members for their valuable contribution in driving the Company towards greater success.

The Chola MS team ably led by our Managing Director, Mr. V Suryanarayanan, together with his colleagues in the leadership of the business verticals, have done well and are confident to take the Company's growth and profitability forward while serving policyholders with empathy.

Warm Regards,
M M MURUGAPPAN
Chairman





From the Managing Director's Desk

DEAR SHAREHOLDER,

In an economic environment that marked a return to growth, the cascading effect on the growth of the multi-line players in the general insurance industry resulted in a Gross Written Premium (GWP) of ₹2,148 Billion in FY 22-23 (growth of 16.2% as compared to 8.8% in FY 21-22).

During the year, there was high-octane activity on the regulatory front by way of (a) expansion of open architecture (b) doubling of Tier II capital entitlements (c) Product related easing (d) access to foreign capital through Private Equity entities (e) AML guidelines etc. The introduction of the new Expenses of Management and Commission Regulations effective April 1, 2023 will bring in greater flexibility and operational headroom to all insurers besides securing financial discipline in the medium term. Other key changes on the anvil include those relating to long term products, reinsurance, Insurance Act amendments etc., are certain to usher in an exciting phase for the general insurance industry in terms of market penetration and growth.

Chola MS, in its 20th year of operations, grew by 27.6% helping it grow its market share to 2.87% amongst multi-line players. The Company grew higher than industry in all major lines of business. The Company grew across all its major distribution verticals of bancassurance, agency, automobile manufacturers, financiers and broking entities. The Company renewed all its bancassurance arrangement with government-owned banks besides adding to new tie-ups with private sector banks. Digital channels contribute to about 2.3% of the Company's GWP. The Company added over 10 Million customers in the year.

The investment corpus grew to ₹147.15 Billion with nil exposures to stressed assets. The Company enjoys high multiples of investment corpus in relation to GWP and the net-worth. The investment income for the year (including profit on sale of investments) was ₹8.81 Billion.

Chola MS registered a profit before tax of ₹2.64 Billion even as it continues to absorb sourcing costs upfront both with respect to the long-term motor policies where the premium collection is not part of the profit and loss account as well as the long term non-motor policies where the earned premium will continue to flow in subsequent years.

Chola MS settled over 500,000 claims during the year across various lines of business and continues to enjoy the reputation on timely, fair settlement from its channel partners and customers.

The Company's Solvency ratio as at March 31, 2023 was at 2.013 times (1.5 times being the minimum). The Company redeemed its earlier issuance of ₹1 Billion of Tier II NCDs on completion



of 5 years and made a fresh issuance to the extent of ₹1 Billion. The ratings were reaffirmed during the year - CRISIL AA (Stable outlook) and ICRA AA (Stable Outlook).

The Board has mandated the transformation from the existing legacy technology platform and establishing of a nimble platform that will facilitate faster new product rollouts, digitized journeys for the channels, improved servicing of policyholders and implementation of the data analytics framework.

Chola MS was recognised and privileged to receive various awards and accolades from various well-known entities. These awards serve as a testament to the high standards with which we operate and provides the motivation to continue and build on the momentum.

I express my profound gratitude to our customers, regulators, business partners, intermediaries, reinsurers, and vendors for the continued support, understanding and trust reposed on the Company. I would also like to take this opportunity to especially thank our shareholders, Cholamandalam Financial Holdings Limited and Mitsui Sumitomo Insurance Company Limited, Japan, for their valuable support, patience and faith in us.

Lastly, my appreciation and thanks to the entire team of Chola MS for their continued dedication and commitment that resulted in the strong business performance.

Best Regards,
V SURYANARAYANAN
Managing Director



Profile of Directors



MR. M M MURUGAPPAN

Chairman (DIN: 00170478) 67 years

Mr. M M Murugappan is the Chairman of the Board. He holds a Bachelor's degree in Chemical Engineering from the University of Madras, India, and a Master's degree in Chemical Engineering from the University of Michigan, USA. He is also the Chairman of Cholamandalam Financial Holdings Limited, Carborundum Universal Limited and Cyient Limited. He serves on the Boards of various other companies including Ambadi Investments Limited. He served on the Board of Governors of IIT Madras for six years till November 2011. He now serves on the Board of the IIT Madras Research Park and is the Chairman of the Board of Governors of IIM - Indore. He is a Trustee of AMM Foundation and is actively involved in the Foundation's activities particularly in the area of education. He is on the Board of Chola MS from October 2017.



MR. MARGAM RAMA PRASAD

Independent Director (DIN: 01637947) 70 years

Mr. Margam Rama Prasad holds a Master's degree in Statistics and is an Associate member of Insurance Institute of India. He is a former whole-time member of Insurance Regulatory and Development Authority of India in Non-Life Insurance. He has over 40 years of experience in the insurance sector. He was an Ex-Officio member in the Reinsurance Committee of International Association of Insurance Supervisors, the Governing Councils of Insurance Information Bureau, and Institute of Insurance and Risk Management. Mr. Margam Rama Prasad served as Chairman of General Insurance Council of India. He had held Directorships in The Thana Electric Supply Company Limited, GIC Housing Finance Limited, SHCIL Services Limited, Institute Of Insurance And Risk Management, Indian Institute Of Insurance Surveyors And Loss Assessors. He joined the Board of Chola MS in July 2017.



MS. KASIVAJJULA RAMADEVI

Independent Director (DIN: 07327977) 66 years

Ms. Ramadevi holds a Master's degree in Commerce from the University of Madras. She has over 40 years of experience in various sectors including more than 36 years of experience in insurance sector. Ms. Ramadevi was in various positions in United India Insurance Company Limited before joining The Oriental Insurance Company Limited as Deputy General Manager. Ms. Ramadevi is a former Chief Financial Officer and retired General Manager of The Oriental Insurance Company Limited. She joined the Board of Chola MS in February 2020.



MR. SUJAY BANARJI

Additional Director (Independent Director) (DIN: 05308958) 65 years

Mr. Sujay Banarji is an experienced professional with over 37 years of experience in the direct insurance and reinsurance sector. He holds a Master's Degree in Arts from Allahabad University and is an Associate Member of Insurance Institute of India. Mr. Banarji is a direct recruit officer of The New India Assurance Company Limited and has held various positions in the company, including heading New India's office in Sydney, Australia before moving to General Insurance Corporation of India (GIC Re) as General Manager. He then joined The Oriental Insurance Company Limited and was also Director of the company. For a brief period, Mr. Banarji was the Officiating Chairman cum Managing Director during his tenure in Oriental Insurance. He is a former Whole-time Member (Distribution) of IRDAI. Mr. Banarji joined the Board of Chola MS in October 2022.



MR. SRIDHARAN RANGARAJAN

Non-Executive Director (DIN: 01814413) 57 years

Mr. Sridharan Rangarajan is a member of the Institute of Chartered Accountants of India and a graduate member of the Institute of Cost Accountants of India. He holds a Bachelor's degree in Commerce from the Madurai University and is a certified Six Sigma 'Green Belt', trained 'Process Champion' and 'Black Belt'. He served as the Chief Financial Officer of the Murugappa Group and has over 30 years of experience in finance, manufacturing, service & distribution, banking and contracting industries. He is on the Boards of various companies including Cholamandalam Financial Holdings Limited, E.I.D Parry India Limited, Carborundum Universal Limited, Cholamandalam MS Risk Services Limited, Net Access India Limited, Parry Agro Industries Limited. He has rich cross-cultural work experience from having worked in Companies like ABB, IDBI, LG Electronics, Trane Inc. USA and Timken. He joined the Board of Chola MS in October 2018.



MR. TSUTOMU AOKI

Non-Executive Director (DIN: 09568125) 53 years

Mr. Tsutomu Aoki is a Bachelor of Arts in Economics from Keio University, Japan. He has over 31 years of experience in general insurance industry. He has held Leadership positions in Mitsui Sumitomo Insurance, Japan and currently is the General Manager, Head of International Business Department in Mitsui Sumitomo Insurance Company Limited, Japan. He is a Non-Executive Director of MS Amlin Insurance SE and holds Directorship in Cholamandalam MS Risk Services Limited. Mr. Aoki joined the Board of Chola MS in April 2022.



MR. V SURYANARAYANAN

Managing Director (DIN: 01416824) 56 years

Mr. V Suryanarayanan is an Associate member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and the Insurance Institute of India. Besides, he is an alumnus of INSEAD having undergone the Advanced Management Program (AMP). He has over 34 years of experience and has been associated with the Murugappa Group since November 1996, with about 10 years in Cholamandalam Investment and Finance Company Ltd. in various leadership roles in Credit, Business Operations and was head of Finance. In 2006 he joined the Company as the Chief Financial Officer and later took up other roles as Head of Claims, Head – Technical Functions besides leading several projects within the Company. He was elevated as President and Chief Operating Officer of the Company before his appointment as the Managing Director effective July 1, 2020. Mr. Suryanarayanan is also a director on the Board of Cholamandalam MS Risk Services Limited.



MR. NAOKI TAKEDA

Whole time Director (DIN: 09524037) 54 years

Mr. Naoki Takeda is a Bachelor in faculty of Political Sciences and Economics from Waseda University, Japan. Mr. Takeda has over 32 years of experience in general insurance industry. Mr. Takeda has joined in Mitsui Marine & Fire Insurance Co. Ltd. in 1991. Before appointment as Wholetime Director, he was General Manager of International Business Department in Mitsui Sumitomo Insurance Company Limited, Japan. Mr. Takeda is a director on the Board of Cholamandalam MS Risk Services Limited and joined the Board of Chola MS in April 2022.



Leadership Team



V SURYANARAYANAN
Managing Director



NAOKI TAKEDA
Whole time Director



ASHISH HALLAN
President &
Chief Operating Officer



S VENUGOPALAN
Chief Financial Officer



SANJIV KUMAR MATHUR
SBU Head - Commercial & SME



BISWAJEET PADHI
SBU Head - Motor



PRAVEEN PATHAK
Chief Technical Officer



SURESH KRISHNAN
Company Secretary &
Chief Compliance Officer



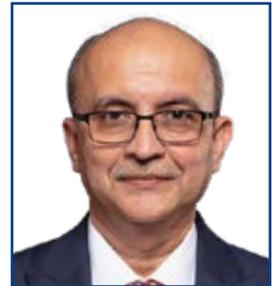
K CHITRA
Head - Digital, Branding &
Corporate Communications



ABHIRANJAN GUPTA
Chief Investment Officer



SURESH SURENDRANATHAN
Chief Technology Officer



SHAILEN MERCHANT
Head - Human Resources



S K RANGASWAMY
Chief Risk Officer & Head -
Operations and CRM



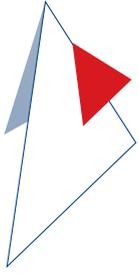
ASHWANI KUMAR ARORA
Appointed Actuary



CHANDAR RAMAMURTHY
Head - Reinsurance

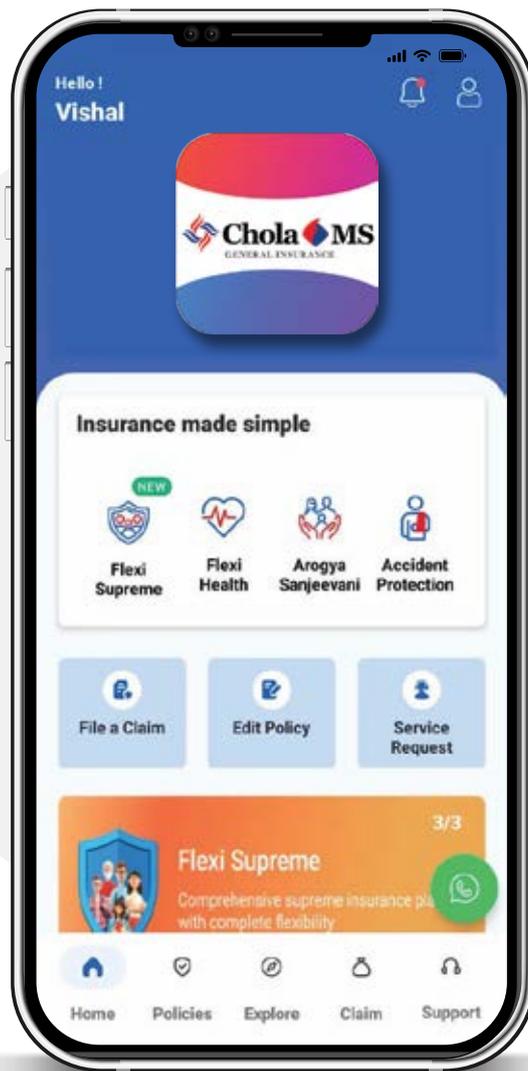


PUNIT AGARWAL
Head - Internal Audit &
FCU

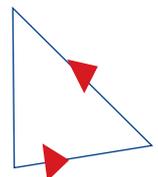


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Introducing **Chola MS app**
One app, Many solutions.



Scan the code and
download the App now!





Financial Highlights

₹ Million

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Gross Written Premium (Direct)	61,560	48,241	43,882	43,985	44,282	41,026	31,333	24,520	18,904	18,551
Net Earned Premium	40,192	34,371	32,024	34,370	30,499	28,238	22,481	16,908	14,821	14,314
PBT	2,645	1,060	3,748	2,546	2,506	3,466	2,971	2,131	2,007	1,015
PAT	1,987	770	2,816	1,494	1,789	2,426	2,081	1,479	1,371	701
Networth	21,603	19,616	18,846	15,741	14,534	12,961	10,751	8,529	7,190	5,824
Fixed Assets (net)	1,146	848	727	724	687	703	691	615	617	577
Investment portfolio	147,149	125,338	110,605	90,785	75,961	63,626	48,919	38,607	31,646	23,282
Earnings per Share (₹)	6.65	2.58	9.43	5.00	5.99	8.12	6.97	4.95	4.59	2.37
Book value per Share (₹)	72.30	65.65	63.07	52.68	48.64	43.38	35.98	28.54	24.06	19.49

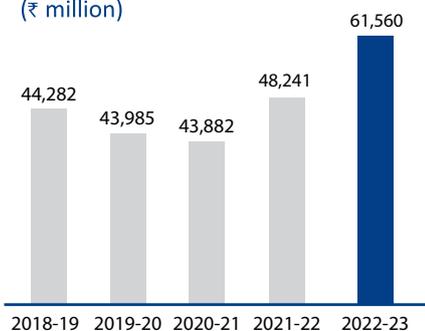
PBT - Profit before tax

PAT - Profit after tax

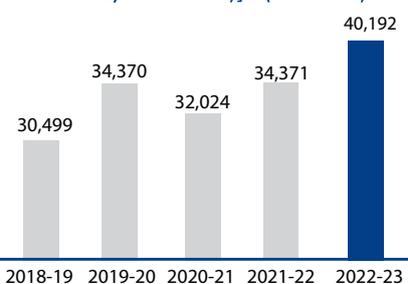


Key Financial Indicators

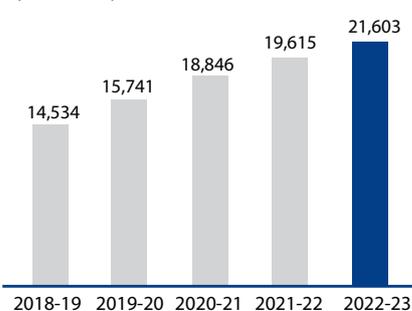
GROSS WRITTEN PREMIUM - DIRECT
(₹ million)



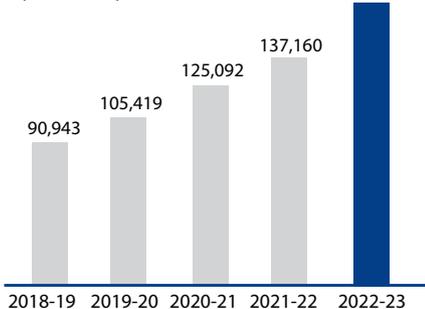
NET EARNED PREMIUM
[Including IMTPIP (Indian Motor Third Party Insurance)] - (₹ million)



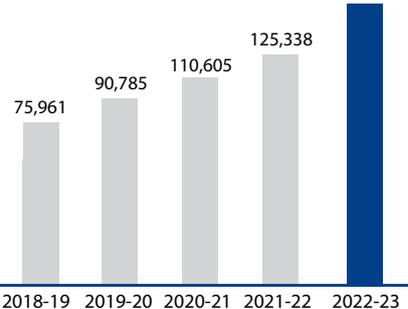
NET WORTH
(₹ million)



TOTAL ASSETS
(₹ million)



INVESTMENT PORTFOLIO
(₹ million)



Chola MS - CSR Activities

HIGHLIGHTS OF SOME CSR INITIATIVES

Chola MS is committed towards giving back to the community by carrying out various CSR initiatives to bring a positive impact on the society. Even before the amendment to Companies Act mandating CSR contributions, Chola MS has been contributing towards various projects for the benefit of the Society.

The Focus area of Chola MS CSR activities include Education, Healthcare, Rural development, setting up facilities to Senior Citizens' homes etc.

The CSR activities are well planned and executed through both direct implementation and through capable and credible implementing agencies.



Education

Employment enhancing vocational skill

Contribution towards employment enhancing vocational skill training programme

Chola MS contributed towards enhancing vocational skill training - computer training programmes to the visually challenged students which will improve employability.

Healthcare

Early Screening and Awareness on Prevention of Cancer to the Rural Communities

Chola MS provided an Ambulance to Nellore Cancer Care Centre at Thirunelveli, Tamil Nadu, in order to address the Healthcare needs of the community. The ambulance is used for screening cancer patients and creating awareness among people by reaching out to their communities in the areas of Thirunelveli, Thenkasi and Thoothukudi districts in Tamil Nadu. Those beneficiaries diagnosed with Cancer would be referred to the Hospital for further treatment.



Reaching out to the marginalized communities to provide free Medical Treatment

Chola MS partnered with the implementing agency - Sevabharathi Tamil Nadu and provided free medical health camps for the underprivileged in 12 slum areas in North Chennai using mobile medical van. Basic treatments, blood tests, physical examination, free medicines and referrals were provided to the patients on a regular basis. The Mobile medical van is very helpful to the communities as they cannot travel a long distance to access government hospitals for treatment.



Chola MS - CSR Activities

HIGHLIGHTS OF SOME CSR INITIATIVES



Medical Equipments to serve underprivileged patients for free eye surgeries

Chola MS Provided Medical Equipments - (i) Micro Drill & Saw System and (ii) Ophthalmic endoscope equipment to Sankara Eye Foundation Hospital - Coimbatore (Tamil Nadu) and Guntur (Andhra Pradesh) for the use of underprivileged patients from rural background.

The deserved patients from interior villages who require eye surgeries are brought to the hospital and provided with free eye restoration surgeries. The medical equipments are very useful in carrying out specialized eye surgeries.

State-of-the-art Medical equipment for serving underprivileged children

Chola MS funded medical equipment - Automated Immunoassay Analyser to Idhayangal Charitable Trust, Coimbatore (Tamil Nadu), for the use of underprivileged children with type -1 diabetes who come from different districts in Tamil Nadu. The automated Immunoassay Analyser is useful in identifying and detecting the presence of concentration of substances in blood samples of the children with type 1 diabetes. Children with diabetes require regular blood tests which are essential for their treatment.



Medical Equipment for sterilizing the surgical instruments

Chola MS funded a Medical Equipment - Autoclave machine to Andhra Mahila Sabha, Chennai, for use of sterilizing the surgical instruments with high temperature quality steam to prevent infections due to surgical instruments. The sterilizer kills harmful bacteria, viruses, fungi and spores on the surgical instruments. The equipment is very useful for the doctors to sterilize the surgical instruments and devices that are used for various surgeries in the hospital for underprivileged patients.



Awards received during the Financial Year



**Most Preferred Brand 2022
in Association with Times Now from Marksmen Daily**



**Claim Service of the Year - Large (Private Sector)
by ET Ascent**



**Bancassurance Leader - Large
by ET Ascent**



**Best use of Digital Marketing / Social Media - BFSI
from E4M IMA South**



**Tamilnadu Best Employer Brand Award 2022
from Employee Branding Institute - India**



**Dream Company to Work for - Life - Health - General Insurance
from ET Ascent**



Corporate Information

BOARD OF DIRECTORS

M M Murugappan	Chairman
Margam Rama Prasad	Director
K Ramadevi	Director
Sujay Banarji	Additional Director
Sridharan Rangarajan	Director
Tsutomu Aoki	Director
V Suryanarayanan	Managing Director
Naoki Takeda	Whole-time Director

COMPANY SECRETARY

Suresh Krishnan	Company Secretary & Chief Compliance Officer
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TOP MANAGEMENT TEAM

V Suryanarayanan	Managing Director
Naoki Takeda	Wholetime Director
Ashish Hallan	President & Chief Operating Officer
S Venugopalan	Chief Financial Officer
Sanjiv Kumar Mathur	SBU Head – Commercial & SME
Biswajeet Padhi	SBU Head – Motor
Praveen Pathak	Chief Technical Officer
Suresh Krishnan	Company Secretary & Chief Compliance Officer
K Chitra	Head – Digital, Branding & Corporate Communications
Abhiranjan Gupta	Chief Investment Officer
Suresh Surendranathan	Chief Technology Officer
Shailen Merchant	Head – Human Resources
S K Rangaswamy	Chief Risk Officer & Head – Operations and CRM
Ashwani Kumar Arora	Appointed Actuary
Chandar Ramamurthy	Head – Reinsurance
Punit Agarwal	Head – Internal Audit & FCU

REGISTERED OFFICE

CIN: U66030TN2001PLC047977

Dare House, II Floor, No. 2, N.S.C Bose Road, Parrys,
 Chennai – 600 001. Phone: 91-44-40445400
 Fax: 91-44-40445550
 Toll Free No. 1800 200 5544 (Motor);
 1800 208 9100 (Health & other insurance)
 Website: www.cholainsurance.com

AUDITORS

M/s. Sharp & Tannan

Chartered Accountants, Parsn Manere, 'A' Wing,
 602, Anna Salai, Chennai-600 006

M/s. R.G.N Price & Co.

Chartered Accountants, Simpsons Buildings,
 No. 861, Anna Salai, Chennai – 600 002

REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

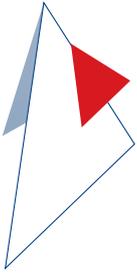
KFin Technologies Limited

(Formerly known as KFin Technologies Private Limited) Selenium Tower B, Plot No 31 & 32
 Financial District, Nanakramguda,
 Serilingampally Mandal, Hyderabad – 500 032,
 Telangana. Toll free number: 1- 800-309-4001

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited

17, R. Kamani Marg,
 Ballard Estate, Mumbai – 400 001
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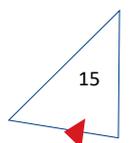


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Directors' Report to Members

Your directors have pleasure in presenting the Twenty Second Annual Report together with the audited financial statements of the Company for the year ended March 31, 2023.

Financial Highlights

₹ Million

Particulars	2022-23	2021-22
Gross Written Premium (GWP)		
a) Direct	61,560	48,241
b) Reinsurance Acceptance	444	298
Total GWP	62,004	48,539
Net Earned Premium	40,192	34,371
Net Claims Incurred	28,631	24,160
Net Commission and operating expenses	17,568	14,540
Investment Income (Policyholders' funds)	7,820	6,979
Contribution from Shareholders' Fund - Excess of Expenses of Management	4,031	3,298
Operating Profit	5,844	5,948
Investment Income (Shareholders' funds)	1,057	1,020
Impairment Provision & Write off - Stressed Investment Assets	(75)	(184)
Contribution to Policyholders Fund - Excess of Expenses of Management	4,031	3,298
Marketing Cost Absorbed in Shareholders' fund (arising from IRDAI direction)	-	2,514
Other Expenses	301	280
Profit before tax	2,645	1,060

Industry Scenario

Regulations: In FY 2022-23, the general insurance industry was characterized by several regulatory changes that are favourable to the industry in terms of growth, adding business partners, securing Tier II capital etc.

A major change that is effective from April 1, 2023 relates to the revamp of the regulations relating to Commission and Expenses of Management with a view to provide flexibility to the insurers in operational management even as it mandates insurers to conform to an overall capped expense level with in a period of three years.

The Government of India has also set out the draft amendments to the Insurance Act which is to be taken to Parliament for approval. The draft amendments enhance the operational scope of non-life insurers.

Industry Growth and Profitability: The Gross Direct Premium of multi-line non-life insurers (excluding Standalone Health & Specialized insurers), was reported at around ₹2,148 Billion and registered a growth of around 16.2% over the previous year. The market share of public sector companies was 38.6% with the private sector companies growing their share to 61.4%. The SAHI players grew by 25.8% to ₹209 Billion.

Amongst the various lines of businesses, motor registered a growth of 15.4% while the fire line of business grew by 11.1%. The growth in the health and personal accident lines for general insurers was placed at 18.7% and 1.6% respectively.

The Combined Ratio of all players in the industry rose during the year underpinned by poor premium realization in motor and rising claims ratios in motor and health. The rise in investment income aided by the rising interest rate environment and buoyant equity markets helped insurers to register overall operating profits. The return on equity to investors came under pressure.

Summary of Company Performance

The Company achieved a direct premium of ₹61,560 Million, a growth of 27.60% (as against GI players growth of 16.2%) which helped in growing the market share to around 2.87% (amongst multi-line insurers).

The Company also grew its market share in motor to 5.35%, in Fire to 2.76%, in personal accident to 4.90% and in retail health to 2.99% (among GI players). The Company continued to adopt a cautious stance in group health (employer-employee) business.

The Company added to its channel partners by getting into new bancassurance agreements besides renewing its existing agreements. The Company also expanded its presence in automobile manufacturers and agency network. All these helped the Company in improving on its business dispersal across the country.

The customer additions in the year crossed 10 Million and the Company serviced over 400,000 motor claims, 100,000 health claims, 50,000 commercial claims besides settling over ₹8,240 Million by way of third party motor claims. The CRM team of the company services over 140,000 customers.

The Company also finalised its plans for technology transformation and data analytics which would get implemented over the next 18 months. This exercise would help the Company to leap frog from its legacy systems platforms to a contemporary, customer-intermediary friendly transacting experience.

The Company attained a profit before tax of ₹2,645 Million for the year ended March 31, 2023 (₹1,060 Million in previous year).



Dividend

With a view to conserve the resources and augment solvency ratio, your directors do not recommend any dividend for FY 2022-23.

Transfer to Reserves

An amount of ₹1,500 Million has been transferred to General Reserve for the FY 2022-23.

Business Operations

The Company grew its business operations across channel categories of bancassurance, agents/POSPs, brokers, MISPs. The Company's digital business now contributes a little over 2% of its overall GWP.

(A) Motor Line of Business

Motor Line of business registered a growth of over 26.8% during the year. The composition of the motor portfolio comprises of Two wheelers: 19.5%, Motor Cars: 36%, Commercial Vehicle: 37% and tractors & others comprising 7.5%. The Company stepped up the renewal ratio in the cars segment. The Company carries a Premium in Advance of ₹13.89 Billion representing the GWP of future financial years even as the sourcing costs relating to it has been fully absorbed.

The premium pricing in motor own-damage witnessed severe pressure with discounts across vehicle categories staying at higher levels. This has caused an adverse change in the motor OD claims ratios of all players in the industry. Corrective steps have been initiated by way of reduced discounts and reduced intermediation fees.

In motor third party, the marginal hike in third party premium pricing effective June 2022 was inadequate to compensate for the inflation in medical costs as well as continuous increase of the minimum wage levels across all States in the Country.

The Company continues to exercise utmost care in its choice of sub-segments, geographies. The Company continues to be rated high by its channel partners and customers for its claims servicing processes.

(B) Property and Casualty Lines of business:

The premium from Commercial lines of business grew to ₹9,855 Million, mainly driven by the 33.4% growth in the Fire line of business. Marine and group accident lines of businesses also witnessed improved performance with increase in the levels of economic activity and focused sourcing. The Misc. lines grew well during the year. The Company registered growth across all its business verticals of Indian Commercial, SME, Japanese & Korean and Bancassurance.

The Company continues to follow disciplined underwriting and prudent risk selection in the highly demanding environment. Higher proportion of business from 'Preferred' category risks, geographical spread of risks, line size management have all

ensured that the claim ratios of these lines are in control.

(C) Health, Accident and Travel Lines of Business:

The Company's overall health, accident and travel volumes grew by more than 35% during the year with stronger growth in retail health. Even as retail indemnity business continues to scale up, the bancassurance led health benefit and accident product grew faster with the return of economic activity.

The Company has added new health products – both indemnity and benefit besides stepping up on its distribution build of both POSP as well as channel partners.

Good initial traction is witnessed in the newly launched customer app that has features relating to wellness.

The Company continues to strengthen its underwriting framework with intelligent use of technology for its risk selection, upsell and cross-sell initiatives.

(D) Crop Insurance:

In the context of the Expenses of Management Regulations and changes in the crop insurance space, the Company has decided to participate in Crop Insurance schemes in FY 2023-24. Accordingly, the Company has secured necessary reinsurance arrangements and strengthened its operational teams to re-enter the line of business.

Claims

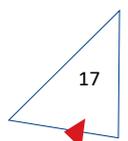
The year under review witnessed the claims management function stepping up speed of disposal while handling larger volumes with efficiency and productivity.

The Company continues its journey in digitization of its claims processes across lines of businesses.

The other highlights include:

- servicing over 574,153 claims across various LOBs, which is 20% more than the previous fiscal
- Continuing to secure higher levels of compromise settlements in motor third party claims
- Strengthening of the investigation framework for motor OD, motor TP and health claims.
- Adding to the network of hospitals and garages expanding the service network for the policyholders – over 11,000 hospitals and 14,500 garages
- Ensuring timely resolution of customer complaints on claims servicing
- Enhancing employee productivity

The Company will continue to focus on harnessing efficiencies for severity control across all lines, automation for speed and operational controls, proactive approach to servicing for building



transparency and satisfaction levels of customers.

Reinsurance

During 2023, the international markets witnessed hardening of prices due to natural catastrophes across the globe, sharp inflation and currency depreciation in Europe and the USA. Such hardening resulted in Reinsurers restricting capacity, moderating on commission levels and insisting on sharp price increases for balance sheet protection covers.

During the year, the Company's proportional and non-proportional treaties generated surplus for the reinsurers for the year. The Company put in place new reinsurance arrangements in respect of its product offerings.

Renewal for 2023-24 had challenges on cost of covers for catastrophe programs and the Company successfully negotiated and completed the RI placements for FY 2023-24 by diversifying the panel of reinsurers. The Treaties were placed in the market at competitive terms with well rated reinsurers.

Investments

The Company's investment portfolio grew to ₹147,149 Million as of March 31, 2023 (Previous year: ₹125,338 Million).

The Company took advantage of the rising interest rate environment to deploy its accretion/maturing funds at higher yields. The rise in interest rates, however, restricted the opportunity for monetising gains. The exposure to Central and State Government securities stood at 65.1% of the investment assets (Previous year 66.1%). The Company's investment in Infrastructure and Housing sector stood at 28% (Previous year 20%) of portfolio as of March 31, 2023. The Company stepped up on its equity shares portfolio.

As of March 31, 2023, the Company had nil non-performing assets in its investment portfolio. During the year, the Company had a recovery of ₹161 Million from assets written off / provided for in earlier years.

The Company continues to emphasise on safety and liquidity of investments and together with monetised gains, grew the investment income to ₹8,831 Million with a gross yield of 6.54% (Previous year: 6.8%). The average investment portfolio duration was at 3.8 years (Previous Year: 3.49 Years).

Human Resources

The Company, during the year, continued to focus on enhancing and leveraging technology for all HR operational purposes and put in place TATs for operational parameters, ensuring seamless HR operations.

Recruitment for new channels and attrition management has been a focus area. Online tools for recruitment and e-learning have been adopted during the year. Efforts continue to reduce attrition, promote employee engagement, step up learning and development and augment capability building of the people to

take the Company forward.

Information Technology & Digital Initiatives

Tech Enablers for Sales, Channels and Partners:

- Onboarding of new partners such as OEMs, bancassurance partners, digital partners etc. for seamless issuance of policies through integration to attain an overall integrated policy issuance level of around 97%.
- Launch of customer mobile app which enhances customer experience by enabling the customers to buy new business policies, renew policies, initiate endorsements, and intimate claims.
- Enablement of platforms for new products launched during the year and enabling digital issuance of several existing products / add-on covers.

Tech Enablers for Claims, Renewals, Servicing, Operations and Support Functions:

- "Do it yourself" endorsement was launched for customers, to enable customers to effect certain types of endorsements by themselves.
- Consumer forums claims portal was launched to initiate, track, record and store information related to claims before forums such as CDRF and Ombudsmen.
- Expansion of modes for claims intimation through IVRS and voice BOT enablement.
- Revamp of CRM software to provide a superior Customer Service through a 360-degree customer view and its seamless integration with IGMS, Whatsapp, Chatbot and IVRS systems to enhance customer experience.

Tech Tools for Information Security:

- Data Leakage Prevention (DLP) solution - Infrastructure setup was complete and configured and rolled out for all users.

Networth and Solvency

The paid-up capital as at March 31, 2023 was at ₹2,988 Million and the net-worth as at that date was ₹21,603 Million. During the year, the Company has not issued any equity shares.

The Company's solvency ratio as at March 31, 2023 was 2.01 times as against the mandated threshold of 1.50 times.

Risk Management

Managing risks is an integral part of the insurance business. The Company manages and takes risks in an informed and disciplined manner and within a pre-determined risk appetite and tolerance. The risk management and internal control systems are designed to ensure that these risks are managed effectively and efficiently. All our risk management activities are aligned to corporate aims, objectives, organizational priorities and are designed to protect and enhance the reputation and standing of Chola MS.



Risk management policy is the Company's main risk governance document. It sets standards for effective risk management throughout the organisation. The policy describes the Company's risk management framework, provides a standardized set of risk types, and defines the Company's appetite for risks.

The Company has put in place an appropriate risk management system covering various risks that the Company is exposed to, which are discussed and reviewed by the Risk Management Committee of the Board on a quarterly basis.

During the year under review, the Risk Management Committee of the Board reviewed

- (a) Strategic risks that have the ability to affect the organization's overall operating framework
- (b) Operational risks that stem solely from the internal processes within the organization
- (c) Risk management initiatives undertaken and the effectiveness of the risk management processes
- (d) The status of the overall risk appetite framework
- (e) The asset liability management framework

Cyber security

The Company has established a Board approved "Information & Cyber Security Policy" which also incorporates a cyber-crisis management plan. The Company also has an Information Security Committee comprising of management which reviews the key risks and mitigations plans with respect to information security.

The Company's cyber security approach covers all aspects of prevention, detection and response to cyber threats. As part of our Information Security framework based on ISO 27001:2013 standard and guidelines from IRDAI, independent auditors periodically review, validate and certify the controls implemented by the Company.

Peer Review of Actuarial Valuation

The Company engaged the services of Mr. Saket Singhal, a qualified consulting actuary, for conducting the peer review of Actuarial Statutory Valuation as at March 31, 2023, which was carried out by the Appointed Actuary of the Company. The scope included check on data credibility, review of methodology and assumptions and reasonableness of the results. The peer reviewer has confirmed the sufficiency and adequacy of the IBNR/IBNER held by the company as per the certification of the Appointed Actuary of the Company.

Non-Convertible Debentures

The Company had, in FY 2017-18, issued and allotted 1000 unsecured, subordinated, fully paid-up, listed, redeemable, non-convertible debentures of face value of ₹1,000,000 (Rupees Ten Lakh Only) each at par, aggregating ₹1,000 Million on private placement basis.

The Company had exercised the call option on the said debentures on May 24, 2022 and redeemed the debentures by paying the principal and interest on the debentures.

The Company has, during the FY, issued and allotted 1000 unsecured, subordinated, fully paid-up, listed, redeemable, non-convertible debentures of face value of ₹1,000,000 (Rupees Ten Lakh Only) each at par, aggregating ₹1,000 Million on private placement basis with maturity in 10 years (year 2032). Company can exercise the call option at the end of 5 years from the date of allotment or every year thereafter. The debentures are listed on the Debt Market Segment of National Stock Exchange of India.

The company continues to service its interest obligations on due dates to its debenture holders.

Adoption of Indian Accounting Standards

IRDAI, vide its circular dated January 21, 2020, has decided to defer the implementation of Indian Accounting Standards (Ind AS) for insurance companies. The effective date for adoption of Ind AS is yet to be announced.

Maintenance of Cost Records

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

Corporate Governance

A report on the corporate governance, including the status of the implementation of norms as per IRDAI circular no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016 is attached as **Annexure A** to this Report.

Holding Company

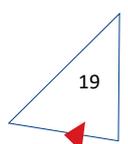
Cholamandalam Financial Holdings Limited continues to be our Holding Company holding around 59.99% of the share capital. There are no changes in the nature and extent of shareholding of the Holding Company in the Company during the year.

Support from MSI

Mitsui Sumitomo Insurance Company Limited (MSI) Japan, the joint venture partner continues to provide support in areas of overall business improvement measures, re-insurance, business development with Japanese and Korean (J&K) clients in India, claims processes and training. The Company has been able to make good inroads in the Japanese and Korean companies established in India and expects growth of business from these clients.

Board Meetings

The Board of Directors meet at regular intervals with an annual calendar of meetings circulated at the beginning of the year to



enable maximum attendance of Directors. The Board is regularly briefed and updated on the key activities of the business and is provided with briefings and presentations on operations, quarterly financial statements and other matters concerning the Company. Besides, information about statutory compliance, minutes of Committees of the Board and other information as required under the IRDAI regulations are provided to the directors on a regular basis. The Board, at its quarterly meetings, reviews important regulatory changes.

Notice and agenda for Board meetings are given to all Board members at least a week prior to the date of the meeting. There are eight Committees of the Board, the details of which along with their terms of reference, composition and meetings held during the year, are provided in the Corporate Governance report.

During the year, five board meetings were convened and held, the details of which are given in the Corporate Governance report.

Directors

The following appointments / reappointments were approved by the shareholders at the Twenty First AGM of the Company held on July 27, 2022:

- Mr. Sridharan Rangarajan who was liable to retire by rotation was reappointed as Director
- Mr. Naoki Takeda was appointed as a Director (liable to retire by rotation)
- Mr. Naoki Takeda was appointed as Whole-time Director for a period of two years with effect from April 1, 2022.
- Mr. Tsutomu Aoki was appointed as a Director (liable to retire by rotation)
- Mr. Margam Rama Prasad was reappointed as an Independent Director for a further term of 3 years with effect from July 25, 2022

The term of office of Mr. K L R Babu as an Independent Director came to an end on October 28, 2022.

The Board places on record its deep appreciation and gratitude to Mr. K L R Babu for his guidance and valuable contribution to the Company during his tenure.

Mr. Sujay Banarji was appointed as an Additional Director (Independent Director) by the Board with effect from October 29, 2022.

Ms. K Ramadevi was re-appointed as an Independent Director by the Board at its meeting held on January 24, 2023 for a further term of three years with effect from February 19, 2023, subject to approval of shareholders at the ensuing annual general meeting.

Mr. M M Murugappan retires by rotation at the ensuing annual general meeting and being eligible, offers himself for re-appointment.

The independent directors have given declarations that they meet the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013.

Key Managerial Personnel

Mr. Naoki Takeda was appointed as Whole-time Director with effect from April 1, 2022. There are no other changes in Key Managerial Personnel during the year.

As on March 31, 2023, the Key Managerial Personnel of the Company, in terms of the provisions of Section 203 of the Companies Act, 2013, are as follows:

- Mr. V Suryanarayanan, Managing Director
- Mr. Naoki Takeda, Wholetime Director
- Mr. S Venugopalan, Chief Financial Officer
- Mr. Suresh Krishnan, Company Secretary.

Audit Committee

The Audit Committee, as on March 31, 2023, comprised of three independent directors viz., Mr. Margam Rama Prasad (Chairman), Ms. K Ramadevi and Mr. Sujay Banarji and two non-executive directors viz., Mr. Sridharan Rangarajan and Mr. Tsutomu Aoki.

Mr. Tsutomu Aoki was inducted as a member of the Committee with effect from April 28, 2022, in place of Mr. Akihiko Ikeno. Mr. Sujay Banarji was inducted as a member of the Committee with effect from October 29, 2022, in place of Mr. K L R Babu who retired with effect from October 28, 2022.

The role of the Committee and details of Audit Committee meetings held during the year are detailed in the Corporate Governance report forming part of this report.

Related Party Transactions

All related party transactions that were transacted during the financial year were on an arm's length basis and were in the ordinary course of business. In terms of Section 188 of the Companies Act, 2013, read with the Rules made thereunder, there are no significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee for approval. Details of related party transactions, identified pursuant to the provisions of Accounting Standard 18, are dealt with in note 19 of Schedule 16 to the financial statements.

Board Evaluation

Pursuant to the provisions of Section 134, Schedule IV and the Rules made thereunder of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, the directors' individual performance comprising both self and peer evaluation and the evaluation of Committees viz.,



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

A structured questionnaire covering various aspects of Board's functioning such as Board's structure, governance, dynamics & functioning and financial reporting process, Internal Control and Risk Management was used for this purpose and the members of the Board were briefed on the evaluation.

Policy on Directors' appointment and remuneration

The Board, on recommendation of Nomination and Remuneration Committee, has approved the following criteria / policies in compliance with the provisions of Section 178(3) of the Companies Act, 2013.

- Policy for Board nominations including criteria for determining qualifications, positive attributes, independence of a Director. The policy is available on the website of the Company at <https://bit.ly/3oABUkK>

The Policy covers the personal traits, experience and background, fit and proper criteria and the positive attributes that are considered at the time of appointment/reappointment of a person as a Director on the Board of the Company. The standards on Independence and the retirement age also form part of the said policy.

There are no changes made in the policy during the year.

- Criteria for induction of a person in the senior management positions of the Company. The policy is available on the website of the Company at <https://bit.ly/3MGrGaH>

The Criteria covers the personal traits, competencies, experience and background, fit and proper criteria that are considered at the time of appointment of a person in the Senior Management of the Company. The Criteria also includes the retirement age.

There are no changes made in the policy during the year.

- Remuneration policy for Directors, Key Managerial Personnel and other employees of the Company. The policy is available on the website of the Company at <https://bit.ly/3MDIUXf>

The Policy covers the areas of Remuneration to Non-Executive Directors, Remuneration of Managing Director/ Whole-time Directors and the Remuneration to Key Managerial Personnel / Other employees.

There are no changes made in the policy during the year.

Disclosures under IRDAI Guidelines dated August 5, 2016

Disclosures on remuneration of Managing Director and Key Management Persons as mandated under IRDAI Guidelines dated August 5, 2016

(i) Qualitative Disclosures:

- (a) Information relating to the design and structure of remuneration processes and Key features and Objectives of the Remuneration Policy:

The Remuneration Policy provides the framework for remuneration of members of the Board of Directors, Key Management Persons and other employees of the Company.

The Policy covers the types of remuneration, aspects taken into consideration while determining the remuneration, method of determination of increment, if any, with respect to remuneration payable to Non-Executive Directors, Managing Director/ Whole-time Directors, Key Management Persons/ other employees.

- (b) Description of the ways in which current and future risks are considered and factored in the remuneration processes:

The remuneration fixing process of Managing Director includes evaluation of performance against performance objectives defined in advance which includes performance criteria covering the enterprise wide Risk Management Framework.

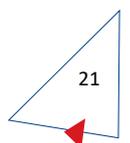
- (c) Description of the ways in which the Company seeks to link performance during a performance measurement period with levels of remuneration:

The level of remuneration of Managing Director for any financial year is inter-alia linked to the following performance objectives:

- a. Targets of the Company with respect to the premium received and the profitability;
- b. Achievement of target numbers in respect of Expenses of Management and Solvency ratio along with the overall financial position of the Company;
- c. Overall customer satisfaction in terms of claim settlement/ repudiation and grievance redressal;
- d. Overall compliance to applicable laws including Companies Act, 2013, IRDAI Regulations and Guidelines and the SEBI Regulations, as may be applicable to the Company from time to time.

(ii) Quantitative Disclosures:

The details of quantitative disclosure for remuneration of Whole-time Directors including the Managing Director are provided below:





Particulars	March 31, 2023
Number of MD/ CEO / WTDs having received a variable remuneration award during the financial year	1
Number and total amount of sign-on awards made during the financial year	Nil
Details of guaranteed bonus, if any, paid as joining / sign on bonus	Nil
Breakdown of amount of remuneration awards for the financial year (₹ in Lakh)	
Fixed	197.76
Variable paid during the year	
Deferred	Nil
Non-deferred	212.67
Total amount of outstanding deferred remuneration	
Cash (₹ in Lakh)	Nil
Shares (nos.)	Nil
Shares-linked instruments	Nil
Other forms	Nil

Statutory Auditors

M/s. Sharp and Tannan, Chartered Accountants, and M/s. R.G.N Price & Co., Chartered Accountants, are the Joint statutory auditors of the Company. The Report given by the Auditors on the financial statements of the Company is provided in the Annual Report. Their audit report does not contain any qualification or adverse remarks.

M/s Sharp and Tannan were reappointed as the joint statutory auditors of the Company at the Nineteenth Annual General Meeting (AGM) on July 28, 2020 for a period of five years till the conclusion of twenty fourth AGM.

M/s. R.G.N Price & Co. were reappointed as the joint statutory auditors of the Company at the Twentieth AGM on July 29, 2021 for a period of five years till the conclusion of twenty fifth AGM.

Secretarial Audit

In terms of the requirements of Section 204 of the Companies Act, 2013, M/s R Sridharan & Associates, Practising Company Secretaries, were appointed as Secretarial Auditors by the Board to conduct secretarial audit for FY 2022-23. The secretarial audit report is appended to this report as **Annexure B**. The secretarial audit report does not contain any qualification or adverse remarks.

Corporate Social Responsibility Initiatives

The Board, at its Meeting held on April 27, 2023, changed the name of Corporate Social Responsibility (CSR) Committee to Corporate Social Responsibility and Environmental, Social & Governance (CSR & ESG) Committee to include ESG initiatives in its scope.

The Committee, as on March 31, 2023, comprises of Mr. M M Murugappan (Chairman), Mr. Margam Rama Prasad, Mr. V Suryanarayanan and Mr. Naoki Takeda as its members.

Mr. Naoki Takeda was inducted as a member of the Committee with effect from April 1, 2022 in place of Mr. Takashi Kishi.

CSR policy, duly approved by the Board, and in line with the provisions of Section 135 of the Act read with Schedule VII and the Rules made there under and the Murugappa Group philosophy is in place comprising of the following programs:

- Empowerment of the disadvantaged sections of the society through education, access to and awareness about financial services and the like;
- Provision of access to basic necessities like healthcare, drinking water & sanitation and the like to underprivileged;
- Work towards eradicating hunger and poverty, through livelihood generation and skill development;
- Supporting environmental and ecological balance through afforestation, soil conservation, rain water harvesting, conservation of flora & fauna, and similar programme;
- Promotion of sports through training of sportspersons;
- Promotion of arts and culture;
- Undertake rural development projects;
- Providing support to institutions involved in welfare of senior citizens;
- Providing support for initiatives aimed at improvements in Road Safety;
- Disaster relief and management; and
- Women empowerment.

CSR policy is hosted on the website of the Company and is available at <https://bit.ly/3oz4zqx>

The Company earmarked an amount of ₹48.55 Million towards CSR spend for the financial year 2022-23, and ₹48.55 Million was spent towards CSR activities as approved by the Committee and the Board towards the same.

The report on CSR activities in the prescribed format is attached as **Annexure C** and is forming part of this report.

Public Deposits

The Company has not accepted any public deposits during the year under review.

Loans, Guarantees and Investments

The Company has not given loans and guarantees. Investments are made as per the provisions of Insurance Act and IRDAI Regulations.



ISO Certification

The Company was certified by TUV India for its Enterprise Risk Management Framework being compliant with the ISO 31000:2018 standard. The Company renewed its ISO certification for 3 years in 2022, subject to annual surveillance audits. The Company has always kept a strong focus on embedding risk management in its strategy and operations.

ESG Initiatives:

Some of the initiatives taken by the company include:

- a) Employing Digital solutions enabling paperless operations
- b) All Board/Committee meetings are paperless. Internal meetings through VC are encouraged
- c) Investing in technologies like Virtual Inspection surveys thereby reducing environmental footprint
- d) Safe disposal of all E waste
- e) Encouraging LED lighting
- f) Voluntary disclosures for Business Responsibility and Sustainability Report

Outlook for 2023-24

The general insurance industry bounced back after the two COVID years in terms of growth and carries the optimism into 2023-24.

Headwinds for the industry include the price reduction in property premium, higher inflation impacting consumer spends and claims costs, uncertainty over the revision in motor third party premium pricing, rise in reinsurance costs etc. Amongst the tail winds are the anticipated growth in automobile sales, infrastructure spend thrust from the Government, expected credit offtake from the banks etc. The prevalent higher interest rate environment, expected to sustain for the better part of the year, will augment the investment income for all players in the industry.

The Company will continue its strong growth path by adding new channel partners, expand into new markets, enhance its focus on renewals besides launching new products across lines of businesses.

The Company is committed to tighten its expense of management levels by a judicious mix of channels, product sub categories and rationalise commission structures linked to inherent profitability. Besides, efforts towards thrust on productivity and efficiency improvements shall continue to enable the Company to stick to its committed glide path of reducing expenses of management to prescribed regulatory levels.

The Company will continue to operate as a prudent insurer in its choice of product portfolio and segments to fully live to its image of a trustworthy insurer in its claim management processes.

Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

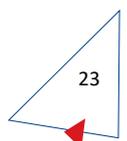
Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars required to be furnished in this report under Section 134(3) of the Companies Act, 2013 and the Rules made thereunder, relating to conservation of energy and technology absorption are not applicable for the year under review, and hence not furnished. The foreign exchange earnings and outgo during the year was ₹1,258.71 Million and ₹875.74 Million respectively.

Directors' Responsibility Statement

As per Section 134(5) of the Companies Act, 2013, the directors accept the responsibility for the integrity and objectivity of the Statement of Profit & Loss for the year ended March 31, 2023 and the Balance Sheet as at that date ("financial statements") and confirm that:

- in the preparation of the annual accounts for the financial year ended March 31, 2023 ("financial statements"), the applicable accounting standards read together with IRDAI Orders / Regulations mandating financial statements related prescriptions have been followed;
- appropriate accounting policies have been selected and applied consistently and such judgements and estimates that are reasonable and prudent have been made (including those with respect to the contingent liabilities more specifically dealt with in Note 3 of Schedule 16 to the financial statements) so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profits of the Company for that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. To ensure this, the Company has established internal control systems, consistent with the size and nature of operations, subject to the inherent limitations that should be recognized in weighing the assurance provided by any such system of internal controls. These systems are reviewed and updated on an ongoing basis. Periodic internal audits are conducted to provide reasonable assurance of compliance with these systems. The Audit Committee meets at regular intervals;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls





- were adequate and were operating effectively;
- the annual accounts have been prepared on a going concern basis;
- systems are in place to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Annual Return

The annual return of the Company for the financial year ended March 31, 2022 in form MGT 7 is available on the website at <https://bit.ly/461ky1w>

The draft annual return for the financial year ended March 31, 2023 in form MGT 7 is available on the website at <http://bit.ly/3Cx9Mm6>

Particulars of Employees

The statement prescribed under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available for inspection at the registered office of the company during the business hours on working days of the Company. If any member is interested in obtaining a copy, such member may write to the Company Secretary in this regard.

Management Report

In accordance with Part IV, Schedule B of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations 2002, the Management Report attached as **Annexure D** to this report, forms part of the financial statements.

Compliance with Secretarial Standards

The Company is compliant with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India.

Application/Proceeding pending under Insolvency and Bankruptcy Code, 2016

During the year under review, there was no application/proceeding

initiated or pending against the Company under Insolvency and Bankruptcy Code, 2016.

Valuation for settlement or loan taken from banks or financial institutions

During the year under review, there were no loans taken by the Company from any bank or financial institution and there was no valuation done for any settlement.

Awards and Accolades

The Company was recipient of the following awards / accolades:

1. Bancassurance Leader – Large by ET Ascent
2. Claim Service of the Year – Large (Private Sector) by ET Ascent
3. Dream Company to work for – Life, Health and General Insurance by ET Ascent
4. Best Use of Digital Marketing/ Social Media – BFSI by IMA South
5. Most Preferred Brand 2022 by Times Now
6. Best Employer Brand Award by Employer Branding Institute

Acknowledgement

The Directors wish to thank the Insurance Regulatory and Development Authority of India (IRDAI) and other statutory authorities for their continued support and guidance. The Board gratefully acknowledges the co-operation extended by the policyholders, re-insurers, bancassurance partners, insurance agents, brokers and other constituents/ intermediaries.

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to perform well in a challenging industry.

For and on behalf of the Board

April 27, 2023
Chennai

M M Murugappan
Chairman



Report on Corporate Governance

Annexure - A

Corporate governance is about commitment to values and ethical business conduct. Corporate governance defines roles, responsibilities and accountabilities. It is also about how an organization is managed and defines the relationships between its corporate and business structure, its culture, policies and its various stakeholders. Key elements in corporate governance are transparency, internal controls, risk management and internal / external communications.

Corporate Governance Philosophy:

The Company, a joint venture between the Murugappa Group (MG) and Mitsui Sumitomo Insurance Company Limited (MSI), Japan, is committed to the highest standards of corporate governance in all its spheres of activities and processes. The Company has always believed in and practised various elements of corporate governance since its inception.

The Board recognizes that the governance expectations are constantly evolving and it is committed in keeping its standards of corporate governance under review to meet both the letter and the spirit of the law and its own demanding levels of business ethics.

The Company believes that sound corporate governance practices are crucial for the smooth, effective and transparent operations of a Company and the Company recognises the expectations of all stakeholders in this regard. Everything the Company does is defined and conditioned by the highest standards of governance, which serve its values. The Company is committed to uphold its core values of integrity, passion, responsibility, quality and respect in dealing with all stakeholders of the Company in pursuing its spirit of enhancing corporate governance at all times. The Company continues to focus on building trust with the shareholders, policyholders, employees, customers, vendors and other stakeholders based on the principles of good corporate governance.

The Company firmly believes in and follows the Arthashastra quote,

“The fundamental principle of economic activity is that, no man you transact will lose, then you shall not”.

The corporate governance philosophy of the Company is driven by the following fundamental principles:

- Adhere to corporate governance standards beyond the letter of law;
- Maintain transparency and high degree of disclosure levels;
- Maintain a clear distinction between the personal and corporate interest;
- Have a transparent corporate structure driven by business;
- Ensure compliance with applicable laws.

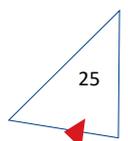
With customer centricity being the focus area of the Company and T3 - Trust, Transparency & Technology being its motto, the Company strives to keep up with highest standards of corporate governance and this is reflected in the vision of the Company - “to be the preferred choice for our clients, business partners and employees through core values of trust and transparency aided by technology”. The Company’s governance framework encompasses not only regulatory and legal requirements but also several voluntary practices aimed at maximising shareholders’ values legally, ethically and on a sustainable basis.

Board Of Directors

The corporate governance principles of the Company ensure that the Board remains informed, independent and involved in the Company’s affairs and that there are ongoing efforts to enhance the standards of corporate governance to mitigate non-business risks.

The Board is fully aware of its fiduciary responsibilities and recognises its responsibilities to policyholders, shareholders and other stakeholders to uphold the highest standards in all matters concerning the Company and has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes.

The Board provides strategic guidance on affairs of the Company. Directors at Chola MS possess the highest personal and professional ethics, integrity and values and are committed to representing the long-term interests of the stakeholders. The basic responsibility of the Board is to provide effective governance over the Company’s affairs and exercise its reasonable business judgement on the affairs of the Company. The Company’s day to day affairs are managed by the Managing Director, assisted by a competent management team under the overall supervision of the Board.



Board Composition:

The Board has been constituted in an appropriate manner comprising of Executive, Non-Executive and Independent Directors to ensure proper governance and management. The Board members have collective experience in diverse fields like insurance, finance, investments, compliance and general management. The Directors are elected based on their qualification and experience in varied fields as well as Company's business needs.

The Board of Directors of the Company, being a joint venture between the MG represented by Cholamandalam Financial Holdings Limited and MSI, Japan, comprises of representatives of MG and MSI in addition to Independent Directors. The Board comprises of 8 directors viz 2 MG Non-Executive Directors, 1 MG Managing Director, 1 MSI Non-Executive Director, 1 MSI Whole-time Director and 3 Independent Directors. A brief profile of the directors is provided elsewhere in the annual report for the information of the shareholders.

Mr. Naoki Takeda was appointed as an Additional Director and Whole-time Director by the Board with effect from April 1, 2022 and Mr. Tsutomu Aoki was appointed as an Additional Director with effect from April 28, 2022.

At the Twenty First Annual General Meeting held on July 27, 2022, Mr. Naoki Takeda and Mr. Tsutomu Aoki were appointed as Directors and Mr. Naoki Takeda was appointed as Whole-time Director of the Company.

Mr. Sujay Banarji was appointed as an Additional Director (Independent Director) by the Board with effect from October 29, 2022.

The offices of the Chairman and Managing Director of the Company have been kept separate. All the Board members including the Independent Directors have the opportunity and access to interact with the management. Annual disclosures and declarations are obtained from directors including declarations from Independent Directors confirming the eligibility criteria of independence under the Act. Further, an annual declaration confirming the 'Fit & Proper' criteria prescribed in the corporate governance guidelines issued by IRDAI is also provided by all the Directors.

Number of Directorships of Directors as at March 31, 2023, on other Boards are provided below:

Name of the Director	Category	Number of Directorships #
Mr. M M Murugappan	Non-Executive / MG nominee	4
Mr. Margam Rama Prasad	Non-Executive / Independent	-
Ms. K Ramadevi	Non-Executive / Independent	-
Mr. Sujay Banarji	Non-Executive / Independent	-
Mr. Sridharan Rangarajan	Non-Executive / MG nominee	7
Mr. Tsutomu Aoki	Non-Executive / MSI nominee	1
Mr. V Suryanarayanan	Managing Director / MG nominee	1
Mr. Naoki Takeda	Wholetime Director/ MSI nominee	1

excludes directorship in Chola MS, private limited companies, companies registered under section 8 of Companies Act, 2013, foreign companies and alternate directorships.

Board Meetings:

During the year ended March 31, 2023, five Board meetings were held on April 28, 2022, July 28, 2022, October 27, 2022, January 24, 2023 and March 17, 2023. Attendance of directors at Board Meetings is given below:

Name of Director	Nature of Directorship	Designation	Meeting dated April 28, 2022	Meeting dated July 28, 2022	Meeting dated October 27, 2022	Meeting dated January 24, 2023	Meeting dated March 17, 2023
Mr. M M Murugappan	Non-Executive Director	Chairman	Present	Present	Present	Present	Present
Mr. Margam Rama Prasad	Non-Executive Director	Independent Director	Present	Present	Present	Present	Present
Mr. K L R Babu (term till October 28, 2022)	Non-Executive Director	Independent Director	Present	Present	Present	-	-
Mr. Sujay Banarji (appointed from October 29, 2022)	Non-Executive Director	Independent Director	-	-	-	Present	Present
Ms. K Ramadevi	Non-Executive Director	Independent Director	Present	Present	Present	Present	Present
Mr. Sridharan Rangarajan	Non-Executive Director	Director	Present	Present	Present	Present	Present



Name of Director	Nature of Directorship	Designation	Meeting dated April 28, 2022	Meeting dated July 28, 2022	Meeting dated October 27, 2022	Meeting dated January 24, 2023	Meeting dated March 17, 2023
Mr. Tsutomu Aoki (appointed from April 28, 2022)	Non-Executive Director	Director	Present	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Managing Director	Present	Present	Present	Present	Present
Mr. Naoki Takeda	Executive Director	Whole-time Director	Present	Present	Present	Present	Present

Board Training and Induction:

At the time of appointment of a director on the Board of the Company, the incumbent director is provided with a directors' handbook comprising the compendium of the role, powers, duties and responsibilities of a director including code of conduct of the Company, the compliance obligations and disclosure requirements from the Director under the Companies Act, IRDAI Regulations and other relevant applicable regulations. A formal letter of appointment is given to Independent Directors at the time of appointment which lays the role and duties of Independent Director. The terms and conditions of appointment of Independent Directors are posted on the website of the Company. With a dynamic regulatory scenario, regulatory changes impacting the Company are briefed at every meeting on a quarterly basis.

Committees of the Board:

Various committees have been constituted as per regulatory requirement and to support the Board in discharging its responsibilities.

The Board, at the time of constitution of the Committee, defines the terms of reference and authorises the Committee with certain powers from time to time. Various recommendations of the Committees are submitted to the Board for approval. The minutes of the meetings of all Committees are circulated to the Board for its information and noting. Besides, the members of the Committees, and senior management team members are invited to Board / Committee meetings as and when necessary.

The following are the eight Committees constituted by the Board:

S. No.	Committees
1	Audit Committee
2	Investment Committee
3	Risk Management Committee
4	Policyholders' Protection Committee
5	Corporate Social Responsibility and Environmental, Social & Governance Committee
6	Nomination & Remuneration Committee
7	Business Committee
8	Management Committee

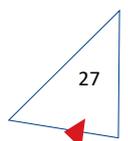
Audit Committee:

Terms of reference:

Audit Committee was constituted as per the requirements of Companies Act and IRDAI Guidelines on Corporate Governance. The role of the Audit Committee inter alia includes the following:

Internal Audit:

- review the scope of internal audit procedures;
- ensure effectiveness of internal controls in critical areas of operations;
- review and approve the audit plan, audit charter and resources budget;
- ensure that the Committee is adequately informed of the risks and implications of internal audit findings and recommendations;
- approval of appointment, remuneration, performance evaluation, removal of the Chief Internal Auditor;
- ensure that audit findings and recommendations are resolved effectively and in a timely manner.





External Audit:

- review financial statements including the auditors’ report before submission to the Board;
- review and monitor management’s responsiveness to, and action taken on, external audit findings and recommendations;
- approval of non audit services by the external auditor before commencement of the service;
- recommending the appointment of the external auditor to the Board, having particular regard to the external auditor’s objectivity, performance and independence;
- review and determine fees payable to the external auditor.

Other functions:

- review and approve related party transactions of the Company and any modifications thereof;
- act as a Compliance Committee to discuss the level of compliance in the Company and any associated risks;
- evaluation of internal financial controls and risk management of the Company;
- ensure that the Company’s accounts are prepared in a timely and accurate manner for regulatory, management and general reporting purposes.

Composition & meetings:

The Committee comprises of five members as at March 31, 2023. During the year, Mr. Tsutomu Aoki was inducted as a Member of the Committee with effect from April 28, 2022. Mr. Sujay Banarji was inducted as Committee Member with effect from October 29, 2022, in place of Mr. K L R Babu whose term as Independent Director came to an end on October 28, 2022. There were no other changes in the constitution of the Committee during the year.

During the year the Committee met five times. The composition of the Committee and the attendance of each member at the Audit Committee meetings held during the year are given below:

Name of Member	Nature of Directorship	Designation in the Committee	Meeting dated April 28, 2022	Meeting dated July 28, 2022	Meeting dated October 27, 2022	Meeting dated January 24, 2023	Meeting dated March 17, 2023
Mr. Margam Rama Prasad	Independent Director	Chairman	Present	Present	Present	Present	Present
Mr. K L R Babu (term till October 28, 2022)	Independent Director	Member	Present	Present	Present	-	-
Ms. K Ramadevi	Independent Director	Member	Present	Present	Present	Present	Present
Mr. Sujay Banarji (appointed from October 29, 2022)	Independent Director	Member	-	-	-	Present	Present
Mr. Sridharan Rangarajan	Non-Executive Director	Member	Present	Present	Present	Present	Present
Mr. Tsutomu Aoki (appointed from April 28, 2022)	Non-Executive Director	Member	-	Present	Present	Present	Present

All members of the Committee have knowledge of financial management, audit and accounts.

The statutory auditors and internal auditors are invited for the meetings of the Audit Committee. During the year, the Independent Directors have held separate discussions with the statutory auditors without the presence of the management team on April 28, 2022, July 28, 2022, October 27, 2022 and January 24, 2023. Independent Directors further have held separate discussions with internal auditors without the presence of management team on April 28, 2022.

Investment Committee:

Terms of reference:

Investment Committee has been constituted in terms of IRDAI (Investment) Regulations and IRDAI Guidelines on Corporate Governance.



The terms of reference of Investment Committee inter alia include:

- review and recommendation of investment policy to the Board;
- oversee implementation of the investment policy;
- review investment operations of the Company on a quarterly basis and approve investments as per the investment policy.

Composition & Meetings:

The Committee comprises of eight members including the Chief Financial officer (CFO), Chief Investment Officer (CIO), Appointed Actuary, and Chief Risk Officer (CRO). During the year, Mr. Naoki Takeda, was inducted as a member of the Committee with effect from April 1, 2022 in place of Mr. Takashi Kishi who ceased to be Director.

During the year ended March 31, 2023, the Committee met five times. The composition of the Committee and the attendance of Committee members at the Committee meetings held during the year are given below:

Name of Member	Nature of Directorship	Designation	Meeting dated April 26, 2022	Meeting dated July 27, 2022	Meeting dated October 26, 2022	Meeting dated January 23, 2023	Meeting dated March 17, 2023
Mr. M M Murugappan	Non- Executive Director	Chairman	Present	Present	Present	Present	Present
Mr. Sridharan Rangarajan	Non- Executive Director	Member	Present	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present	Present
Mr. Naoki Takeda	Executive Director	Member	Present	Present	Present	Present	Present
Mr. S Venugopalan	-	Member, Chief Financial Officer	Present	Present	Present	Present	Present
Mr. S K Rangaswamy	-	Member, Chief Risk Officer	Present	Present	Present	Present	Absent
Mr. Abhiranjan Gupta	-	Member, Chief Investment Officer	Present	Present	Present	Present	Present
Mr. Ashwani Kumar Arora	-	Member, Appointed Actuary	Present	Present	Present	Present	Present

Risk Management Committee:

Terms of reference:

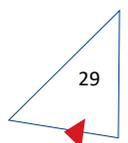
The Risk Management Committee was constituted in terms of Corporate Governance Guidelines of IRDAI.

The terms of reference of Risk Management Committee broadly include:

- assist the Board in effective operation of the risk management system by reviewing the risks to which the Company is exposed to and the risk mitigation measures undertaken by the Company;
- review the framework for identification, measurement, monitoring and controlling of risks and recommending risk management decisions to the Board;
- review risk exposures and actions taken to manage exposures;
- review and monitor business continuity and solvency position;
- review the progress in enterprise risk management, risk appetite and tolerance limits, status of implementation of the Information Security and Policy procedures and asset liability management.

Composition & Meetings:

The Committee comprises of five members. During the year, Mr. Tsutomu Aoki was inducted as Committee Member on April 28, 2022 in place of Mr. Akihiko Ikeno who ceased to be a director of the company with effect from March 31, 2022. Mr. Sujay Banarji was inducted as Committee Member and Chairman with effect from October 29, 2022 in place of Mr. K L R Babu whose term as an Independent Director came to an end on October 28, 2022. There were no other changes in the constitution of the Committee during the year.



The Committee met five times during the year ended March 31, 2023. The composition of the Committee and the attendance of each member and the Chief Risk Officer at the Risk Management Committee meetings held during the year are given below:

Name of Member	Nature of Directorship	Designation	Meeting dated April 26, 2022	Meeting dated July 27, 2022	Meeting dated October 26, 2022	Meeting dated January 23, 2023	Meeting dated March 17, 2023
Mr. K L R Babu (term till October 28, 2022)	Independent Director	Chairman	Present	Present	Present	-	-
Mr. Sujay Banarji (appointed from October 29, 2022)	Independent Director	Chairman	-	-	-	Present	Present
Mr. M M Murugappan	Non- Executive Director	Member	Present	Present	Absent	Present	Present
Mr. Sridharan Rangarajan	Non-Executive Director	Member	Present	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present	Present
Mr. Tsutomu Aoki (appointed from April 28, 2022)	Non-Executive Director	Member	-	Present	Present	Present	Present
Mr. S K Rangaswamy	-	Chief Risk Officer	Present	Present	Present	Present	Absent

Policyholders' Protection Committee:

Terms of reference:

In terms of the requirements of Corporate Governance Guidelines of IRDAI, Policyholders' Protection Committee was constituted. The terms of reference of the Committee inter alia include:

- review status of complaints and customer handling mechanism at periodic intervals;
- review of awards given by Insurance Ombudsman / Consumer forums;
- review claims report including status of outstanding claims;
- ensure improvement of quality of customer service and contact.

Composition & Meetings:

The Committee comprises of four members. Mr. Naoki Takeda was inducted as a member of the Committee with effect from April 1, 2022, in place of Mr. Takashi Kishi, who ceased to be member with effect from March 31, 2022.

During the year ended March 31, 2023, the Committee met five times and the details of attendance of each member and the Customer Representative at the Committee meetings held during the year are given below:

Name of Member	Nature of Directorship	Designation	Meeting dated April 26, 2022	Meeting dated July 27, 2022	Meeting dated October 26, 2022	Meeting dated January 23, 2023	Meeting dated March 17, 2023
Ms. K Ramadevi	Independent Director	Chairperson	Present	Present	Present	Present	Present
Mr. Sridharan Rangarajan	Non- Executive Director	Member	Present	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present	Present
Mr. Naoki Takeda	Executive Director	Member	Present	Present	Present	Present	Present
Ms. G Jalaja	-	Customer Representative	Absent	Present	Present	Present	Absent

Corporate Social Responsibility and Environmental, Social & Governance Committee:

Terms of reference:

As per the requirements of Section 135 of the Companies Act, 2013, and IRDAI Guidelines on Corporate Governance, the Board had constituted Corporate Social Responsibility (CSR) Committee. The terms of reference of CSR Committee inter alia include:

- formulate, review and recommend CSR policy to the Board;
- recommend and monitor projects and programs undertaken for CSR activity by the Company;



- recommend the CSR expenditure for financial year to the Board for approval;
- recommend annual report on CSR activities to the Board.

In the Board Meeting held on April 27, 2023, the name of Corporate Social Responsibility Committee was changed to Corporate Social Responsibility and Environmental, Social & Governance Committee. The terms of reference of the Committee were modified to include the review of the actions taken in respect of ESG initiatives.

Composition & Meetings:

The Committee comprises of four members. Mr. Naoki Takeda was inducted as a member of the Committee with effect from April 1, 2022, in place of Mr. Takashi Kishi, who ceased to be member with effect from March 31, 2022.

The Committee met three times during the year. The composition of the Committee and the attendance of each member at the Committee meetings held during the year are given below:

Name of Member	Nature of Directorship	Designation	Meeting dated April 26, 2022	Meeting dated July 27, 2022	Meeting dated March 17, 2023
Mr. M M Murugappan	Non- Executive Director	Chairman	Present	Present	Present
Mr. Margam Rama Prasad	Independent Director	Member	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present
Mr. Naoki Takeda	Executive Director	Member	Present	Present	Present

Nomination and Remuneration Committee:

Terms of reference:

The Companies Act, 2013, and IRDAI Guidelines on Corporate Governance mandate constitution of Nomination and Remuneration Committee and prescribe broadly the functions of the Committee. Accordingly the Company had constituted the Nomination and Remuneration Committee. The terms of reference of the Committee inter alia include:

- identification of persons for appointment as Directors, Key Managerial Personnel (KMP) and senior management;
- recommendation to the Board the appointment including re-appointments or removal of Directors and senior management;
- formulate criteria for determining qualifications, positive attributes and independence of directors.

Composition & Meetings:

The Committee comprises of four members. During the year, Mr. Tsutomu Aoki was inducted as a member of the Committee with effect from April 28, 2022, in place of Mr. Akihiko Ikeno who has ceased to be director of the company with effect from March 31, 2022.

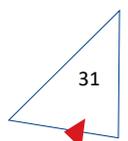
The Committee met five times during the year. The composition of the Committee and the attendance of each member at the Committee meetings held during the year are given below:

Name of Member	Nature of Directorship	Designation	Meeting dated April 26, 2022	Meeting dated July 27, 2022	Meeting dated October 26, 2022	Meeting dated January 23, 2023	Meeting dated March 17, 2023
Mr. Margam Rama Prasad	Independent Director	Chairman	Present	Present	Present	Present	Present
Ms. K Ramadevi	Independent Director	Member	Present	Present	Present	Present	Present
Mr. M M Murugappan	Non-Executive Director	Member	Present	Present	Present	Present	Present
Mr. Tsutomu Aoki (appointed from April 28, 2022)	Non-Executive Director	Member	-	Present	Present	Present	Present

Business Committee:

Terms of reference:

Business Committee is a non-mandatory committee. The Committee's terms of reference inter-alia includes:



- review of business operations of the Company;
- recommending the underwriting strategy/ delegation of authority / business plan to the Board;
- approval of mega risk / claims in excess of ₹100 Million;
- review status of major / mega claims besides recommending to the Board the annual re-insurance programme;
- review and recommend the management of risk accumulations and re-insurance controls.

Composition & Meetings:

The Committee comprises of five members. During the year, Mr. Naoki Takeda was inducted as a member of the Committee with effect from April 1, 2022, in place of Mr. Takashi Kishi, who ceased to be a member with effect from March 31, 2022. Mr. Sujay Banarji was inducted as a Member with effect from October 29, 2022 in place of Mr. K L R Babu whose term as Independent Director came to an end on October 28, 2022.

The Committee met five times during the year ended March 31, 2023. The composition of the Committee and the attendance of each member at the Business Committee meetings held during the year are given below:

Name of Member	Nature of Directorship	Designation	Meeting dated April 26, 2022	Meeting dated July 27, 2022	Meeting dated October 26, 2022	Meeting dated January 23, 2023	Meeting dated March 17, 2023
Mr. M M Murugappan	Non-Executive Director	Chairman	Present	Present	Present	Present	Present
Mr. K L R Babu (term till October 28, 2022)	Independent Director	Member	Present	Present	Present	-	-
Mr. Sujay Banarji (appointed from October 29, 2022)	Independent Director	Member	-	-	-	Present	Present
Mr. Sridharan Rangarajan	Non-Executive Director	Member	Present	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present	Present
Mr. Naoki Takeda	Executive Director	Member	Present	Present	Present	Present	Present

Management Committee:

Terms of reference:

Management Committee is a non-mandatory committee. The terms of reference of the Committee broadly include:

- review the items on the board agenda before every meeting of the Board;
- implementation of the guidelines issued by the Board for Company's operations;
- to review the operations of the company periodically.

Composition & Meetings:

The Committee comprises of four members. During the year under review, Mr. Tsutomu Aoki was inducted as a member of the Committee with effect from April 28, 2022 in place of Mr. Akihiko Ikeno, who ceased to be a member with effect from March 31, 2022.

The Committee met five times during the year. The composition of the Committee and the attendance of each member at the Management Committee meetings held during the year are given below:

Name of Member	Nature of Directorship	Designation	Meeting dated April 26, 2022	Meeting dated July 28, 2022	Meeting dated October 26, 2022	Meeting dated January 23, 2023	Meeting dated March 17, 2023
Mr. M M Murugappan	Non-Executive Director	Chairman	Present	Present	Present	Present	Present
Mr. Sridharan Rangarajan	Non-Executive Director	Member	Present	Present	Present	Absent	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present	Present
Mr. Tsutomu Aoki (appointed from April 28, 2022)	Non-Executive Director	Member	-	Present	Present	Present	Present



Remuneration of Directors:

IRDAI had issued Guidelines on remuneration of Non-executive Directors, Managing Director/ Chief Executive Officer / Wholetime Director effective from October 1, 2016. The remuneration policy for Directors, Key Managerial Personnel and other employees of the Company framed in line with the requirements of Companies Act, 2013, was reviewed during the year in light of these Guidelines. The policy is available in the website of the Company and the link of the same is provided in the Directors Report.

The Managing Director and the Wholetime Director are the only Executive Directors of the Company. The compensation of the Managing Director comprises fixed component, a performance incentive and benefits arising out of the Long Term Incentive Plan (LTIP). The Whole-time Director is on secondment from MSI, Japan. The compensation of Whole-time Director comprises of fixed component and a performance incentive.

The compensation is determined based on levels of responsibility and scales prevailing in the industry. The incentive is determined based on certain pre-agreed parameters. The benefits under LTIP are determined based on the overall performance of Managing Director and the performance of the Company as a whole. The Executive Directors are not paid sittings fees for any Board / Committee meetings attended by them.

Non-Executive Directors are compensated by way of commission on profits besides the sitting fees paid to them for attending the meetings of the Board / Committee in which they are members as permitted by the Government regulations. Commission paid to the Directors are generally, in the normal course, restricted to a fixed sum for all the non-executive directors subject to 1% of net profits of the Company. The sum is reviewed periodically taking into consideration various factors such as performance of the Company, time spent by the directors for attending to the affairs of the Company and extent of responsibilities cast on director under general law and other relevant factors and is payable subject to sufficiency of profits.

The details of remuneration paid to the directors during the financial year ended March 31, 2023, are provided in Annual Return, i.e. form MGT 7, the link of which is provided in the Directors Report.

The remuneration paid to Executive Directors, is in accordance with the terms of appointment approved by the Board of Directors, the shareholders, and IRDAI and is provided in note 20 of Schedule 16 to the financial statements.

Anti Fraud Policy:

The Company is committed to the highest standards of governance and integrity in all its dealings with various stakeholders and has a zero tolerance to fraud. As a part of its ongoing efforts to ensure that the Company operates in an ethical manner and as per IRDAI requirements an anti fraud policy approved by the Board was put in place and is reviewed by the Board every year. The purpose of the policy is to protect the brand, reputation and assets of the Company from loss or damage, resulting from suspected or confirmed incidents of fraud/misconduct. The policy is uploaded in the intranet portal of the Company for the benefit of all employees. Further, the Company initiates various measures for publicizing the policy through mailers, posters etc. at all locations.

Code of Conduct:

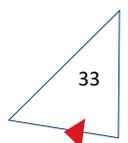
The Company's commitment to ethical and lawful business conduct is a fundamental shared value of the Board of Directors, the senior management and all employees of the Company. Consistent with its values and beliefs, the Company has formulated a "Code of Conduct" applicable to employees of the Company. The Company has also a well-formulated "Code of conduct for dealing in securities" applicable to officers involved in investment activities of the Company to ensure that their personal trading does not conflict with their duties and responsibilities and to prevent them from taking advantage of any price sensitive information pertaining to listed securities.

The Company has also adopted the Code of Conduct in compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015. As per the said Regulations, Designated Persons are barred from trading in the securities of the Company and the equity shares of Cholamandalam Financial Holdings Limited (Holding Company) without the prior approval of the Compliance Officer and when the trading window is closed.

The Company has also in place the "Chola MS Way" – a document listing the guidelines and principles which the employees and representatives of the Company need to adhere to while performing their respective roles in the Company.

Whistle Blower Policy:

In terms of Corporate Governance guidelines of IRDAI and the provisions of Companies Act, 2013, the Company has put in place a "Whistle



Blower Policy and Vigil Mechanism” for reporting any concerns or grievances by employees/ customers/ intermediaries and others dealing with the Company. The Audit Committee reviews the cases referred under Whistle Blower Policy at its quarterly meetings. The Company takes various initiatives for publicizing the policy which includes uploading the policy on the intranet of the Company, sending mailers, displaying posters across all branches.

Policy on prevention of sexual harassment at work place:

The Company has put in place a "Policy on Prevention of Sexual Harassment" in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 (POSH Act). Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Company has complied with the requirements of POSH Act relating to constitution of Internal Complaints Committee. All employees are covered under this policy. The Company takes various initiatives for publicizing the policy which includes uploading the policy in the intranet of the Company, sending mailers, displaying posters across all branches.

During the calendar year ended December 31, 2022, the Company has not received any references under the policy.

Disclosure under Corporate Governance Guidelines of IRDAI:

Additional work entrusted to Statutory / Internal Auditors:

In terms of Corporate Governance Guidelines of IRDAI, additional work entrusted to statutory auditors / internal auditors of the Company or their associates is to be approved by the Board and disclosed. During the financial year ended March 31, 2023, the below assignments were entrusted to statutory auditors.

(Amount in ₹)

Particulars	Sharp & Tannan	R G N Price & Co.
Limited Review		
- Management Reporting	328,500	328,500
- SEBI Reporting	150,000	150,000
- Schedule III Reporting	105,000	105,000
Other Certifications	310,000	145,000
Holding Company Reporting	126,500	126,500
Tax Audit	-	428,500
Out of pocket expenses for Tax Audit	-	11,500
Ind AS Audit	950,000	-
Total	1,970,000	1,295,000

Claims details:

In terms of the disclosure requirements on unpaid claims prescribed in Corporate Governance Guidelines of IRDAI, the details are furnished below for the financial year 2022-23:

S.No.	Particulars	Number of claims
1	Claims pending at the beginning of the year	76,857
2	Claims intimated during the year	574,153
3	Claims disposed during the year	563,102
4	Claims pending at the end of the year	87,908

Ageing of pending claims	Number of claims
Less than 3 months	31,648
3 months to 6 months	7,508
6 months to 1 year	9,633
1 year and above	39,119

Above pending claims include 40735 TP claims and 12971 RSBY Claims

Means Of Communication:

In terms of IRDAI circular no. IRDAI/F&A/CIR/MISC/256/09/2021 dated September 30, 2021, the Company published its half yearly financial statements as at March 31, 2022, and September 30, 2022, in Business Standard and Makkal Kural within the mandated timeline. The



published half yearly financial statements included the information required pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in addition with the IRDAI requirements. Further, the Company has published the quarterly financial results for the quarters ended June 30, 2022, and December 31, 2022, in Business Standard and Makkal Kural pursuant to SEBI Regulations.

Further, the Company has hosted quarterly financial schedules in the prescribed formats on the website of the Company in terms of the above mentioned circular.

General Body Meetings:

The particulars of the general body meetings held in the previous three financial years are provided below:

AGM/EGM	Date of the meeting and Venue	Resolutions passed
21st AGM	July 27, 2022 "Dare House", No.2, NSC	<ul style="list-style-type: none">- Adoption of audited accounts for FY 2021-22;- Re-appointment of Mr. Sridharan Rangarajan as Director;- Appointment of Mr. Naoki Takeda as a Director;- Appointment of Mr. Tsutomu Aoki as a Director;- Appointment of Mr. Naoki Takeda as a Whole-time Director for a period of two years from April 1, 2022;- Approval for payment of Commission to Non-Executive Directors;- Re-appointment of Mr. Margam Rama Prasad as an Independent Director for a period of three years from July 25, 2022
20th AGM	July 29, 2021 Meeting held through Video Conference	<ul style="list-style-type: none">- Adoption of audited accounts for FY 2020-21;- Re-appointment of Mr. M M Murugappan as Director;- Reappointment of M/s. RGN Price & Co., as joint statutory auditors;- Appointment of Mr. Akihiko Ikeno as a Non-Executive Director;- Re-appointment of Mr. Takashi Kishi as Whole-time Director for a period of two years from April 1, 2021
EGM	October 26, 2021 Meeting held through Video Conference	<ul style="list-style-type: none">- Approval of Long Term Incentive Plan 2021 to Managing Director
19th AGM	July 28, 2020 Meeting held through Video Conference	<ul style="list-style-type: none">- Adoption of audited accounts for FY 2019-20;- Re-appointment of Mr. Sridharan Rangarajan as Director;- Reappointment of M/s Sharp & Tannan as joint statutory auditors;- Appointment of Mr. K L R Babu as an Independent Director;- Appointment of Ms. K Ramadevi as an Independent Director;- Appointment of Mr. V Suryanarayanan as a Director;- Appointment of Mr. V Suryanarayanan as a Managing Director for a period of five years from July 1, 2020.

Compliance with Corporate Governance Guidelines:

IRDAI has, vide its circular dated May 18, 2016, issued Corporate Governance Guidelines for insurance companies. The Company is in compliance with the Guidelines as applicable to it, as disclosed in the earlier paragraphs, and a certificate to this effect is being provided to the Authority on an annual basis. The certificate as required under IRDAI's circular no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016 is provided below.

For and on behalf of the Board

April 27, 2023
Chennai

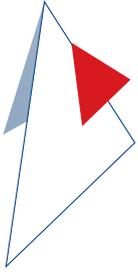
M M Murugappan
Chairman

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

In accordance with the provisions of Corporate Governance Guidelines issued by Insurance Regulatory and Development Authority of India (IRDAI), I, Suresh Krishnan, Company Secretary of the Company, hereby certify that Cholamandalam MS General Insurance Company Limited has complied with the Corporate Governance Guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

April 27, 2023
Chennai

Suresh Krishnan
Company Secretary



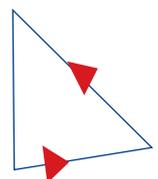
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Secretarial Audit Report

Annexure - B

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,

CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED

CIN: U66030TN2001PLC047977

Dare House, II Floor, N S C Bose Road,
Parrys, Chennai – 600001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED [Corporate Identification Number: U66030TN2001PLC047977] (hereinafter referred to as “the Insurance Company”) for the financial year ended March 31, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Insurance Company’s books, documents, minute books, forms and returns filed and other records maintained by the Insurance Company and also the information provided by the Insurance Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Insurance Company has, during the audit period for the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Insurance Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

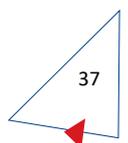
- (i) The Companies Act, 2013, (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956, ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996, and the Regulations and Bye-laws framed thereunder;
- (iv) The Company has complied with the applicable provisions

of Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder. There was no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the year under review;

- (v) The Insurance Company has listed its debt securities with the National Stock Exchange of India Limited and the following provisions are applicable and complied:
 - a) Chapters II, III and V of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, to the extent applicable;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; [Not applicable as the Insurance company is not registered as Registrar to an Issue and Share transfer Agent during the year under review]
 - d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Insurance Company has not listed its equity shares in any of the Stock Exchanges and hence the question of complying with the provisions of the following Regulations (a to e) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, (SEBI Act) does not arise:-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021;
- d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- e) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:
 1. Insurance Act, 1938
 2. Insurance Rules, 1939
 3. Insurance Laws (Amendment) Act, 2015



4. IRDAI Regulations, Guidelines, Circulars, Directions and Notifications made there under.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (Revised effective from October 1, 2017) and Guidance Note on Meetings of the Board of Directors and General Meetings (Revised) issued by the Institute of Company Secretaries of India.
- (ii) Chapters II, III and V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. [hereinafter referred to as "Listing Regulations"]

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

The Board of Directors of the Insurance Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Independent Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, IRDAI Regulations and Listing Regulations.

Adequate notice is given to all directors before the schedule of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with. The Directors participated through video conferencing or other audio visual means during the period under review, the necessary compliances of Rule 3 of the Companies (Meetings of Board and its powers) Rules, 2014 have been complied with. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory

authorities pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Insurance Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors / Committee Members and no Director / Member dissented on the decisions taken at such Board / Committee Meetings. Further, as per the minutes of the general meetings duly recorded and signed by the Chairman, the decisions were unanimous and no dissenting views have been recorded.

We further report that based on review of compliance mechanism established by the Insurance Company and on the basis of the Compliance certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations, circulars, guidelines, directions and notifications.

We further report that during the audit period, the Insurance Company has

- 1) issued 1000 Unsecured, Subordinated, fully paid up redeemable non-convertible debentures of the face value of ₹1,000,000/- at par aggregating to ₹100 Crores on private placement basis and the said debentures were allotted on June 2, 2022.
- 2) Redeemed 1000 Unsecured, Subordinated, Fully Paid-up, Listed, Redeemable, Non-Convertible Debentures (NCDs) of the face value of ₹1,000,000 each, at par, aggregating to ₹100 Crores by exercise of the call option on May 25, 2022.

PLACE : CHENNAI
DATE : April 27, 2023

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO.657/2020
UIN: S2003TN063400
UDIN:F004775E000205184

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



'Annexure -A'

The Members,

CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED

CIN: U66030TN2001PLC047977

Dare House, II Floor, N S C Bose Road,
Parrys, Chennai – 600001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Insurance Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Insurance Company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the Insurance Company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

PLACE : CHENNAI

DATE : April 27, 2023

For R.SRIDHARAN & ASSOCIATES

COMPANY SECRETARIES

CS R.SRIDHARAN

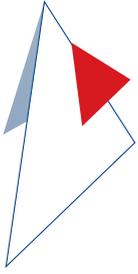
CP No. 3239

FCS No. 4775

PR NO.657/2020

UIN: S2003TN063400

UDIN: F004775E000205184



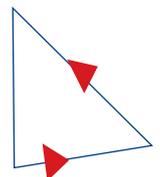
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UIN: IRDAN123RP0014V02202021





Annual report on CSR activities to be included in the Board's report for financial year ended March 31, 2023

Annexure - C

1. Brief outline on CSR Policy of the Company.

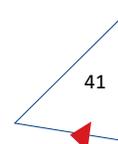
The Company would be adopting a focused and a structured approach towards implementing its CSR initiatives. It has identified thematic and programme areas to guide the design, intent and approach of its CSR initiatives. These are broad thematic areas with focus on quality service delivery and empowerment. The programme areas are:

- Providing basic health care facilities to economically backward societies across geographical areas
- Improving access to education, including road safety awareness campaigns
- Eradicating hunger and poverty, through livelihood generation and skill development, setting up old age homes, day care centres and such other facilities for senior citizens
- Supporting environmental and ecological balance, conservation of natural resources and similar programmes
- Rural Development
- Promotion of sports through training of sportspersons
- Promoting Arts & Culture
- Women Empowerment
- Disaster Relief & Management

2. Composition of CSR & ESG Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR & ESG Committee held during the year	Number of meetings of CSR & ESG Committee attended during the year
1	Mr. M M Murugappan	Non-Executive Director & Chairman	3	3
2	Mr. Margam Rama Prasad	Independent Director	3	3
3	Mr. V Suryanarayanan	Managing Director	3	3
4	Mr. Naoki Takeda	Whole time Director	3	3

3. The web-link of Composition of CSR & ESG committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company at <https://www.cholainsurance.com/about-us/csr>
4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable
5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹2,427,342,347/-
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹48,546,847/-
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
 (d) Amount required to be set-off for the financial year, if any: ₹8,758,205/-
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹39,788,642/-
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹37,375,648/-
 (b) Amount spent in Administrative Overheads: ₹2,428,000/-
 (c) Amount spent on Impact Assessment, if applicable: Nil
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹39,803,648/-
 (e) CSR amount spent or unspent for the Financial Year:





Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹39,803,648/-	-	-	-	-	-

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

Sl.No	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	48,546,847
(ii)	Total amount spent for the Financial Year	39,803,648
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

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

1	2	3	4	5	6		7	8
Sl.No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	2021-22	10,264,710	16,164,710	16,155,662	Nil	-	9,048	Nil
2	2020-21	18,342,692	18,342,692	12,442,692	Nil	-	5,900,000	Nil
3	2019-20	Nil	0	Nil	Nil	-	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
If Yes, enter the number of Capital assets created/ acquired:

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

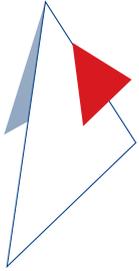
Sl .No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset (s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number,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

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation / Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:
Not Applicable

(Managing Director)

(Chairman CSR Committee)



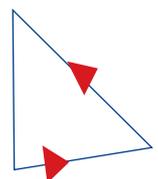
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Management Report

Annexure - D

Registration No: 123

Date of Registration with the IRDA: July 15, 2002

In accordance with Part IV of Schedule B of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002, the management of Cholamandalam MS General Insurance Company Limited ('the Management') submits the following Report.

1. We confirm that the registration certificate granted by the Insurance Regulatory and Development Authority to transact general insurance business is valid and the same has been renewed for the year FY 2023-24.
2. To the best of our knowledge and belief, all material sums payable to the statutory authorities, other than contested claims, have been duly paid.
3. We confirm that during the year, the shareholding pattern and transfer of shares were in accordance with the statutory / regulatory requirements.
4. We declare that the funds of holders of policies issued in India have not been directly or indirectly invested outside India.
5. We confirm that the required solvency margins as prescribed under the Insurance Act, 1938, and the Insurance Regulatory and Development Authority (Assets, Liabilities and Solvency Margin of the Insurers) Regulations, 2016, read together with other circulars have been maintained during the year ended March 31, 2023.
6. We certify that the values of all the assets have been reviewed on the date of the Balance Sheet. To the best of our belief the assets set forth in the Balance Sheet as at March 31, 2023, read together with the accounting policies, are shown in the aggregate at amounts not exceeding their realizable or market value wherever applicable. These assets are categorised under the headings – "Loans", "Agents Balances", "Outstanding Premiums", "Interest, Dividend and Rents Outstanding", "Interest, Dividend and Rents Accruing but Not Due", "Amounts Due from Other Persons or Bodies Carrying on Insurance Business", "Sundry Debtors", "Bills Receivable", "Cash" and several items specified under "Other Accounts".
7. The Company is exposed to a variety of risks associated with its insurance business and the investment portfolio. The Risk Management Committee of the Board of Directors oversees

the risk management processes, Asset-Liability management process and lays down the risk appetite of the Company. The Company periodically reviews and updates detailed Risk Registers in respect of all areas of operations. The Company has in place a Business Continuity Management (BCM) framework.

The Company maintains a diversified portfolio of business across various lines and sub-lines of business. The Company reviews its underwriting standards periodically and has in place a mechanism of risk inspection by independent teams. As a general insurer, the Company is exposed to catastrophe risk which is mitigated by having a separate treaty for catastrophe risks which limits the Company's risk to any single event. Through an appropriate reinsurance program, the Company has kept its risk exposure at a level commensurate with its capacity. Operational risks are sought to be managed by a system of internal controls, limits on delegation of authority and segregation of duties where practical.

The Company has an offsite disaster recovery centre for its data backups. The Company has a separate internal audit team which audits the operations at its branch offices according to an audit plan approved by the Audit Committee of the Board of Directors.

8. The Company does not have operations in any other country.
9. The information relating to the trend of claim settlements for the years ended March 31, 2023, March 31, 2022, March 31, 2021, March 31, 2020 and March 31, 2019 is detailed in Annexure 1.
10. As at March 31, 2023, the investments of the Company comprise of investments in Government securities (both Central & State Govt. securities), housing, infrastructure and other corporate bonds, alternate investment fund, fixed deposits with banks, money market instruments, units of real estate investment trust (REIT), listed equity shares, investment in immovable property and other investments. The investments in Government securities, housing, infrastructure and other corporate bonds are considered as "held to maturity" and are measured at historical cost subject to amortization. Investments in fixed deposits of banks are measured at face value. Investments in listed equity shares are measured at the last quoted price and the unrealised gain / loss credited to Fair Value Change Account except where the extent of diminution in value is considered other than temporary in value in which case an appropriate level of provisioning is carried. The



Company has invested in units of a real estate investment trust which is classified under "Investment Property" and measured at fair value as per IRDAI Investments Regulations.

11. The Company has adopted a prudent investment policy with emphasis on balancing requirements on portfolio duration, maintaining liquidity and optimising returns. Emphasis has been on investing in low risk investments such as Government securities, fixed deposits with banks, corporate bonds with minimum credit rating of AA- and with a presence in equity. The Company carries out a periodic review of the investment portfolio and the investment policy. The Management is confident of the quality and performance of the investments except those referred in Note 5 of the Schedule 16.

12. The Management certifies that:

- a) The financial statements have been prepared in accordance with applicable accounting standards read together with the regulations stipulated and Orders/Circulars/Letters issued by the IRDA, the provisions of the Insurance Act, 1938, and the Companies Act, 2013, and disclosures have been made wherever the same is required. There are no other material departures from the accounting standards and generally accepted accounting principles in the general insurance industry.
- b) The Company has adopted accounting policies and applied them consistently (including those specifically required by various IRDA regulations) and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of March 31, 2023, and of the profit for the year ended March 31, 2023.
- c) The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938, and the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The financial statements of the Company have been prepared on a going concern basis.
- e) The Company has an internal audit system commensurate with the size and nature of the business. Further, adequate internal control systems and procedures were in existence for this financial year.

13. During the year under report,

- a) The Company has exceeded the management expenses limit as prescribed in Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health

Insurance business) Regulations, 2016. The Company has represented to the IRDAI through the General Insurance Council seeking forbearance on such excess along with reasons for such excess and mitigation measures. General Insurance Council reverted that the Company's application for forbearance in respect of amounts exceeding permissible limits of Expenses of Management (EOM), as per existing 2016 Regulations, has been approved by the Executive Committee (EC) of the General Insurance Council subject to Company giving to Authority the following:

- i) Company's Board giving a confirmation to the Authority that the Company shall bring down its EOM within applicable limits under EOM Regulations 2023, by the financial year 2025-26;
- ii) A business plan documenting the above to be submitted to the Authority.

This is pursuant to the new clause 11(2) that has been gazetted in the EOM regulations 2023, which specifically empowers the Authority to grant forbearance for the financial year 2022-23.

Accordingly, the Company shall be providing the above details to the Authority for getting such forbearance.

14. There are no payments made to individuals, firms, companies, and organisations, other than related parties, in which directors are interested in terms of Section 184 of the Companies Act, 2013. Transactions with related parties in terms of Accounting Standard 18 are included in Note 19 of Schedule 16 to the financial statements.

For and on behalf of the Board of Directors

M M Murugappan
Chairman

V Suryanarayanan
Managing Director

Sridharan Rangarajan
Director

Naoki Takeda
Whole time Director

Suresh Krishnan
Company Secretary

S Venugopalan
Chief Financial Officer

Place : Chennai
Date : April 27, 2023

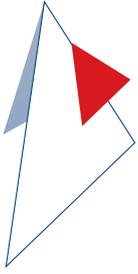

Trend of Claims Settlement for the last five financial years
Annexure - 1

Period	No. of Claims								
	Engg	Fire	Liability	Marine	Misc	Accident	Health	Travel	Motor
30 days									
2022-23	569	544	6	11,352	1,852	981	91,117	2	274,975
2021-22	500	272	10	11,072	2,038	468	114,432	3	196,912
2020-21	421	158	68	21,659	1,757	353	54,038	9	130,912
2019-20	531	604	1,093	25,207	2,255	840	34,229	32	121,108
2018-19	241	810	1,392	19,451	1,187	1,055	24,130	37	85,621
30 days to 6 months									
2022-23	860	997	41	3,391	1,895	668	352	5	92,963
2021-22	1,378	766	72	5,248	1,387	809	3,075	2	69,616
2020-21	456	672	66	5,144	1,351	901	6,546	9	40,863
2019-20	482	1,177	77	6,103	1,350	923	1,287	24	47,318
2018-19	564	2,083	103	5,948	1,429	889	738	60	34,112
6 months to 1 year									
2022-23	61	198	46	225	99	9	1	-	5,891
2021-22	84	199	48	424	147	32	35	1	4,880
2020-21	62	127	26	404	172	59	109	1	2,849
2019-20	51	182	10	384	65	24	6	5	4,124
2018-19	80	151	22	538	47	54	26	5	4,179
1 year to 5 years									
2022-23	32	60	14	44	6	8	-	-	4,834
2021-22	21	54	15	79	28	12	6	1	4,759
2020-21	17	36	4	42	63	13	5	-	3,773
2019-20	30	23	5	34	9	7	-	2	4,901
2018-19	18	21	10	61	-	6	92	4	5,311
5 years and above									
2022-23	1	6	1	1	-	1	-	-	769
2021-22	-	2	1	1	-	-	1	-	529
2020-21	-	-	-	-	-	1	-	-	368
2019-20	-	1	-	2	-	-	-	-	502
2018-19	1	3	1	1	-	5	-	-	478



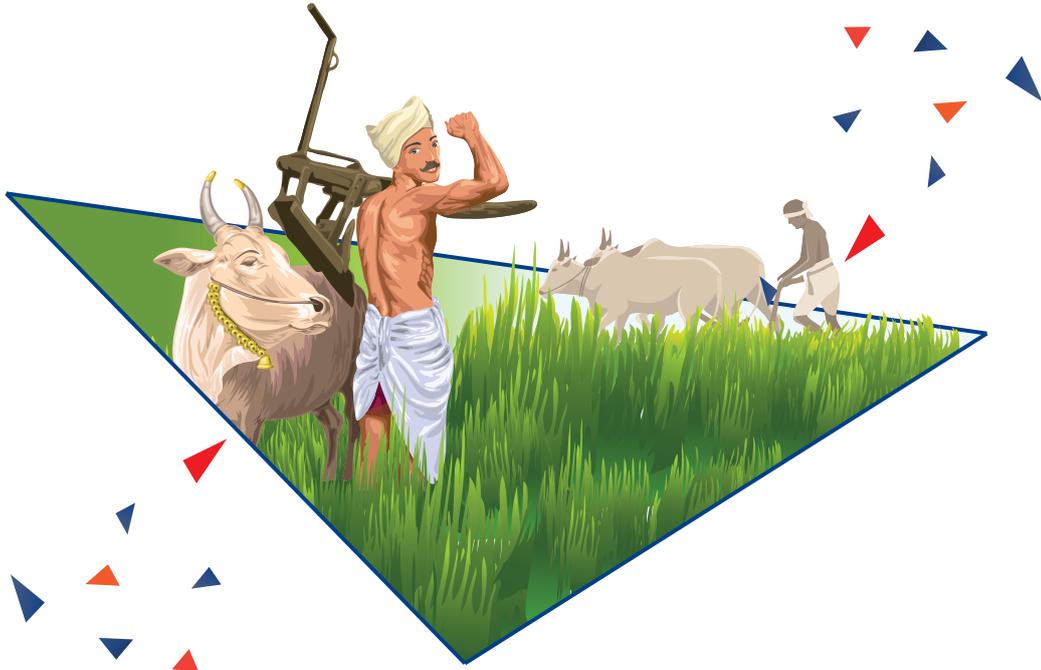
(₹ in Lakhs)

Period	Amount Claimed								
	Engg	Fire	Liability	Marine	Misc	Accident	Health	Travel	Motor
30 days									
2022-23	244	1,524	4	2,475	346	3,175	39,782	2	47,656
2021-22	105	387	2	1,805	526	1,715	60,444	2	33,555
2020-21	78	170	17	2,213	3,697	1,179	27,773	10	24,278
2019-20	40	213	247	2,538	50,801	2,343	13,919	23	23,570
2018-19	108	251	327	1,422	50,365	2,542	9,819	38	19,464
30 days to 6 months									
2022-23	447	6,265	120	2,547	796	3,292	415	22	63,168
2021-22	611	5,502	76	2,650	670	3,579	2,226	10	56,327
2020-21	361	2,655	218	2,449	1,765	3,685	4,692	14	34,931
2019-20	532	2,702	67	2,978	13,246	3,544	775	27	50,191
2018-19	309	3,559	79	2,578	7,737	3,242	356	271	43,165
6 months to 1 year									
2022-23	223	2,369	82	1,944	98	300	14	-	19,463
2021-22	375	2,753	174	662	84	515	129	2	16,310
2020-21	213	1,561	35	570	638	352	61	1	12,000
2019-20	224	2,364	19	478	726	305	20	58	17,503
2018-19	282	1,373	79	517	773	175	7	14	17,831
1 year to 5 years									
2022-23	281	4,795	127	559	44	365	32	-	43,593
2021-22	135	4,601	37	161	77	176	45	2	36,741
2020-21	359	403	11	249	(2,096)	149	13	-	28,230
2019-20	96	833	56	70	228	81	1	56	37,524
2018-19	174	9,160	41	(85)	200	33	14	70	38,288
5 years and above									
2022-23	9	9,579	9	54	1	3	-	-	12,962
2021-22	-	(18)	9	8	1	(1)	4	0	8,115
2020-21	2	5	-	-	(0)	4	(1)	-	4,682
2019-20	0	15	17	169	(0)	3	-	0	6,111
2018-19	25	479	1	24	14	6	-	0	5,518



MANAGING UNCERTAINTIES & SERVING FARMERS

Exclusive policies to help farmers in need



Farmers Speak...

S Tirumala Reddy, Vedurupakam - AP

In recent months i got one policy named Farmer care package policy from CholaMS General Insurance company which offers wide range of coverages with a very minimal premium of ₹538/- only.

In case of accidental death loan outstanding will be covered and accidently hospitalization cover for ₹50,000, property damage and other many coverages which helps farmer in case of any unforeseen situations - this is one of the best policies I suggest to all farmers to take

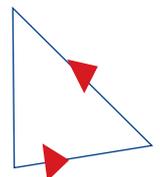
Ram Singh, Kuthond - UP

I have got one policy which exclusively covers farmer needs and helps in uncertain situations financially. CholaMS General Insurance company offer farmer care policy which take care of loan outstanding in case of accidental death & hospitalization, property coverage – all coverages come with only ₹538/-, I strongly recommend this policy to be taken by all farmers.



Scan QR code for testimonial videos

Chola Farmercare Insurance Policy
UIN : IRDAN123RP0045V01202122



R.G.N. Price & Co
Chartered Accountants
Simpson's Buildings
861, Anna Salai
Chennai – 600 002

Sharp & Tannan
Chartered Accountants
Parsn Manere, A4, 3rd Floor,
602, Anna Salai,
Chennai – 600 006



Independent Auditors' Report

To the Members of Cholamandalam MS General Insurance Company Limited

Report on the audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Cholamandalam MS General Insurance Company Limited ("the Company") which comprise the Balance Sheet as at March 31, 2023, the Revenue Account, the Profit and Loss Account and Receipts and Payments Statement of the Company for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (as amended) (the "IRDA Act"), the Insurance Regularity and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the IRDA Financial Statements Regulations"), Circulars / Orders / Directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI" / "Authority") in this regard, and the Accounting Standards specified under Section 133 of the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2023;
- b) in the case of Revenue Account, of the operating profit for the year ended on that date;
- c) in the case of Profit and Loss Account, of the profit for the year ended on that date; and
- d) in the case of Receipts and Payments Statement, of the receipts and payments for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matter	Our audit procedures related to key audit matter
1	<p>Valuation of investments</p> <p>Please refer Note 2.3 (ii), (iii), (iv), (v) and 2.12 to Schedule 16 - Accounting policy for Investments, Schedule 8 and 8A on Investments and Note 5 to Schedule 16 on write off / provision for diminution in value of investments.</p> <p>We have considered this area as a Key Audit matter since the carrying value of investments as at March 31, 2023 of ₹147,149,411 thousand accounts for 92% of total assets of the Company. The assessment of the carrying value of investments as on the reporting date involves significant judgement on the part of the management, which can materially impact the impairment loss and the profit for the year.</p>	<ul style="list-style-type: none"> Reviewed the accounting policies used by the Company for accounting and disclosing Investments for compliance with the accounting framework and applicable IRDAI regulations. Assessed the adequacy of internal controls, evaluated the design and tested the operating effectiveness of such controls for initial recognition, measurement, subsequent valuation and disclosure of investments as on the reporting date as per applicable regulations. Verified the investment transactions during the year on a test check basis using direct third-party confirmation, statement of accounts, bank statements and other relevant documents. Other substantive and analytical procedures were carried out to corroborate the management assertions pertaining to investments. Reviewed the process followed by the management of the Company in classification and valuation of investments and independently reperformed the valuation check on a sample basis to confirm their appropriateness. Investments identified for impairment provisioning / write off by the management of the Company as per criteria set out in the Investment policy of the Company are verified by independently assessing the risk of impairment loss and probability of realisation of investment value by considering publicly available information about the investee entities, directions issued by their regulators, Government of India and IRDAI. Reviewed the basis of assessment used by the Company's Investment committee and discussed the same with Chief Investment Officer and Chief Financial Officer. Checked the compliance with IRDAI prudential norms in validating the adequacy of impairment provision / write off.
2	<p>Valuation of outstanding claims ("OC") including claims incurred but not reported ("IBNR") and claims incurred but not enough reported ("IBNER")</p> <p>Please refer Schedule 2, Schedule 13(8) and Note No. 2.8 and Note No. 2.9 of Schedule 16 to financial statements.</p> <p>We considered this as a key audit matter because the valuation of OC including IBNR and IBNER requires use of judgements and estimates. OC including IBNR/IBNER are estimates for settlement of claims in future which are impacted by a number of factors which includes trends in severity of historical claims, frequency and IRDAI regulations. In particular, the claims arising from death or disability covered under motor insurance contracts involves complex and subjective judgements about future events, both internal and external to the business, for which even a small change in assumptions can materially impact the valuation of these liabilities.</p> <p>Total OC including IBNR and IBNER provisions amounts to ₹79,405,759 thousand (net of RI recoveries) as on March 31, 2023.</p>	<ul style="list-style-type: none"> Assessed and tested the operating effectiveness of key controls relating to the claims handling and reserving process, including controls over completeness and accuracy of the claim estimates recorded; Substantive tests were performed on the amounts recorded for a sample of OC, which are material to assess whether claims are appropriately estimated and recorded; Evaluated the competence, objectivity and independence of the Actuary appointed by the management of the Company to review the adequacy of OC including IBNR and IBNER; Tested the completeness and accuracy of underlying data provided by the management of the Company to the Appointed Actuary on a sample basis; Assessed the adequacy of Company's related disclosures by reference to relevant accounting standards and IRDAI regulations
3	<p>Contingent Liabilities:</p> <p>Please refer Note No. 3 of Schedule 16 to financial statements</p> <p>Total contingent liabilities as at March 31, 2023 is ₹4,103,451 thousand.</p> <p>We have considered this as a key audit matter because the Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the outcome of these disputes.</p>	<ul style="list-style-type: none"> Obtained the pending tax demands listing as at March 31, 2023 from the management and reviewed the changes in litigation status as compared to previous year and obtained a detailed understanding of the disputes. Reviewed Company's correspondences with tax authorities, legal counsels, grounds of appeal filed with various appellate authorities and industry position on various tax disputes. Obtained confirmations from legal counsels / tax experts on the status of the outstanding tax demands. Verified the adequacy of disclosures in the financial statements in this respect.



Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Directors' Report including Annexures to Directors' Report, Corporate Governance and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act and the provisions of the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations, Circulars / Orders / Directions issued by the IRDAI/ Authority in this regard. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management of the Company is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless management of the Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Company.
- conclude on the appropriateness of management of the Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements



or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the IRDA Financial Statements Regulations, we have issued a separate certificate dated April 27, 2023, certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statements Regulations. As required by IRDA Financial Statements Regulations and the provisions of Section 143(3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. as the financial accounting system of the Company is centralized, no returns for the purpose of our audit are prepared at the branches and other offices of the Company

as required under Section 143(8) of the Act;

- d. in our opinion, the Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Statement dealt with by this Report are in agreement with the books of account;
- e. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act to the extent applicable and with the accounting principles prescribed in IRDA Financial Statements Regulations and Circulars / Orders / Directions issued by the IRDAI in this regard;
- f. investments of the Company have been valued in accordance with the provisions of the Insurance Act and the IRDA Financial Statements Regulations;
- g. the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards specified under Section 133 of the Act to the extent applicable and with the accounting principles prescribed in IRDA Financial Statements Regulations and Circulars / Orders / Directions issued by the IRDAI in this regard;
- h. the estimate of claims Incurred but Not Reported ('IBNR') and claims Incurred but Not Enough Reported ('IBNER') has been certified by the Company's Appointed Actuary. The Appointed Actuary has certified to the Company that the assumptions used for such valuation are appropriate and are in accordance with the requirements of the IRDAI and Institute of Actuaries of India in concurrence with IRDAI. We have relied on the Appointed Actuary's certificate in this regard;
- i. on the basis of the written representations received from the directors as on March 31, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
- j. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
- k. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act and Section 34 of the IRDAI Act.



- I. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 3 of Schedule 16 - Notes to financial statements;
 - (ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any outstanding long-term derivative contracts. Refer Note no. 29 to Schedule 16 to the financial statements and clause (h) of Report on Other Legal and Regulatory Requirements;
 - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
 - (iv) a) the Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) the Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons

or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

(v) the Company has not declared / paid any dividend during the year ended March 31, 2023 and accordingly reporting on compliance to Section 123 of the Act is not applicable.

(vi) proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For R.G.N. Price & Co.
Chartered Accountants
Firm Registration No. 002785S

For Sharp & Tannan
Chartered Accountants
Firm Registration No.003792S

K. Venkatakrisnan
Partner
Membership No. 208591
UDIN: 23208591BGYOKA2205

P Rajesh Kumar
Partner
Membership No. 225366
UDIN: 23225366BGTFCDD2683

Place : Chennai
Date : April 27, 2023



Annexure A to the Independent Auditors' Report

(Referred to in paragraph (j) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of Cholamandalam MS General Insurance Company Limited ("the Company") as at March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the provisions of Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 ("the Insurance Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the IRDA Financial Statements Regulations"), circulars / orders / directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI"/ "Authority") and the provisions of the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the

Guidance Note and the Standards on Auditing issued by the ICAI and prescribed under section 143 (10) of the Act, to the extent applicable, to an audit of internal financial controls. Those Standards of Auditing and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions



and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For R.G.N. Price & Co.

Chartered Accountants

Firm Registration No. 002785S

For Sharp & Tannan

Chartered Accountants

Firm Registration No.003792S

K. Venkatakishnan

Partner

Membership No. 208591

UDIN: 23208591BGYOKA2205

P Rajesh Kumar

Partner

Membership No. 225366

UDIN: 23225366BGTFC2683

Place : Chennai

Date : April 27, 2023



Independent Auditor's Certificate

To the Members of Cholamandalam MS General Insurance Company Limited

(Referred to in 'Report on Other Legal and Regulatory requirements' of our report of end date)

1. This certificate is issued to comply with the provisions of paragraph 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulation, 2002, (the "IRDA Financial Statements Regulations") read with Regulation 3 of IRDA Financial Statements Regulations and may not be suitable for any other purpose.

Management's Responsibility for the statement

2. The Board of Directors of the Company is responsible for complying with the provisions of the Insurance Act, 1938 (the "Insurance Act") as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999 (as amended) (the "IRDA Act"), the IRDA Financial Statements Regulations, Circulars / Orders / Directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI"/ "the Authority") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

Auditors' Responsibility

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

Opinion

4. In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by Cholamandalam MS General Insurance Company Limited (the 'Company') for the year ended March 31, 2023, we certify that:
 - i. we have reviewed the management report attached to the financial statements for the financial year ended March 31, 2023, and there is no apparent mistake or material inconsistency therein with the financial statements;

- ii. based on the management representations and compliance certificates submitted to the Board of Directors, we certify that the Company has complied with the terms and conditions of registration stipulated by IRDAI vide their letter dated July 15, 2002;
- iii. we have physically verified the cash balances at the corporate office of the Company and certain select branch offices as at March 31, 2023 and verified the cash / cheque deposit slips submitted to the banks. Further, we have also relied upon the management's certificate for cash / cheque balances as at March 31, 2023. In respect of the investments held by the Company as at March 31, 2023, we have verified confirmations received from the Custodian and / or depository participants appointed by the Company, as the case may be;
- iv. the Company is not a trustee of any trust;
- v. no part of the assets of the policyholders' funds have been directly or indirectly applied in contravention of the provisions of the Insurance Act relating to application and investment of policyholders' funds.

Restriction on Use

5. This certificate is issued at the request of the Company solely for use of the Company for inclusion in the annual accounts in order to comply with the provisions of paragraph 3 and 4 of Schedule C of the IRDA Financial Statements Regulations read with Regulation 3 of the IRDA Financial Statements Regulations and is not intended to be and should not be used for any other purpose without our prior consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior consent in writing.

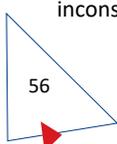
For R.G.N. Price & Co.
Chartered Accountants
Firm Registration No. 0027855

For Sharp & Tannan
Chartered Accountants
Firm Registration No.0037925

K. Venkatakrishnan
Partner
Membership No. 208591
UDIN: 23208591BGYOKA2205

P Rajesh Kumar
Partner
Membership No. 225366
UDIN: 23225366BGTFC2683

Place : Chennai
Date : April 27 2023





Balance Sheet

CIN: U66030TN2001PLC047977

FORM B-BS

Date of Registration with the IRDA July 15, 2002

Balance Sheet as at March 31, 2023

IRDAI Registration No.123

(₹ '000)

Particulars	Schedule	As at March 31, 2023	As at March 31, 2022
SOURCES OF FUNDS			
Share Capital	5	2,988,057	2,988,057
Reserves and Surplus	6	18,614,833	16,627,799
Fair Value Change Account - Share Holders		38,677	38,230
Fair Value Change Account - Policy Holders		281,668	258,095
Borrowings	7	1,000,000	1,000,000
TOTAL		22,923,235	20,912,181
APPLICATION OF FUNDS			
Investments - Share Holders	8	17,765,987	16,170,180
Investments - Policy Holders	8A	129,383,424	109,167,925
Loans	9	-	-
Fixed Assets	10	1,145,656	848,078
Deferred Tax Asset (Refer Note 16 of Schedule16)		2,030,704	1,792,966
Current Assets			
Cash and Bank Balances	11	189,964	358,765
Advances and Other Assets	12	9,964,659	8,822,189
Sub-Total (A)		10,154,623	9,180,954
Current Liabilities	13	106,126,206	90,787,109
Provisions	14	31,430,953	25,460,813
Sub-Total (B)		137,557,159	116,247,922
Net Current Assets (C) = (A - B)		(127,402,536)	(107,066,968)
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit and Loss Account (net of reserves)		-	-
TOTAL		22,923,235	20,912,181
Notes to Financial Statements	16		

The Schedules referred to above form an integral part of the Financial Statements

This is the Balance Sheet referred to in our Report of even date attached

For and on behalf of the Board of Directors

For R.G.N. Price & Co.
Chartered Accountants
Firm Registration No. 002785S

For Sharp & Tannan
Chartered Accountants
Firm Registration No.003792S

M M Murugappan
Chairman
DIN: 00170478

V Suryanarayanan
Managing Director
DIN: 01416824

K. Venkatakrisnan
Partner
Membership No. 208591

P. Rajesh Kumar
Partner
Membership No. 225366

Sridharan Rangarajan
Director
DIN: 01814413

Naoki Takeda
Whole time Director
DIN: 09524037

Place : Chennai
Date : April 27, 2023

Suresh Krishnan
Company Secretary
M. No. F3142

S Venugopalan
Chief Financial Officer



Profit and Loss Account

Date of Registration with the IRDA July 15, 2002

FORM B-PL

IRDAI Registration No.123

Profit and Loss account for the Year Ended March 31, 2023

(₹ '000)

Sl. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
1	OPERATING PROFIT/(LOSS)		
	(a) Fire Insurance	1,505,400	1,096,628
	(b) Marine Insurance	117,964	76,998
	(c) Miscellaneous Insurance	4,220,903	4,774,391
2	INCOME FROM INVESTMENTS		
	(a) Interest and Dividend – Gross of TDS	1,032,587	923,178
	(b) Profit/ (Loss) on Sale of Investments	24,486	96,963
3	OTHER INCOME (Interest on IT Refund)	85,124	-
	TOTAL (A)	6,986,464	6,968,158
4	PROVISIONS (Other than Taxation)		
	(a) For Diminution in the Value of Investments	(38,113)	(27,174)
	(b) For Doubtful Debts / Investments (Refer Note 5 of Schedule 16)	(80,463)	(620,102)
5	OTHER EXPENSES		
	(a) Expenses other than those related to Insurance Business	234,560	99,502
	(b) Employees' remuneration and welfare benefits	26,537	25,606
	(c) Bad Debts / Investments written off (Refer Note 5 of schedule 16)	43,421	463,498
	(d) Interest on Debenture & Debenture issue related expenses	85,358	87,500
	(e) Others - CSR Expenses & Donations (Refer Note 24 of schedule 16)	39,804	67,058
	(f) Contribution to Policyholders Funds towards excess Expenses of Management (EOM)	4,030,820	3,297,950
	(g) Marketing cost absorbed in shareholder's account (P&L account)	-	2,514,051
	TOTAL (B)	4,341,924	5,907,889
	Profit Before Tax	2,644,540	1,060,269
	Provision for Taxation		
	Current Tax	895,245	104,395
	Deferred Tax (Refer Note 16 of schedule 16)	(237,739)	185,673
	Profit After Tax	1,987,034	770,201
	APPROPRIATIONS		
	(a) Interim Dividends Paid During the Year	-	-
	(b) Final Dividend Paid	-	-
	(c) Dividend Distribution Tax Paid	-	-
	(d) Transfer to Contingency Reserve for Unexpired Risks	-	-
	(e) Transfer to General Reserve (Refer Schedule 6)	1,500,000	500,000
	(f) Transfer to Debenture Redemption Reserve (Refer Note 4 of Schedule 16)	100,000	-
	Balance of Profit Brought Forward from Previous Year	6,647,587	6,377,386
	Balance Carried Forward to Balance Sheet (Refer Schedule 6)	7,034,621	6,647,587
	Earnings Per Share - Basic & Diluted (₹) (Refer Note 15 of Schedule 16)	6.65	2.58
	Face value per share (₹)	10.00	10.00
	Notes to Financial Statements (Refer Schedule 16)		

The Schedules referred to above form an integral part of the Financial Statements
This is the Profit and Loss account referred to in our Report of even date attached

For R.G.N. Price & Co.

Chartered Accountants

Firm Registration No. 0027855

For Sharp & Tannan

Chartered Accountants

Firm Registration No.0037925

For and on behalf of the Board of Directors

M M Murugappan

Chairman

DIN: 00170478

V Suryanarayanan

Managing Director

DIN: 01416824

Sridharan Rangarajan

Director

DIN: 01814413

K. Venkatakrishnan

Partner

Membership No. 208591

P. Rajesh Kumar

Partner

Membership No. 225366

Naoki Takeda

Whole time Director

DIN: 09524037

Suresh Krishnan

Company Secretary

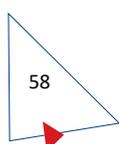
M. No. F3142

S Venugopalan

Chief Financial Officer

Place : Chennai

Date : April 27, 2023





Receipts and Payments Statement

Date of Registration with the IRDA July 15, 2002

IRDAI Registration No.123

Receipts and Payments Statement for the Year Ended March 31, 2023

(₹ '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash Flows from Operating Activities		
Receipts from Policyholders, including advance receipts	65,585,033	51,481,495
Other Receipts	4,818	5,410
Direct Claims Paid	(27,162,984)	(24,410,381)
Receipts / (Payments) from / to Reinsurers (Net)	(1,746,772)	(3,218,075)
Receipts / (Payments) from / to Co-insurers (Net)	(61,743)	(12,957)
Operating Expenses Paid	(15,624,862)	(11,771,077)
Commission Payments	(5,614,387)	(4,760,576)
Deposits and Advances recovered / (Given) (Net)	26,278	444,286
Income taxes Paid (Net)	(927,893)	(425,073)
GST Paid (Net)	(246,065)	(116,549)
Net Cash Flows from Operating Activities (A)	14,231,423	7,216,503
Cash Flows from Investing Activities		
Purchase of Fixed Assets	(597,688)	(385,084)
Proceeds on Disposal of Fixed Assets	6,980	6,152
Purchase of Investments	(57,856,771)	(69,713,217)
Sale of Investments	35,541,825	54,658,495
Interest/ Dividends Received	8,478,330	7,832,621
Investments in money market instruments & mutual fund (net)	134,649	523,842
Expenses Related to Investments	(19,361)	(25,868)
Net Cash Flows used in Investing Activities (B)	(14,312,036)	(7,103,059)
Cash Flows from Financing Activities		
Proceeds from Issue of Share Capital	-	-
Proceeds from Issue of Non Convertible Debentures	1,000,000	-
Repayment of Non Convertible Debentures	(1,000,000)	-
Dividend paid including Distribution tax paid	-	-
Interest paid on Non Convertible Debentures	(88,188)	(87,500)
Net Cash Flows from Financing Activities (C)	(88,188)	(87,500)
Net Increase in Cash and Cash Equivalents (A+B+C)	(168,801)	25,944
Cash and Cash Equivalents at Beginning of the Year	356,965	331,021
Cash and Cash Equivalents at End of the Year	188,164	356,965

Note:

1. Reconciliation between Cash and Cash Equivalents as per Schedule 11 Cash and Bank Balances of Financial Statements and Receipts and Payments Account

(₹ '000)

Particulars	Year Ended March 2023	Year Ended March 2022
Cash and cash equivalents as per Financial statements (Schedule 11)	189,964	358,765
Less: Deposits under lien to Banks	1,800	1,800
Cash and cash equivalents as per Receipts and Payment account	188,164	356,965

For R.G.N. Price & Co.Chartered Accountants
Firm Registration No. 002785S**K. Venkatakrishnan**Partner
Membership No. 208591

Place : Chennai

Date : April 27, 2023

For Sharp & TannanChartered Accountants
Firm Registration No.003792S**P. Rajesh Kumar**Partner
Membership No. 225366**For and on behalf of the Board of Directors****M M Murugappan**
Chairman
DIN: 00170478**Naoki Takeda**
Whole time Director
DIN: 09524037**V Suryanarayanan**
Managing Director
DIN: 01416824**Suresh Krishnan**
Company Secretary
M. No. F3142**Sridharan Rangarajan**
Director
DIN: 01814413**S Venugopalan**
Chief Financial Officer



Revenue Account

FORM B-RA Revenue Account for the Year Ended March 31, 2023

Date of Registration with the IRDA July 15, 2002
(₹ '000)

Particulars	Schedule	Fire Business		Marine Business		Miscellaneous Business			Total	
		Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	
Premiums Earned (Net)	1	1,756,283	1,485,631	430,386	346,321	38,005,505	32,538,944	40,192,174	34,370,896	
Profit / Loss on Sale / Redemption of Investments (Net)		5,448	20,457	656	2,506	172,221	631,652	178,325	654,615	
Others										
Administrative Charges		219	172	47	55	4,552	5,183	4,818	5,410	
Investment income from pool		93,956	71,195	-	-	22,833	15,574	116,789	86,769	
Contribution from Shareholders Funds towards Excess EOM		-	-	-	-	4,030,820	3,297,950	4,030,820	3,297,950	
Interest and Dividend (Gross)		229,730	194,766	27,646	23,862	7,262,591	6,013,917	7,519,967	6,232,545	
TOTAL (A)		2,085,636	1,772,221	458,735	372,744	49,498,522	42,503,220	52,042,893	44,648,185	
Claims Incurred (Net)	2	693,534	497,412	270,477	214,270	27,666,937	23,448,442	28,630,948	24,160,124	
Commission (Net)	3	(773,462)	(480,657)	(44,310)	(16,707)	2,040,738	1,718,230	1,222,966	1,220,866	
Operating Expenses Related to Insurance Business	4	660,164	658,838	114,604	98,183	15,569,944	12,562,157	16,344,712	13,319,178	
Premium Deficiency		-	-	-	-	-	-	-	-	
TOTAL (B)		580,236	675,593	340,771	295,746	45,277,619	37,728,829	46,198,626	38,700,168	
Operating Profit (A - B)		1,505,400	1,096,628	117,964	76,998	4,220,903	4,774,391	5,844,267	5,948,017	
APPROPRIATIONS										
Transfer to Shareholders' Account		1,505,400	1,096,628	117,964	76,998	4,220,903	4,774,391	5,844,267	5,948,017	
Transfer to Catastrophe Reserve		-	-	-	-	-	-	-	-	
Transfer to Other Reserves		-	-	-	-	-	-	-	-	
TOTAL (C)		1,505,400	1,096,628	117,964	76,998	4,220,903	4,774,391	5,844,267	5,948,017	
Note to Financial statements	16									

The Schedules referred to above form an integral part of the Financial Statements
This is the Revenue Account referred to in our Report of even date attached

For R.G.N. Price & Co.
Chartered Accountants
Firm Registration No. 0027855

K. Venkatarishnan
Partner
Membership No. 208591

Place : Chennai

Date : April 27, 2023

For and on behalf of the Board of Directors

M M Murugappan
Chairman
DIN: 00170478

V Suryanarayanan
Managing Director
DIN: 01416824

Sridharan Rangarajan
Director
DIN: 01814413

Naoki Takeda
Whole time Director
DIN: 09524037

Suresh Krishnan
Company Secretary
M. No. F3142

S Venugopalan
Chief Financial Officer



Schedules Forming Part of the Financial Statements

Schedule 1 - Premium Earned (Net)

Particulars	Fire Business			Marine Business			Miscellaneous Business			Total		
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2022	
Premium from Direct Business Written	6,605,610	4,951,102	1,230,374	945,171	53,723,938	42,344,971	61,559,922	48,241,244				
Add: Premium on Reinsurance Accepted	407,533	258,784	262	30	35,941	39,246	443,736	298,060				
Less: Premium on Reinsurance Ceded	4,917,875	4,076,102	780,755	578,827	10,204,083	8,159,995	15,902,713	12,814,924				
Net Premium	2,095,268	1,133,784	449,881	366,374	43,555,796	34,224,222	46,100,945	35,724,380				
Adjustment for Change in Provision for Unexpired Risks	338,985	(351,847)	19,495	20,053	5,550,291	1,685,278	5,908,771	1,353,484				
Total Premium Earned (Net)	1,756,283	1,485,631	430,386	346,321	38,005,505	32,538,944	40,192,174	34,370,896				
Note:												
Premium Income from business effected:												
In India	1,756,283	1,485,631	430,386	346,321	38,005,505	32,538,944	40,192,174	34,370,896				
Outside India	-	-	-	-	-	-	-	-				
Total Premium Earned (Net)	1,756,283	1,485,631	430,386	346,321	38,005,505	32,538,944	40,192,174	34,370,896				

Schedule 2 - Claims Incurred (Net)

Particulars	Fire Business			Marine Business			Miscellaneous Business			Total		
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2022	
Claims Paid												
Direct	2,453,258	1,322,565	757,844	528,550	23,951,882	22,559,266	27,162,984	24,410,381				
Add: Reinsurance Accepted	131	(5,143)	-	-	381	265	512	(4,878)				
Less: Reinsurance Ceded	1,861,111	924,638	483,879	324,985	5,547,274	4,411,655	7,892,264	5,661,278				
Net Claims Paid (Refer Note 9 of Schedule 16)	592,278	392,784	273,965	203,565	18,404,989	18,147,876	19,271,232	18,744,225				
Add : Claims Outstanding at the end of the year (including the estimates of IBNR and IBNER) (Net) *	674,127	572,871	107,684	111,172	78,623,948	69,362,000	79,405,759	70,046,043				
Less: Claims Outstanding at the beginning of the year (including the estimates of IBNR and IBNER) (Net) **	572,871	468,243	111,172	100,467	69,362,000	64,061,434	70,046,043	64,630,144				
Total Claims Incurred (Net)	693,534	497,412	270,477	214,270	27,666,937	23,448,442	28,630,948	24,160,124				
Note:												
Claims, less reinsurance, paid to claimants in India	592,278	392,784	273,965	203,565	18,404,989	18,147,876	19,271,232	18,744,225				
Outside India	-	-	-	-	-	-	-	-				
* Estimates of IBNR and IBNER at end of the year	52,550	43,030	20,842	19,490	51,731,237	47,364,941	51,804,629	47,427,461				
** Estimates of IBNR and IBNER at beginning of the year	43,030	39,900	19,490	18,070	47,364,941	43,852,446	47,427,461	43,910,416				



Schedules Forming Part of the Financial Statements

Schedule 3 - Commission (Net)

(₹ '000)

Particulars	Fire Business		Marine Business		Miscellaneous Business		Total	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
	Commission Paid							
Direct Business (Refer Note)	667,113	879,211	96,785	98,925	5,073,356	4,017,179	5,837,254	4,995,315
Add: Commission expense on Reinsurance Accepted	10,870	6,395	-	-	537	536	11,407	6,931
Less: Commission earned on Reinsurance Ceded	1,451,445	1,366,263	141,095	115,632	3,033,155	2,299,485	4,625,695	3,781,380
Net Commission	(773,462)	(480,657)	(44,310)	(16,707)	2,040,738	1,718,250	1,222,966	1,220,866
Note:								
Agents	13,190	9,640	5,891	3,628	40,616	37,373	59,697	50,641
Brokers	291,486	225,650	87,164	70,944	2,280,498	1,441,811	2,659,148	1,738,405
Corporate Agency	362,436	632,540	3,729	23,026	2,689,263	2,480,245	3,055,428	3,135,811
Others- POSP, MISP etc	1	11,381	1	1,327	62,979	57,750	62,981	70,458
Total	667,113	879,211	96,785	98,925	5,073,356	4,017,179	5,837,254	4,995,315



Schedules Forming Part of the Financial Statements

Schedule 4 - Operating Expenses Related to Insurance Business

(₹ '000)

Sl. No.	Particulars	Fire Business		Marine Business		Miscellaneous Business		Total	
		Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
		1	Employees' Remuneration and Welfare Benefits*	164,929	154,313	49,165	49,232	4,571,118	3,732,744
2	Travel, Conveyance and Vehicle Running Expenses	9,667	3,694	2,592	1,177	238,618	105,305	250,877	110,176
3	Training Expenses	1,302	206	280	66	27,338	6,632	28,920	6,904
4	Rent, Rates and Taxes	7,445	5,546	2,383	1,953	151,772	132,838	161,600	140,337
5	Repairs	1,586	1,044	341	337	33,056	31,550	34,983	32,931
6	Printing and Stationery	10,150	6,669	191	277	32,865	34,615	43,206	41,561
7	Communication	5,466	2,868	1,174	927	113,929	86,656	120,569	90,451
8	Legal and Professional Charges	5,030	2,533	1,080	818	104,827	76,534	110,937	79,885
9	Auditors' Fees and Expenses (Refer Note 27 of Schedule 16)								
	As Auditors	141	95	30	31	2,929	2,881	3,100	3,007
	As advisors or in any other capacity in respect of								
	- Taxation matters	19	13	4	4	405	409	428	426
	- Other services	128	77	28	25	2,670	2,328	2,826	2,430
	Out of Pocket Expenses	5	2	1	1	105	55	111	58
10	Advertisement and Publicity	204,948	73,929	35,111	16,408	7,036,052	4,320,402	7,276,111	4,410,739
11	Interest and Bank Charges	12,850	5,837	2,759	1,886	267,828	176,388	283,437	184,111
12	Others								
	Power and Electricity	1,835	858	394	277	38,254	25,914	40,483	27,049
	Information Technology Expenses	23,969	15,027	5,146	4,856	499,556	454,103	528,671	473,986
	Marketing Expenses	142,253	341,602	7,189	13,389	1,793,636	2,760,576	1,943,078	3,115,567
	Operating Lease Charges	9,399	7,206	2,018	2,328	195,905	217,744	207,322	227,278
	Service Tax/GST Expense	-	-	-	-	1,047	478	1,047	478
	Miscellaneous Expenses (Net)	45,724	29,093	1,858	1,533	180,460	145,418	228,042	176,044
13	Depreciation	13,318	8,226	2,860	2,658	277,574	248,587	293,752	259,471
	Total	660,164	658,838	114,604	98,183	15,569,944	12,562,157	16,344,712	13,319,178

*Employees' Remuneration and Welfare Benefits include manpower cost paid to other entities of ₹2,808,589 thousands (Previous year: ₹ 2,304,383 thousands)



Schedules Forming Part of the Financial Statements

Schedule 5 - Share Capital

(₹ '000)

Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Authorised Capital		
	324,000,000 (Previous Year: 324,000,000) Equity Shares of ₹10 each	3,240,000	3,240,000
2	Issued Capital		
	298,805,700 (Previous Year: 298,805,700) Equity Shares of ₹10 each	2,988,057	2,988,057
3	Subscribed Capital		
	298,805,700 (Previous Year: 298,805,700) Equity Shares of ₹10 each	2,988,057	2,988,057
	Called-up Capital		
	298,805,700 (Previous Year: 298,805,700) Equity Shares of ₹10 each fully paid up	2,988,057	2,988,057
4	Less: Calls Unpaid	-	-
	Add: Equity Shares Forfeited (Amount originally paid up)	-	-
	Less: Par Value of Equity Shares bought back	-	-
	Less: Preliminary Expenses	-	-
Total		2,988,057	2,988,057
Note: Number of Shares held by Cholamandalam Financial Holdings Limited, the Holding Company		179,282,861	179,282,861

Schedule 5A - Shareholding Pattern

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Shareholder Category				
Promoters				
Indian	179,283,420	60	179,283,420	60
Foreign	119,522,280	40	119,522,280	40
Total	298,805,700	100	298,805,700	100



Schedules Forming Part of the Financial Statements

Schedule 6 - Reserves and Surplus

(₹ '000)

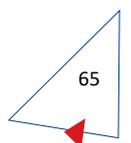
Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium	1,432,645	1,432,645
4	General Reserve		
	Opening Balance	8,347,567	7,847,567
	Add: Transfer from Profit and Loss Account*	1,500,000	500,000
	Add: Transfer from Debenture Redemption Reserve	200,000	-
	Closing Balance	10,047,567	8,347,567
5	Catastrophe Reserve	-	-
6	Contingency Reserve for Unexpired Risks	-	-
7	Balance of Profit and Loss Account	7,034,621	6,647,587
8	Debenture Redemption Reserve (Refer Note 4 of Schedule 16)		
	Opening balance	200,000	200,000
	Less: Transfer to General reserve	(200,000)	-
	Add: Transfer from Profit & Loss Account	100,000	-
	Closing Balance	100,000	200,000
	Total	18,614,833	16,627,799

* During the year an amount of ₹1,500,000 thousands (PY- ₹500,000 thousands) has been transferred to General Reserve.

Schedule 7 - Borrowings

(₹ '000)

Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Debentures / Bonds (Refer Note 4 of Schedule 16)	1,000,000	1,000,000
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	Total	1,000,000	1,000,000





Schedules Forming Part of the Financial Statements

Schedule 8 - Investments - Shareholders

(₹ '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Long Term Investments		
Government Securities and Government Guaranteed Bonds including Treasury Bills	11,530,023	10,647,868
Other Approved Securities	-	-
Approved Investments		
- Debentures / Bonds	2,442,824	1,410,113
- Fixed Deposits with Banks	-	2,567
- Equity Shares (Net of Fair Value Change)	387,775	206,379
- Investment Properties - REIT	-	3,059
- Investment Properties - Real Estate	34,802	37,188
Investments in Infrastructure and Social Sector	2,161,826	1,779,181
Investments in Alternate Investment funds	71,535	17,882
Other than Approved Investments		
- Debentures / Bonds	-	25,768
Less : Provision for Impairment	-	(10,354)
- Debentures/Bonds (Net of Impairment)	-	15,414
- Equity Shares (Net of Fair Value Change)	39,025	25,905
Total (A)	16,667,810	14,145,556
Short Term Investments		
Government Securities and Government Guaranteed Bonds including Treasury Bills	34,570	47,605
Other Approved Securities	-	-
Approved Investments		
- Debentures / Bonds	588,040	237,016
- Fixed Deposits with Banks	150,906	1,406,533
- Money market instruments (TREPS)	104,638	118,659
- Mutual Funds (Liquid Schemes)	-	-
Investments in Infrastructure and Social Sector	220,023	182,557
Investment Property	-	-
Other than Approved Investments - Debentures / Bond	24,114	58,048
Less : Provision for Impairment	(24,114)	(25,794)
- Debentures / Bonds (Net of Impairment)	-	32,254
Total (B)	1,098,177	2,024,624
Total (A) + (B)	17,765,987	16,170,180

Notes:

- There are no contracts in relation to investments for purchases where deliveries are pending or for sales where payments are overdue except as disclosed in the Financial Statements [Refer Note 6 (b) of Schedule 16]
- Fair Value of Investment Property has been done by Independent valuer on periodic basis.



(3) Details of Cost and Market Value (₹ '000) :

The Cost given in the Note below is excluding the provisions considered for stressed investments.

(₹ '000)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Cost	Market Value	Cost	Market Value
a) Equity Shares listed	388,124	426,800	194,468	232,284
b) Mutual Funds	-	-	-	-
c) Government and other securities	11,564,593	11,237,600	10,695,473	10,610,515
d) Fixed Deposit with Banks	150,906	150,906	1,409,100	1,409,100
e) Corporate Bonds	5,412,713	5,310,891	3,656,534	3,667,075
f) Investments Property - REIT	-	-	2,645	3,059
g) Investment Properties - Real Estate	34,802	34,802	37,188	37,188
h) Investment in AIF	71,535	71,535	17,882	17,882
i) Money Market instruments	104,638	104,619	118,659	118,648
Total	17,727,311	17,337,153	16,131,949	16,095,751

Schedule 8A - Investments - Policyholders

(₹ '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Long Term Investments		
Government Securities and Government Guaranteed Bonds including Treasury Bills	83,969,101	71,885,757
Other Approved Securities	-	-
Approved Investments		
- Debentures/Bonds	17,790,225	9,519,937
- Fixed Deposits with Banks	-	17,333
- Equity Shares (Net of Fair Value Change)	2,824,029	1,393,300
- Investment Properties - REIT	-	20,651
- Investment Properties - Real Estate	253,449	251,063
Investments in Infrastructure and Social Sector	15,743,820	12,011,586
Investments in Alternate Investment funds	520,961	120,728
Other than Approved Investments		
- Debentures/Bonds	-	173,964
Less : Provision for Impairment	-	(69,901)
- Debentures/Bonds (Net of Impairment)	-	104,063
- Equity Shares (Net of Fair Value Change)	284,209	174,890
Total (A)	121,385,794	95,499,308
Short Term Investments		
Government Securities and Government Guaranteed Bonds including Treasury Bills	251,759	321,393
Other Approved Securities	-	-
Approved Investments		
- Debentures/Bonds	4,282,488	1,600,143
- Fixed Deposits with Banks	1,098,994	9,495,767
- Money market instruments (TREPS)	762,041	801,086
- Mutual Funds (Liquid Schemes)	-	-
Investments in Infrastructure and Social Sector	1,602,348	1,232,474
Other than Approved Investments - Debentures/Bond	175,617	391,893
Less : Provision for Impairment	(175,617)	(174,139)
- Debentures/Bonds (Net of Impairment)	-	217,754
Total (B)	7,997,630	13,668,617
Total (A) + (B)	129,383,424	109,167,925

Notes:

- (1) There are no contracts in relation to investments for purchases where deliveries are pending or for sales where payments are overdue except as disclosed in the Financial Statements [Refer Note 6 (b) of Schedule 16]
- (2) Fair Value of Investment Property has been done by Independent valuer on periodic basis.



Schedules Forming Part of the Financial Statements

(3) Details of Cost and Market Value (₹ '000) :

The Cost given in the Note below is excluding the provisions considered for stressed investments.

(₹ '000)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Cost	Market Value	Cost	Market Value
a) Equity Shares listed	2,826,570	3,108,238	1,312,892	1,568,190
b) Mutual Funds	-	-	-	-
c) Government and other securities	84,220,860	81,839,490	72,207,149	71,633,580
d) Fixed Deposit with Banks	1,098,994	1,098,994	9,513,100	9,513,100
e) Corporate Bonds	39,418,881	38,677,350	24,685,950	24,757,112
f) Investments Property - REIT	-	-	17,854	20,651
g) Investment Properties - Real Estate	253,449	253,449	251,063	251,063
h) Investment in AIF	520,961	520,962	120,728	120,728
i) Money Market instruments	762,041	761,900	801,086	801,012
Total	129,101,758	126,260,382	108,909,823	108,665,437

Schedule 9 - Loans

(₹ '000)

Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Security-wise Classification		
	Secured		
	(a) On Mortgage of Property	-	-
	(b) On Shares, Bonds, Govt. Securities	-	-
	(c) Others	-	-
	Unsecured	-	-
	Total	-	-
2	Borrower - wise Classification		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Industrial Undertakings	-	-
	(e) Others	-	-
	Total	-	-
3	Performance - wise Classification		
	(a) Loans Classified as Standard	-	-
	(b) Non-performing Loans less Provisions	-	-
	Total	-	-
4	Maturity - wise Classification		
	(a) Short Term	-	-
	(b) Long Term	-	-
	Total	-	-



Schedules Forming Part of the Financial Statements

Schedule 10 - Fixed Assets

(₹ '000)

Particulars	Cost/ Gross Block			Depreciation/Amortisation			Net Block		
	Opening	Additions	Deductions	Closing	Opening	For the Year	On disposals/ Adjustments	As at March 31, 2023	As at March 31, 2022
Land (Undivided Share)	58,718	106,882	-	165,600	-	-	-	165,600	58,718
Buildings	421,075	126,707	-	547,782	64,118	7,921	-	475,743	356,957
Furniture and Fittings	63,326	17,446	671	80,101	57,630	9,225	671	13,917	5,696
Information Technology Equipment	646,075	111,290	12,073	745,292	519,353	91,032	12,073	146,980	126,722
Computer Software (Intangibles)	1,274,968	117,118	-	1,392,086	1,077,524	144,920	-	169,642	197,444
Vehicles	54,735	35,779	18,381	72,133	17,434	15,010	12,037	51,726	37,301
Office Equipment	44,071	5,266	96	49,241	39,610	4,049	82	5,664	4,461
Electrical Fittings	66,555	22,138	104	88,589	54,794	8,615	104	25,284	11,761
Improvement to Premises	175,166	23,850	-	199,016	157,194	12,980	-	28,842	17,972
TOTAL	2,804,689	566,476	31,325	3,339,840	1,987,657	293,752	24,967	1,083,398	817,032
Capital Work in Progress*	-	-	-	-	-	-	-	62,258	31,046
GRAND TOTAL	2,804,689	566,476	31,325	3,339,840	1,987,657	293,752	24,967	1,145,656	848,078

* Including Capital Advances (Refer Note 6 (a) of Schedule 16)

Schedule 11 - Cash and Bank Balances

(₹ '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash (including Cheques, Drafts and Stamps)	59,728	53,180
Bank Balances on Current Accounts (with Scheduled Banks)	128,436	303,785
Money at Call and Short Notice	-	-
Others (incl. Bank Deposits under Lien - Note 7 (a) of schedule 16)	1,800	1,800
Total	189,964	358,765
Cash Balance includes:		
Drafts/Cheques on Hand	52,516	43,417



Schedules Forming Part of the Financial Statements

Schedule 12 - Advances and Other Assets

(₹ '000)

Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
	Advances		
1	Reserve Deposits with Ceding Companies	-	-
2	Application Money for Investments	-	-
3	Prepayments	51,235	39,183
4	Advances to Directors / Officers	-	-
5	Advance Tax Paid and Taxes Deducted at Source (Refer Note 3(A) of Schedule 16) [Net of Provision for Taxation of ₹9,531,824 thousands (PY ₹8,636,579 thousands)]	2,117,557	1,999,785
6	Others		
	Advances to Employees	1,311	559
	Advances to Vendors	15,519	8,337
	GST / Service tax Unutilised Credit / paid in advance	934,622	701,557
	Service tax / GST paid under protest (Note 3(B) of Schedule 16)	242,864	44,118
	Other Advances / Deposits	236,146	552,891
	Total (A)	3,599,254	3,346,430
	Other Assets		
1	Income Accrued on Investments	3,028,149	2,321,059
2	Outstanding Premium (includes ₹175,475 thousands (Previous year ₹ 292,250 thousands) from Central & State Governments under Rashtriya Swasthya Bima Yojana Scheme)	187,475	429,727
3	Agents' Balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from Other Entities Carrying on Insurance Business (Refer Note 17 of Schedule 16)	566,478	554,171
6	Premium receivable from other insurance business	-	-
7	Due from subsidiaries / Holding Company	-	-
8	Deposit with Reserve Bank of India (Pursuant to Section 7 of the Insurance Act, 1938)	-	-
9	Others		
	Redemption / Sales proceeds receivable	-	-
	Receivable from Terrorism Pool (including investment income)	2,281,389	1,883,062
	Unclaimed Amount of Policy holders Deposits (Refer Note 21 of Schedule 16)	43,000	29,400
	Add: Interest income on unclaimed Amount of Policyholders Deposit	13,423	12,305
		56,423	41,705
	Receivable from Nuclear Pool (including investment income)	82,997	70,228
	Deposits for Premises and Advance Rent	162,494	175,807
	Total (B)	6,365,405	5,475,759
	Total (A + B)	9,964,659	8,822,189



Schedules Forming Part of the Financial Statements

Schedule 13 - Current Liabilities

(₹ '000)

Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Agents' Balances (including intermediaries)	700,670	477,803
2	Balances Due to Other Insurance Companies (Refer Note 17 of Schedule 16)	2,337,448	1,180,718
3	Deposits Held on Reinsurance Ceded	2,897,053	2,707,090
4	Premiums Received in Advance / Deposits Received	13,931,035	11,983,367
5	Unallocated Premium	3,043,659	1,208,342
6	Sundry Creditors		
	- Dues to Micro, Small & Medium Enterprises (Refer Note 23 of Schedule 16)	1,454	1,783
	- Dues to Others	253,734	228,055
7	Due to subsidiaries / Holding Company	-	-
8	Claims Outstanding (including the estimates of IBNR & IBNER)	79,405,759	70,046,043
9	Due to Officers/ Directors	-	-
10	Others		
	Book Overdraft	757,924	594,761
	Tax and Other Withholdings	196,468	62,373
	Environment Relief Fund	18	142
	Provision for Expenses	1,773,521	1,464,716
	Other Liabilities	26,012	29,415
	GST Payable	717,752	730,752
	Unclaimed Amounts of Policy Holders (Refer Note 21 of Schedule 16)	43,000	28,999
	Add: Interest Income on Unclaimed Amount of Policyholders	13,084	12,305
		56,084	41,304
	Interest Accrued but not due on Borrowings	27,615	30,445
	Total	106,126,206	90,787,109

Schedule 14 - Provisions

(₹ '000)

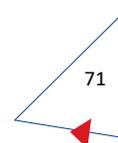
Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Reserve for Unexpired Risk	30,871,967	24,963,198
2	For Taxation	-	-
3	For Proposed Dividends	-	-
4	For Dividend Distribution Tax	-	-
5	Other Provisions		
	Premium Deficiency (Refer Note 18 of Schedule 16)	-	-
	Employee Benefits (Compensated absences, Gratuity, Bonus etc) (Refer Note 12 of Schedule 16)	558,986	497,615
	Total	31,430,953	25,460,813

Schedule 15 - Miscellaneous Expenditure

(To the extent not written off or adjusted)

(₹ '000)

Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Discount Allowed in Issue of Shares / Debentures	-	-
2	Others	-	-
	Total	-	-





Schedules Forming Part of the Financial Statements

Schedule 16 - Notes to Financial Statements

1. Background Information

Cholamandalam MS General Insurance Company Limited ("the Company" / "Chola MS") was incorporated on November 2, 2001, under the Companies Act, 1956, and has been issued Certificate of Registration by the Insurance Regulatory and Development Authority of India (IRDAI) to transact general insurance business on July 15, 2002.

2. Significant Accounting Policies

2.1 Basis of preparation of Financial Statements

The financial statements are prepared and presented on a going concern basis in accordance with Generally Accepted Accounting Principles followed in India under the historical cost convention and accrual basis of accounting and comply with applicable accounting standards specified in Section 133 of the Companies Act, 2013, and in accordance with the provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, ("the Regulations") and Orders / Circulars / Letters / Notifications issued by IRDAI from time to time, the provisions of the Companies Act, 2013, (to the extent applicable) and current practices prevailing in the insurance industry.

2.2 Use of Estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from estimates and assumptions used in preparing these financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Revenue Recognition

i. Premium Income

Premium (net of goods and service tax), including reinstatement premium on direct business and reinsurance accepted, is recognized as income at the commencement of risk over the contract period or the period of risk, whichever is appropriate, on a gross basis and for instalment cases, it is recognized on instalment due dates.

In case of long term motor insurance policies, premium is recognized on a yearly basis as mandated by IRDAI circular number IRDAI/NL/CIR/MOT/137/08/2018 dated August 28, 2018.

Any subsequent revisions to premium, as and when they occur, are recognized in the year over the remaining period of risk or contract period, as applicable.

ii. Interest / Dividend Income:

Interest income is recognized on accrual basis and dividend income is recognized when the right to receive the dividend is established.

iii. Premium / discount on purchase of investments

Premium or discount on acquisition, as the case may be, in respect of fixed income securities, is amortized / accreted on constant yield to maturity basis over the period of maturity / holding.

iv. Profit / loss on sale of debt securities

Profit or loss on sale / redemption of debt securities is the difference between the net sale consideration and the amortized cost computed on weighted average basis as on the date of sale.

Sale consideration for the purpose of realized gain/ loss is net of brokerage and taxes, if any, and excludes interest received on sale.

v. Profit / loss on sale of Equity shares and Mutual fund

Profit or loss on sale / redemption of equity shares and mutual fund units is the difference between the net sale consideration and the weighted average cost in the books of the Company. Profit or loss on sale / redemption of such securities is recognized on trade/redemption date and includes effects of accumulated fair value changes, as applicable and previously recognized.

vi. Commission Income from reinsurance ceded

Commission received on reinsurance ceded is recognised as income in the period in which reinsurance premium is ceded. Profit commission under re-insurance treaties, wherever applicable, is



recognized in the year of final determination of the profits and as intimated to Reinsurer.

2.4 Reinsurance ceded

Reinsurance premium in respect of proportional reinsurance is ceded at the commencement of the risk over the contract period or the period of risk. Non-proportional reinsurance premium is ceded when incurred and due. Any subsequent revisions to, refunds or cancellations of premiums are recognized in the year in which they occur.

2.5 Premium Received in advance

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the Balance Sheet date and in case of long term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 premium allocated to subsequent periods.

2.6 Reserve for unexpired risk

I. Direct Business:

Reserve for unexpired risk represents that part of the net premium written which is attributable to and allocated to the succeeding accounting period. Reserve for unexpired risk is calculated on the basis of 1/365th method in all segment subject to a minimum of 100% in case of Marine Hull business and based on Net Premium Written during the year, whichever is higher as per Circular No. IRDAI/F&A/CIR/ CPM/056/03/2016 dated April 4, 2016.

II. Inward Business from Pooling Arrangements:

In the case of the inward premium from Terrorism Pool (Fire and Engineering lines of business) and Nuclear Pool (Liability lines of business), 50% of the premium advised by the Pool Manager for a 12-month period is considered as Reserve for Unexpired Risks.

2.7 Premium Deficiency reserve

Premium deficiency is recognized if the sum of the expected claim costs, related expenses and maintenance cost (related to claims handling) exceeds related reserve for unexpired risk. Premium deficiency is recognized at segmental revenue level. The expected claim costs are calculated and duly certified by the Appointed Actuary.

2.8 Claims incurred

Claims are recognized as and when reported. Claims incurred comprises claims paid (net of salvage & other recoveries), change in the outstanding provision of claims and estimated liability for claims incurred but not reported ('IBNR') and claims incurred but not enough reported ('IBNER'). Further, it also includes specific claim settlement cost such as survey fees, legal expenses and

other directly attributable costs.

Provision is made for estimated value of outstanding claims at the Balance Sheet date net of reinsurance, salvage and other recoveries. Such provision is made on the basis of the ultimate amounts that are likely to be paid against each claim, as anticipated and estimated by the management in light of past experience and subsequently modified for changes, as appropriate.

Claims (net of amounts receivable from reinsurers / coinsurers) are recognized on the date of intimation based on estimates from surveyors/insured in the respective revenue accounts.

2.9 Claims Incurred but not reported and claims incurred but not enough reported.

Incurred but Not Reported (IBNR) reserve is a provision for all claims that have occurred prior to the end of the current accounting period but have not been reported to the Company. The IBNR reserve also includes provision for claims Incurred But Not Enough Reported (IBNER). The said liability is determined by Appointed Actuary based on actuarial principles. The actuarial estimate is derived in accordance with relevant IRDAI regulations and guidance note 21 issued by the Institute of Actuaries of India. The Appointed Actuary has used generally accepted actuarial methods for each product category as considered appropriate depending upon the availability of past data as well as appropriateness of the different methods for the different lines of businesses.

2.10 Acquisition Cost

Costs relating to acquisition of new / renewal of insurance contracts viz commission, rewards and incentives, policy issue expenses etc., are expensed in the year in which they are incurred.

2.11 Operating expenses related to the insurance business

Operating expenses relating to insurance business are allocated to specific business segments on actual basis where such expenses are directly identifiable with a specific business segment. Other expenses are apportioned on the basis of net written premium in each business segment.

2.12 Investments

- a. Investments maturing within twelve months from the date of Balance Sheet and investments held with the specific intention to dispose of within twelve months from the date of Balance Sheet are classified as short-term investments. Investments other than short term are classified as long-term investments.
- b. In accordance with IRDAI issued circular to bifurcate the



Policyholders' and Shareholders' funds at the end of balance sheet at the "fund level" on notional basis, segregation of invested assets is done by notionally allocating the closing Technical Reserves (Aggregate of Net claims outstanding and Reserve for Unexpired Risk and other related items) to Policyholders' Funds with the balance being reflected as Shareholders' funds.

c. Debt Securities:

All debt securities including government securities are considered as 'held to maturity' and accordingly stated at historical cost adjusted for amortization of premium or accretion of discount on constant yield to maturity basis in the Revenue account and Profit and Loss account over the period of maturity/holding

Money market instruments (including treasury bills, certificate of deposits, commercial papers, collateralized borrowing & lending obligation – CBLO and Tri-Party Repo - TREPs) are valued at historical cost and adjusted for amortization of premium or accretion of discount, as may be the case, over the period of maturity / holding on constant yield method.

d. Equity Shares:

Listed and actively traded securities are stated at the last quoted closing price on the National Stock Exchange of India Limited (NSE). In case the equity shares are not listed on the NSE, then they are valued on the last quoted closing price on BSE Limited. Unrealized gains or losses are credited / debited to the fair value change account.

Unlisted equity shares are stated at historical cost.

e. Mutual Fund/AIF/REIT/ETF Units

Mutual fund units, Real Estate Investment Fund (REIT), Exchange Traded Fund (ETF) are stated at their Net Asset Value ('NAV') at the Balance Sheet date. Unrealized gains or losses are credited / debited to the fair value change account.

Alternate Investment Fund (AIF) are stated at historical cost.

f. Fair Value Change Account

Fair value change account represents unrealized gains or losses in respect of investments in equity securities and mutual fund / REIT / ETF units outstanding at the close of the year. The balance in the account is not available for distribution, pending realization.

g. Impairment

The Company assesses at each Balance Sheet date whether there is any evidence of impairment of any investments (other than temporary). In case of impairment, the carrying value of

such investment is reduced to its fair value and the impairment loss is recognized in the Profit and Loss Account after adjusting it with previously recognized revaluation reserve / fair value change account. However, at the Balance Sheet date if there is any indication that a previously recognized impairment loss no longer exists, then such loss is reversed and the investment is restated to that extent.

2.13 Employee Benefits

a) Short term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service. These benefits include salaries, bonus, and compensated absences. All short term employee benefits are accounted on undiscounted basis.

b) Long Term post-employment benefits - defined benefit plan

The gratuity benefit payable to the employees of the Company is as per the provisions of the Payment of Gratuity Act, 1972. The Company accounts for liability for future gratuity benefits based on independent actuarial valuation under revised Accounting Standard 15 (AS 15) on 'Employee Benefits'.

The liability is funded through a gratuity fund administered by trustees and managed by Life Insurance Corporation of India the contribution there of paid / payable is absorbed in the financial statements.

c) Long Term post-employment benefits - defined contribution plans

Superannuation: The Company has established a defined contribution scheme for superannuation to provide retirement benefits to its employees. Contributions to this scheme are made by the Company on an annual basis and charged to the Revenue Account, as applicable. The expenses are booked on an undiscounted basis. The Company has no further obligation beyond the monthly contribution.

Provident fund: Each eligible employee and the Company make contribution at a percentage of the basic salary specified under the Employee Provident Funds and Miscellaneous Provisions Act, 1952. The Company recognizes contributions payable to the Provident fund scheme as an expenditure when the employees render the related service. The Company has no further obligations under the plan beyond its periodic contributions.

National Pension Scheme contributions: For opting employees, the Company makes contributions to National Pension Scheme. The contributions are charged to the Revenue Account, as relevant, in the year the contributions are made.



Other contributions: The Company makes contributions to Employee Labour Welfare Fund, Employee's State Insurance Corporation and Employee Deposit Linked Insurance Schemes. The contributions are charged to the Profit and Loss and Revenue Account, as relevant, in the year the contributions are made

d) Long term Compensated absences

The employee can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the Projected Unit Credit Method.

2.14 Fixed /Intangible Assets and Depreciation/Amortisation

a. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (including incidental expenses relating to acquisition and installation) less accumulated depreciation. Assets costing up to Rupees Five thousand are depreciated fully in the year of acquisition. Subsequent expenditure incurred on tangible assets is expensed out except where such expenditure results in an increase in future benefits from the existing assets beyond its previously assessed standard of performance.

Depreciation on fixed assets is provided on straight line method over the useful life of assets and in the manner as prescribed under part C of Schedule II of the Companies Act, 2013, except for the assets which are depreciated at a higher rate based on their estimated useful life as under:

Particulars	Useful Life (in years)#
Buildings	60 years*
Furniture and Fittings	5 years
Information Technology Equipment	
- Other than Kiosk Machines	3 years
- Kiosk Machines	5 years
Vehicles	4 Years
Office Equipment	2 to 4 Years
Electrical Fittings	4 Years
Improvement to Premises	Equally over the primary lease period initially agreed upon or 5 years whichever is lower

if any asset is bought back after the expiry of lease, the same will be capitalised and depreciated over the expected useful life as estimated by the management.

*60 years represents maximum life of the buildings, management

will estimate life of each building at the time of purchase and depreciate it over the expected useful life of the asset.

Freehold land is not depreciated

For all the class of assets, based on internal assessment, the Management believes that the useful life given above best represents the period over which the Management expects to use these assets. Hence, the useful life of these assets is different from the useful life as prescribed in the Companies Act, 2013.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Revenue Account when the asset is de-recognized.

b. Intangible fixed assets and amortization

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 estimated useful life of computer software is 3 years. Significant expenditure on improvements to software are capitalized when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably. Subsequent expenditures are amortized over the remaining useful life of original software or three years whichever is lower.

The Company provides pro rata depreciation from / to the month in which the asset is acquired or put to use / disposed off as appropriate.

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Revenue Account when the asset is de-recognized.

c. Capital work in progress and advances

Capital work in progress includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses and advances paid for purchase of fixed assets.

d. Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If such indication exists, the carrying value of such assets is reduced to its recoverable amount and impairment loss is recognized in Profit and Loss Account. 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.

If, at the Balance Sheet date, there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed, and the asset is restated to that extent.

2.15 Operating Leases

Leases, where the lessor effectively retains substantially all the risks and rewards of ownership of the leased item, are classified as operating lease. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Revenue Account on a straight line basis over the lease term. Initial direct costs incurred specifically for an operating lease are charged to the Revenue Account.

2.16 Borrowing cost

Borrowing costs are charged to Profit and Loss Account in the period in which they are incurred.

2.17 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

2.18 Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate ruling on the date of the transaction. Exchange differences arising on actual payments/ realisations are adjusted to the Revenue Account. Monetary assets and liabilities denominated in foreign

currencies as at the balance sheet date are translated at the rate of exchange prevailing on that date.

2.19 Contributions to Solatium funds

The Company provides for contribution to Solatium fund at 0.10% of total Motor Third Party Premium of direct business as per requirements of IRDAI and disclosed under Schedule 13.

2.20 Income Tax

Income tax expense comprises current tax (i.e., amount of tax for the period determined in accordance with the Income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. In the case of unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only to the extent there is virtual certainty that the deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably or virtually certain to be realised.

2.21 Goods and Services Tax (GST)

Goods and Services Tax (GST) collected is considered as a liability against which GST paid for eligible input services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilized GST credits, if any, are carried forward under and disclosed in Schedule 12 for adjustments in subsequent periods and GST liability to be remitted to the appropriate authority is disclosed in Schedule 13. GST paid for input services not recoverable by way of credits is recognized in the Revenue Account as expenses in Schedule 4.

2.22 Earnings per Share

The basic earnings per share is computed by dividing the net profit in the Profit and Loss Account attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are



dilutive are included.

2.23 Terrorism Pool

i. Premium received from customers on account of Terrorism cover has been ceded to General Insurance Corporation of India (GIC) Terrorism Pool Account. The Company's share in the Terrorism Pool Account with GIC, based on the statements of account received has been accounted under the respective heads as follows :-

- Premium Inwards - Premium on Reinsurance Accepted
- Claims - under Claims Paid and Claims Outstanding
- Management Expenses - under Operating Expenses Related to Insurance Business
- Investment Income (provisional statements received up to year end) - under Interest and Dividends in the Revenue Accounts

The resultant surplus/ deficit is reflected as RI Receivable/ Payable on Terrorism Pool.

ii. In accordance with the terms of the agreement, GIC retro cedes, to the Company, terrorism premium to the extent of the share agreed to be borne by the Company in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly confirmation received

from GIC. Accordingly, reinsurance accepted on account of the Terrorism Pool is recorded in accordance with the latest statement received from GIC which is generally one quarter in lag.

2.24 India Nuclear Insurance Pool (Nuclear Pool):

i. Premium received from customers towards Nuclear Policies has been ceded to General Insurance Corporation of India (GIC) - Nuclear Pool. The Company's share in the Nuclear Pool Account with GIC, based on the statements of account received has been accounted under the respective heads as follows :-

- Premium Inwards - Premium on Reinsurance Accepted
- Claims - under Claims Paid and Claims Outstanding
- Management Expenses - under Operating Expenses Related to Insurance Business
- Investment Income - under Interest and Dividends in the Revenue Accounts

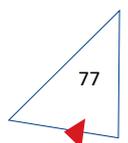
The resultant surplus/ deficit is reflected as RI Receivable/ Payable on Nuclear Pool.

ii. Reinsurance accepted on account of the Nuclear Pool is recorded in accordance with the latest statement received from GIC which is generally two quarters in lag.

3. Contingent Liabilities

(₹ '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Partly paid investments	Nil	Nil
Outstanding underwriting commitments	Nil	Nil
Guarantees given by or on behalf of the Company	Nil	Nil
Claims, under policies, not acknowledged as debts – in respect of a disputed claim under a fire policy	Nil	Nil
Claims, other than those under policies, not acknowledged as debts		
Contested liabilities not provided for in respect of Tax appeals pending before Appellate Authorities		
(I) Income Tax Matters:		
(i) In respect of disallowance of remittances to foreign reinsurers for not withholding tax at source together with interest thereon (Note (a) below)	Nil	1,031,773
(ii) In respect of disallowance of expenses related to Payments to Motor dealers (Note (b) below)	Nil	625,490
(iii) Others including UPR disallowance on IMTPIP, IBNR disallowance	3,356,578	3,382,196
	3,356,578	5,039,459
(ii) Indirect Tax Matters		
(i) Claim for remittance of Service tax under "reverse charge" method for Business Auxiliary Services (Note (c) below)	142,778	142,778
(ii) Levy of service tax under reverse charge on Weather Re-insurers paid to NRRRI (Note (d) Below)	573,921	573,921
(iii) Others (including appeals against levy of penalty only and reversal of credit on certain Input services)	30,174	31,808
Total	746,873	748,507





(A) Income Tax Appeals: The contested Income Tax liabilities have been ascertained taking into consideration the orders of the Hon'ble Madras High Court and Income Tax Appellate Tribunal (ITAT) and relief allowed by Commissioner of Income Tax (Appeals) (CIT (A)) and the principles adopted in the orders of the CIT (A) on similar disputed issues in the earlier assessment years. Pending disposal of the appeals, the amounts so far remitted towards disputed tax by the Company / adjusted by the Income Tax department stands at ₹557,622 thousands (Previous Year – ₹1,558,646 thousands) for the disputed assessment years in respect of the above disallowances.

- a) The Company has received a favourable decision from Hon'ble ITAT, Chennai with respect to the disallowance of reinsurance of remittances to foreign reinsurers domiciled in countries outside India. As per the said ITAT order, it is now decided that, since the foreign reinsurers does not have any place of business/ Permanent Establishment in India, any payment to foreign reinsurers would not be chargeable to tax in India. As a result, there would be no obligation on the part of the Company to deduct tax at source and hence there is no disallowance. Based on the above-mentioned ITAT decision, the issue stands settled at ITAT and no longer continues to be contingent liability.
- b) Based on the Show Cause Notice in respect of service tax transactions on payments to Motor Dealers, Income Tax department disallowed the payments to the Motor Dealers from Assessment year 2008-09. The Company had appealed the same before Hon'ble Customs Excise & Service Tax Appellate Tribunal (CESTAT), wherein it was decided in favour of the Company allowing the Input Tax Credit (ITC) on payment to motor dealers. Subsequently, in respect of disallowance made by Income Tax department, the Hon'ble ITAT Chennai has also allowed the payments made to motor dealers in favour of the Company referring to the order passed by CESTAT. Based on the above orders, the issue remains settled at ITAT and no longer continues to be contingent liability.
- c) The Commissioner of Service Tax had issued tax demand order in respect of non-payment of service tax under reverse charge mechanism on business auxiliary services availed from few intermediaries / agents. The service providers had already remitted the relevant service tax and the proof of the same had been submitted to the department. Considering the various tribunal decisions

in favour of assesseees in such cases of revenue neutral status to the Government, the Company is confident of getting the appeals allowed in favour.

- d) Commissioner of Service Tax has levied Service tax under Reverse Charge in respect of Re-insurance relating to weather premium paid to NonResident Re-insurers during the period October 2014 to June 2017 on the grounds that exemption notification no 25/2012 dated June 20, 2012 is applicable only to General Insurance service and not for reinsurance. The Company has preferred appeal before the CESTAT and confident of getting the appeal allowed in favour.

The amounts remitted towards disputed Service tax by the Company stands at ₹63,645 thousands (Previous Year – ₹44,118 thousands)

(B) During the financial year, Directorate General of GST intelligence (DGGI) has made enquiries with the Company as a part of its investigation relating to the eligibility of GST input tax credits on certain expenses. The Company has paid under protest ₹179,219 thousands during the year consequent to the same, which has been disclosed as "GST /Service tax paid under protest under schedule 12- Advances and other assets."

4 Borrowings

- a) During the financial year, the Company exercised call option and redeemed 1000 Nos. 8.75% Unsecured, Sub-ordinated, Fully paid up, Listed, Non-convertible Debentures having a face value of ₹1,000,000 each at par. Accordingly the Company has transferred the Debenture Redemption Reserve of ₹200,000 thousands to General Reserve.
- b) Further, the Company issued 1,000 Nos. 8.47% Unsecured, Sub-ordinated, Fully paid up, Listed, Non-convertible Debentures (NCDs) having a face value of ₹1,000,000 each for cash at par, having a tenor of 10 years, with a call option at the end of 5 years from the date of allotment or every year thereafter.

Pursuant to Regulation 18(7) of Companies (Share Capital and Debentures) Rules, 2014 the Company is required to create Debenture Redemption Reserve (DRR) of ₹100,000 thousand. Accordingly, the Company has created DRR of ₹100,000 thousand during the year.



4.1 Disclosure under SEBI Circular no. SEBI/HO/DDHS/CIR/ P/2018/144

Format of the Initial Disclosure to be made by an entity identified as a Large Corporate

S. No.	Particulars	Details
1	Name of the Company	Cholamandalam MS General Insurance Company Limited
2	CIN	U66030TN2001PLC047977
3	Outstanding borrowing of company as on March 31, 2023 (₹'000)	1,000,000
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	CRISIL AA (Stable) ICRA AA (Stable)
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	National Stock Exchange

We confirm that we are a Large Corporate as per the applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

Format of the Annual Disclosure to be made by an entity identified as a Large Corporate (Applicable for FY 2023)

1. Name of the Company : Cholamandalam MS General Insurance Company Limited
2. CIN : U66030TN2001PLC047977
3. Report filed for FY : FY 2023
4. Details of the current block (all figures in ₹'000):

S. No.	Particulars	Details
1	2-year block period	FY 2022, FY 2023
2	Incremental borrowing done in FY 2023 (a)	1,000,000
3	Mandatory borrowing to be done through debt securities in FY 2023 (b) = (25% of a)	250,000
4	Actual borrowing done through debt securities in FY 2023 (c)	1,000,000
5	Shortfall in the borrowing through debt securities, if any, for FY 2021 and FY 2022 carried forward to FY 2023 (d)	Nil
6	Quantum of (d), which has been met from (c) (e)	Nil
7	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2023	Nil

5. Details of penalty to be paid, if any, in respect to previous block (all figures in ₹'000s):

S. No.	Particulars	Details
1	2-year block period	FY 2022, FY 2023
2	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(e)}	Nil

5 Stressed Investment Assets

The Company's net carrying value of Non-Performing Assets (NPA) as at March 31, 2023, is Nil (PY - ₹120,000 thousands). The incremental provisions / write off during the year towards such investments amounts to ₹123,676 thousands. During the year the company had recovered ₹160,717 thousands from Reliance Home Finance Limited and IL&FS Financial Services Limited which was provided fully in the previous years and recorded as Income/write back during the year.

6 Commitments

- a) Commitments made and outstanding for fixed assets are ₹112,476 thousands which is net of Capital advance paid – ₹62,258 thousands (Previous Year - ₹91,707 thousands which is net of Capital advance paid – ₹31,046 thousands).



b) Commitments made and outstanding in respect of investments

(₹ '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Commitments made and outstanding in respect of investments		
Rights issue	-	731
Alternate Investment Fund	857,500	375,000

7 Encumbrances

All assets of the Company are free from encumbrances except in the case of

- Deposits under lien to banks (against Bank Guarantees) amounting to ₹1,800 thousands (Previous Year - ₹1,800 thousands)
- Garnishee orders by Motor Accident Claims Tribunal on bank balances amounting to ₹4,930 thousands (Previous Year - ₹449 thousands) in respect of Motor Third Party Claims. These amounts are duly provided for and included in the Outstanding Claims.

8 Provision for Free Look Period

Pursuant to the Circular No. IRDA/F&L/CIR/F&A/231/10/2012 dated October 05, 2012, the Company has made a provision for Free Look period amounting to ₹1,411 thousands (previous year - ₹1,182 thousands).

9 Claims

(₹ '000)

Particulars	As at / for the year ended March 31, 2023	As at / for the year ended March 31, 2022
Claims, less reinsurance, paid to claimants:		
- In India	19,271,232	18,744,225
- Outside India	-	-
Ageing of claims (Gross) - including third party motor claims and reported IMTPIP claims:		
- Outstanding for more than six months	24,317,583	21,457,522
- Other Claims	7,809,256	6,798,098
Claims settled and remaining unpaid for more than six months	Nil	Nil

Claims where the claim payment period exceeds four years:

As per Circular No. F&A/CIR/017/May-04 the claims made in respect of contracts where claims payment period exceeds four years, are required to be recognized on actuarial basis. The Company does not have liability contracts where the claims payment period exceeds four years.

10 Premium Retention & Reinsurance

- Extent of risk retained and reinsured (including Excess of Loss and Catastrophe reinsurance)

(₹ '000)

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Amount of Business Written (Direct)	% of Business Written (Direct)	Amount of Business Written (Direct)	% of Business Written (Direct)
Risk Retained	45,755,509	74.33	35,482,074	73.55
Risk Reinsured	15,804,413	25.67	12,759,170	26.45
Total	61,559,922	100.00	48,241,244	100.00

The above includes Excess of Loss reinsurance premium of ₹436,950 thousands (Previous Year ₹342,381 thousands)

- Risk Reinsured includes Reinsurance accepted under the Terrorism Pool and Nuclear Pool arrangement



- iii. As per Insurance Regulatory and Development Authority of India (Reinsurance) Regulations, 2018, specific approval from IRDAI is required in case of placement of surplus over and above the domestic reinsurance arrangements with one reinsurer outside India in excess of prescribed percentage of the total reinsurance premium ceded. In terms of the said Regulations, the Company has submitted details in respect of its reinsurance arrangements including those where the reinsurance support exceeds the prescribed percentage from overseas reinsurers.

11 Sector-wise Business

(₹ '000)

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Amount of Business Written (Direct)	% of Business Written (Direct)	Amount of Business Written (Direct)	% of Business Written (Direct)
Rural	16,328,335	26.52	12,875,807	26.69
Urban	45,231,587	73.48	35,365,437	73.31
Total	61,559,922	100.00	48,241,244	100.00

Social Sector	Year Ended March 31, 2023	Year Ended March 31, 2022
Number of Lives	2,692,393	1,631,953
Business Written (Direct) (₹'000)	194,951	118,133

12 Employee Benefits:

i. Defined Contribution Plan:

(₹ '000)

Expenses on defined contribution plan	Year Ended March 31, 2023	Year Ended March 31, 2022
Contribution to Staff Provident Fund / Family Pension Fund	82,148	66,154
Contribution to Superannuation Fund	79,306	69,753
Total	161,454	135,907

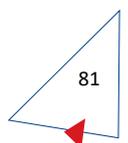
ii. Defined Benefit Plan

The liability in respect of the gratuity plan for employees which is a defined benefit obligation is determined by the Company based on actuarial valuation and the same is funded with Life Insurance Corporation of India (LIC). The following table, sets out the status of the gratuity plan as at March 31, 2023 as required under Accounting Standard 15 (Revised) – 'Employee Benefits'.

a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation

(₹ '000)

Particulars	Year Ended / as at March 31, 2023	Year Ended / as at March 31, 2022
Obligations at beginning of the year	181,250	148,560
Service Cost	34,985	27,925
Interest Cost	13,142	9,593
Actuarial (gain) / loss	(13,221)	11,381
Benefits paid	23,269	16,209
Effect of amalgamation	17,565	-
Obligations at end of the year	210,452	181,250
Change in Plan Assets		
Plan assets at fair value at beginning of the year	148,745	127,390
Expected return on plan assets	12,111	7,941
Actuarial (gain) / loss	223	(8,064)
Contributions	32,352	21,559
Benefits paid	23,269	16,209
Effect of amalgamation	17,565	-
Plan assets at fair value at end of the year	187,282	148,745



b) Reconciliation of present value of the obligation and the fair value of the plan assets
(₹ '000)

Particulars	Year Ended / as at March 31, 2023	Year Ended / as at March 31, 2022
Fair value of plan assets at the end of the year	187,282	148,745
Present value of defined benefit obligations at the end of the year	210,452	181,250
Asset / (Liability) recognised in Balance Sheet respectively	(23,171)	(32,505)
Gratuity cost for the year		
Service Cost	34,985	27,925
Interest Cost	13,142	9,593
Expected return on plan assets	12,111	7,941
Actuarial (gain) / loss	(12,998)	3,317
Net Gratuity Cost	23,018	32,894
Assumptions		
Interest rate	7.15%	6.68%
Estimated rate of return on plan assets	7.30%	7.43%
Salary Escalation Rate	8.00%	8.00%
Attrition Rate		
From Age 18 to Age 20	0%	33%
From Age 21 to Age 30	30%	33%
From Age 31 to Age 45	15%	15%
From Age 46 to Age 58	12%	12%

iii. Other Disclosures:
(₹ '000)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Present Value of defined benefit obligation	210,452	181,250	148,560	135,081	118,861
Fair Value of Plan assets	187,282	148,745	127,390	115,846	95,278
Surplus / (Deficit)	(23,170)	(32,505)	(21,170)	(19,235)	(23,583)

The details with respect to the composition of investments in the fair value of plan assets and the experience adjustments have not been disclosed in the absence of the said information.

The contribution to be made by the Company for the financial year 2022-23 amounts to ₹23,170 thousands (Previous year – ₹32,505 thousands).

13 Segmental Reporting

The Company's primary reportable segments are business segments, which have been identified in accordance with the Regulations. The operating expenses and investment income attributable to the business segments are allocated as mentioned in Note 2.11. Segments revenue and results have been disclosed as per Annexure A. Due to inherent complexities, segment assets and liabilities have been identified to the extent possible. There are no reportable geographical segments since the Company provides services only to customers in the Indian market.



Segment breakup of the Balance Sheet as on March 31, 2023

(₹ '000)

Particulars	Fire	Marine	Miscellaneous	Unallocated	Total
Claims Outstanding	674,127	107,684	78,623,948	-	79,405,759
	(572,871)	(111,172)	(69,362,000)	-	(70,046,043)
Reserve for Unexpired Risk	4,347,373	156,632	26,367,964	-	30,871,969
	(4,008,388)	(137,137)	(20,817,673)	-	(24,963,198)
Investments	3,952,577	475,664	124,955,167	17,765,987	147,149,395
	(3,411,486)	(417,954)	(105,338,486)	(16,170,180)	(125,338,106)

(Previous year's figures are in brackets)

14 Operating Leases

- a) The Company has entered into various operating lease agreements for office space, residential accommodation and information technology / infrastructure / office equipment. These leases are generally for a period of 5 years with an option to renew and escalation in rent once in three years. The lease rentals recognized in the Revenue Account during the year is ₹366,858 thousands (previous year ₹354,798 thousands)

- b) Minimum Lease Payments

(₹ '000)

Particulars	As at March 31, 2023	As at March 31, 2022
- Not later than one year	186,249	276,225
- Later than one year but not later than five years	298,919	336,937
- Later than five year	69,160	64,819

15 Earnings Per Share (EPS)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit After Tax (₹ '000)	1,987,034	770,201
Weighted Average Number of Equity Shares	298,805,700	298,805,700
Earnings per Share – Basic and Diluted (₹)	6.65	2.58
Face Value Per Share (₹)	10.00	10.00

16 Deferred Tax Assets/(Liabilities) (net)

The components of deferred tax are as under:

(₹ '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets/(Liabilities) arising on		
Provision for compensated absences	54,995	49,748
Provision for diminution in investments - Equity	-	9,881
Provision for diminution in investments - Debt Instruments	50,211	70,462
Unexpired Risk Reserve - Rule 6E Differences	1,919,723	1,672,115
Written down value of Fixed & Intangible assets	5,775	(9,240)
Deferred Tax Assets (net)	2,030,704	1,792,966

17 Balances with other companies carrying on insurance business

- a) **Co-Insurance transactions:** For balances of amount due to / due from other entities carrying on insurance business towards co-insurance transactions, the Company has sent request for balance confirmations to all co-insurers. Most of the co-insurers have responded with their confirmation or balance payable/receivable status. Wherever, the balances do not agree with the balance as per the Company, statement reconciling the transactions have been prepared/ being prepared.



- b) **Reinsurance transactions:** For balances of amount due to / due from other entities carrying on insurance business towards reinsurance transactions, the Company has sent confirmation request to all reinsurers. Certain reinsurers had responded with their confirmation or balance payable/receivable status. Wherever, the balances do not agree with the balance as per the Company, the statement reconciling the transactions have been prepared/ being prepared.

18 Premium Deficiency

In accordance with Circular No. IRDA/F&A/CIR/FA/126/07/2013 dated July 3, 2013, and as certified by the Appointed Actuary, there is no premium deficiency in respect of fire, marine and miscellaneous segments as at March 31, 2023 (PY- ₹ NIL).

19 Related Party Disclosure (Pursuant to Accounting Standard 18)

(A) List of Related Parties:

Name of the related party	Relationship
Cholamandalam Financial Holdings Limited (CFHL)	Holding Company
Cholamandalam MS Risk Services Limited (Chola MS Risk)	Company under common control
Mitsui Sumitomo Insurance Company Limited (MSI)	Company holding substantial interest in voting rights

Key Management Personnel (KMP)	Relationship
V Suryanarayanan	Managing Director
Naoki Takeda	Wholetime Director
S Venugopalan	Chief Financial Officer
Suresh Krishnan	Company Secretary

(B) Details of Related Party Transactions:

(₹ '000)

Particulars	Year	Cholamandalam Financial Holdings Ltd.	Mitsui Sumitomo Insurance Company Ltd.	Cholamandalam MS Risk Services Ltd.	KMP
Transactions					
Premium Income	2022-23	-	-	786	7
	2021-22	-	-	457	-
Gross Incurred Claims	2022-23	-	-	54	-
	2021-22	-	-	384	141
Management Expenses Recovered	2022-23	-	19,234	-	-
	2021-22	-	11,291	-	-
Branding Fee / Secondment charges/ Management fees	2022-23	80,950	-	357	-
	2021-22	79,502	13,500	927	-
Fees Incurred for Risk Inspection and advisory services	2022-23	-	-	19,276	-
	2021-22	-	-	24,337	-
Rent Recovery	2022-23	-	15,683	-	-
	2021-22	-	14,696	1,900	-
Reinsurance Ceded	2022-23	-	779,153	-	-
	2021-22	-	594,744	-	-
Reinsurance Commission Received	2022-23	-	155,381	-	-
	2021-22	-	113,831	-	-
Reinsurance Recovery on Claims	2022-23	-	390,670	-	-
	2021-22	-	1,157,126	-	-



(₹ '000)

Particulars	Year	Cholamandalam Financial Holdings Ltd.	Mitsui Sumitomo Insurance Company Ltd.	Cholamandalam MS Risk Services Ltd.	KMP
Remuneration to KMP	2022-23	-	-	-	78,903
	2021-22	-	-	-	68,495

Particulars	Year	Cholamandalam Financial Holdings Ltd.	Mitsui Sumitomo Insurance Company Ltd.	Cholamandalam MS Risk Services Ltd.	KMP
Balances					
Unallocated Premium	2022-23	-	-	26	-
	2021-22	-	-	18	-
Provision Outstanding	2022-23	-	-	5,748	-
	2021-22	-	13,000	-	-
Receivable / (Payable) (Net)- Due from other entities carrying on insurance business	2022-23	-	(225,053)	-	-
	2021-22	-	(916,455)	-	-
Receivable (Net) – Management expenses and rent	2022-23	-	374	43	-
	2021-22	-	25	102	-

20 Directors' Remuneration

i. Remuneration to Managing Director

(₹ '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries and Allowances*	37,646	37,496
Contribution to Provident and Other Funds*	3,234	2,390
Perquisites	657	720
Total	41,537	40,606

*Excludes provision for long term compensated absences and the gratuity contribution which are determined actuarially on an overall company basis and accordingly have not been considered in the above information.

The remuneration to the Managing Director is in accordance with the terms of appointment approved by the Board of Directors, the Shareholders of the Company and the Insurance Regulatory Development Authority of India.

Managerial remuneration in excess of ₹15,000 thousands has been charged to Profit and Loss Account in accordance with IRDAI directive.

ii. The salaries and allowances for the Wholetime Director is ₹8,755 thousands (Previous Year Nil)

iii. Remuneration to Non-Executive Directors

(₹ '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Commission	6,000	6,000
Sitting Fees	5,040	4,310

21 As per IRDA/F&A/CIR/Misc/282/11/2020 dated November 17, 2020, the statement showing the age-wise analysis of the unclaimed amounts of the policyholders as at March 31, 2023, is given below:

(₹ '000)

Particulars	Total Amount	0 - 6 months	7 - 12 months	13 -18 months	19 -24 months	25 -30 months	31 - 36 months	36-120 months	More than 120 Months
Claims settled but not paid to the policyholders / insured due to any reasons except under litigation from the policyholders / beneficiaries	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Sum due to the policyholders / beneficiaries on maturity or otherwise	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms or conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	17,060 (11,436)	- (-)	3,033 (2,468)	2,526 (3,976)	2,238 (3,080)	4,067 (205)	3,234 (237)	1,956 (1,386)	6 (84)
Cheques issued but not encashed by the policyholders / beneficiaries	39,024 (29,868)	- (-)	11,495 (6,323)	3,200 (2,125)	3,117 (4,458)	1,303 (4,445)	2,279 (3,366)	17,464 (9,082)	166 (69)
Total	56,084 (41,304)	- (-)	14,528 (8,791)	5,726 (6,101)	5,355 (7,538)	5,370 (4,650)	5,513 (3,603)	19,420 (10,468)	172 (153)

(PYs figures are in brackets)

Details of unclaimed amount and investment income

(₹ '000)

Particulars	Year Ended / As At March 31, 2023		Year Ended / As At March 31, 2022	
	Policy Dues	Interest Accrued	Policy Dues	Interest Accrued
Opening Balance	28,999	12,305	47,328	10,200
Add: Amount transferred to Unclaimed Fund	23,338	-	51,437	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders	-	-	-	-
Add: Investment Income on Unclaimed Fund	-	2,225	-	2,524
Less: Amount of claims paid during the year	9,225	1,315	69,677	394
Less: Amount transferred to Senior Citizen Welfare Fund	112	131	89	25
Closing Balance	43,000	13,084	28,999	12,305

22 Details of Outsourcing, Business development and Marketing expenses

(₹'000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Business development expenses	7,276,111	4,410,739
Marketing expenses	1,943,078	3,115,567



- 23** Based on and to the extent of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), following is the summary of transactions due towards principal and interest payments to such suppliers.

(₹ '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers under MSMED Act	1,454	1,783
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

24 Corporate Social Responsibility

- i. Gross Amount required to be spent by the Company during the year is ₹48,547 thousands (Previous year - ₹58,302 thousands)
- ii. Activity wise amount paid:

(₹ '000)

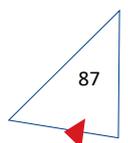
Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Education	28,530	35,902
Art and Culture & Sports	200	10,866
Health Care	8,646	2,903
Senior Citizen Health Care	-	3,393
Road safety awareness training	-	1,094
Disaster Relief Fund	-	10,000
CSR Expenses	2,428	2,900
Total	39,804	67,058

Pattern of CSR Spent:

(₹ '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Amount required to be spent	48,547	58,302
Actual Spent for the financial year	39,804	67,058
Excess spent of previous year utilised	8,756	-
Excess spent for the financial year	-	8,756
Amount available for set off in succeeding financial year	-	8,756

Two percent of average net profit of the Company is ₹48,547 thousands. An amount of ₹8,756 thousands which was spent in excess over the obligation for the year 2021-22, was set off in the current year, hence the net CSR Obligation for the year is ₹39,804 thousands.



25 As per IRDA/F&L/CIR/F&A/231/10/2012 dated October 5, 2012, details of various penal actions, if any, taken by various government authorities during the financial year are given below:

(₹ '000)

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

(The figures in brackets represent PY amount)

26 Solvency Margin

(₹ '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Required solvency margin under IRDAI Regulations (A)	9,566,510	8,539,540
Available solvency margin (B)	19,252,820	16,611,780
Solvency ratio actual (times) (B/A)	2.01	1.95
Solvency ratio prescribed by Regulation (times)	1.50	1.50

27 Disclosure on other work given to auditors

Pursuant to Corporate Governance guidelines issued by the IRDAI dated May 18, 2016, the additional works other than Statutory Audit given to the auditors are detailed below:

(₹ '000)

Name of the Audit firm	Services rendered	Year Ended March 31, 2023	Year Ended March 31, 2022
R. G. N Price & Co	Limited Review	329	311
R. G. N Price & Co	Certification	526	431
Sharp & Tannan	Limited Review	329	311
Sharp & Tannan	Certification	692	527
Sharp & Tannan	Reporting to holding company for consolidation	950	850



- 28** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries'). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 29** (a) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review, the Company has made adequate provisions for these long term contracts in the books of accounts as required under any applicable law/ accounting standard.
- (b) The Company did not have any outstanding long term derivative contracts as at March 31, 2023 (Previous year- Nil).
- 30** Previous year figures are regrouped, wherever necessary for better presentation and understanding.

Signature to Schedules 1 to 16

Place : Chennai
Date : April 27, 2023

For and on behalf of the Board of Directors

M M Murugappan
Chairman
DIN: 00170478

V Suryanarayanan
Managing Director
DIN: 01416824

Sridharan Rangarajan
Director
DIN: 01814413

Naoki Takeda
Whole time Director
DIN: 09524037

Suresh Krishnan
Company Secretary
M. No. F3142

S Venugopalan
Chief Financial Officer

Schedule 17 - Segmental Reporting for the year ended March 31, 2023

(₹ '000)

Particulars	Year	Fire	Marine			Miscellaneous					
			Cargo	Other than Cargo	Total	Motor	OD	TP	Workmen's Compensation	Public / Product Liability	Engineering
Premium from Direct Business Written	2022-23	6,605,610	1,100,005	130,369	1,230,374	43,451,200	16,752,027	26,699,173	127,623	105,334	301,798
	2021-22	4,951,102	900,315	44,856	945,171	34,271,262	12,313,145	21,958,117	98,325	113,326	303,341
Add: Premium on Reinsurance Accepted	2022-23	407,533	262	-	262	-	-	-	-	10,350	25,591
	2021-22	258,784	30	-	30	-	-	-	-	10,350	26,151
Less: Premium on Reinsurance Ceded	2022-23	4,917,875	650,850	129,905	780,755	7,691,477	6,569,673	1,121,804	5,417	52,309	205,215
	2021-22	4,076,102	534,013	44,814	578,827	6,096,231	4,951,011	1,145,220	4,916	49,345	207,777
Adjustment for Changes in Reserve for Unexpired Risk	2022-23	338,985	19,322	172	19,494	4,115,604	1,512,162	2,603,442	(12,824)	(7,160)	3,416
	2021-22	(351,847)	20,035	19	20,054	1,168,351	418,392	749,959	20,070	1,342	(6,504)
Premiums Earned (Net)	2022-23	1,756,283	430,095	292	430,387	31,644,119	8,670,192	22,973,927	135,030	70,535	118,758
	2021-22	1,485,631	346,297	23	346,320	27,006,680	6,943,742	20,062,938	73,339	72,989	128,219
Profit / (Loss) on Sale / Redemption of Investments	2022-23	5,448	655	1	656	156,942	16,380	140,562	193	-	(62)
	2021-22	20,457	2,506	-	2,506	579,222	51,542	527,680	879	191	(10)
Other income - Contribution from Shareholders for Excess EoM	2022-23	-	-	-	-	3,007,840	872,677	2,135,163	-	-	-
	2021-22	-	-	-	-	1,883,210	512,144	1,371,066	-	-	-
Others Administrative Charges	2022-23	219	47	-	47	3,737	1,064	2,673	13	6	13
	2021-22	172	55	-	55	4,269	1,116	3,153	14	11	18
Investment income from pool (Terrorism/ Nuclear)	2022-23	93,956	-	-	-	-	-	-	-	-	17,125
	2021-22	71,195	-	-	-	-	-	-	-	-	11,680
Interest and Dividend – Gross	2022-23	229,730	27,621	25	27,646	6,618,299	690,748	5,927,551	8,130	(20)	(2,635)
	2021-22	194,766	23,858	4	23,862	5,514,734	490,730	5,024,004	8,370	1,820	(92)
Total Segmental Revenue	2022-23	2,085,636	458,418	318	458,736	38,423,097	9,378,384	29,044,713	143,366	70,521	133,199
	2021-22	1,772,221	372,716	27	372,743	34,988,115	7,487,130	25,617,775	82,602	75,011	139,815
Claims Incurred (Net)	2022-23	693,534	270,468	10	270,478	23,837,274	6,424,698	17,412,576	15,730	(3,583)	42,638
	2021-22	497,412	214,251	19	214,270	17,568,448	4,845,163	12,723,285	42,163	4,722	36,516
Direct Commission Paid	2022-23	667,113	96,785	-	96,785	3,662,236	3,350,569	311,667	8,286	7,335	27,070
	2021-22	879,211	98,925	-	98,925	2,635,592	2,401,055	234,537	8,307	9,218	26,211
Commission on Reinsurance Accepted	2022-23	10,870	-	-	-	-	-	-	-	-	537
	2021-22	6,395	-	-	-	-	-	-	-	-	443
Commission on Reinsurance Ceded	2022-23	1,451,445	115,862	25,233	141,095	2,302,136	2,111,293	190,843	765	4,679	47,946
	2021-22	1,366,263	106,781	8,851	115,632	1,746,753	1,609,950	136,803	739	7,987	46,962
Operating Expenses Related to Insurance Business	2022-23	660,166	114,540	64	114,604	12,818,531	3,719,093	9,099,438	23,643	14,845	36,297
	2021-22	658,838	98,179	6	98,185	9,966,503	2,710,415	7,256,088	17,270	20,072	35,696
Other Expenditure / (Income)	2022-23	-	-	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-
Premium Deficiency	2022-23	-	-	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-
Total Segmental Expenses	2022-23	580,238	365,931	(25,159)	340,772	38,015,905	11,383,067	26,632,838	46,894	13,918	58,596
	2021-22	675,593	304,574	(8,826)	295,748	28,423,790	8,346,683	20,077,107	67,001	26,025	51,904
Segmental Profit	2022-23	1,505,398	92,487	25,477	117,964	407,192	(2,004,683)	2,411,875	96,472	56,603	74,603
	2021-22	1,096,628	68,142	8,853	76,995	6,564,325	(859,553)	5,540,668	15,601	48,986	87,911
Provision For Taxation (net of MAT Credit)	2022-23	-	-	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-
Net Profit for the year	2022-23	-	-	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-
Net incurred Claims / Net Earned Premium (%)	2022-23	39.49%	62.89%	0.00%	62.85%	75.33%	74.10%	75.79%	11.65%	(5.08%)	35.90%
	2021-22	33.48%	61.87%	0.00%	61.87%	65.05%	69.78%	63.42%	57.49%	6.47%	28.48%



Schedule 17 - Segmental Reporting for the year ended March 31, 2023

(₹ '000)

Particulars	Year	Miscellaneous						Investment Income / Other Income	Total
		Aviation	Personal Accident	Health	Weather	Others	Total Misc		
Premium from Direct Business Written	2022-23	-	3,052,212	5,870,154	(20,969)	836,585	53,723,937	-	61,559,921
	2021-22	-	2,615,574	4,294,598	(1,252)	649,797	42,344,971	-	48,241,244
Add: Premium on Reinsurance Accepted	2022-23	-	-	-	-	-	35,941	-	443,736
	2021-22	-	-	-	-	2,745	39,246	-	298,060
Less: Premium on Reinsurance Ceded	2022-23	-	884,979	1,292,010	(17,823)	90,500	10,204,084	-	15,902,714
	2021-22	-	758,403	996,856	(14,430)	60,897	8,159,995	-	12,814,924
Adjustment for Changes in Reserve for Unexpired Risk	2022-23	-	317,161	1,058,554	-	75,540	5,550,291	-	5,908,770
	2021-22	-	37,121	261,436	-	203,461	1,685,277	-	1,353,484
Premiums Earned (Net)	2022-23	-	1,850,072	3,519,590	(3,146)	670,545	38,005,503	-	40,192,173
	2021-22	-	1,820,050	3,036,306	13,178	388,184	32,538,945	-	34,370,896
Profit / (Loss) on Sale / Redemption of Investments	2022-23	-	5,993	7,816	74	1,265	172,221	24,486	202,811
	2021-22	-	23,603	22,911	389	4,467	631,652	96,963	751,578
Other income - Contribution from Shareholders for Excess EoM	2022-23	-	381,721	641,259	-	-	4,030,820	-	4,030,820
	2021-22	-	608,130	788,997	-	17,613	3,297,951	-	3,297,951
Others Administrative Charges	2022-23	-	226	478	-	78	4,551	-	4,817
	2021-22	-	281	499	-	91	5,183	-	5,410
Investment income from pool (Terrorism/ Nuclear)	2022-23	-	-	-	-	5,708	22,833	-	116,789
	2021-22	-	-	-	-	3,894	15,574	-	86,769
Interest and Dividend – Gross	2022-23	-	252,724	329,604	3,149	53,341	7,262,592	1,032,587	8,552,555
	2021-22	-	224,726	218,131	3,711	42,517	6,013,917	923,178	7,155,723
Total Segmental Revenue	2022-23	-	2,109,015	4,498,747	77	730,937	45,467,700	1,057,073	53,099,965
	2021-22	-	2,676,790	4,066,844	17,278	456,766	42,503,222	1,020,141	45,668,327
Claims Incurred (Net)	2022-23	-	367,665	3,273,311	87	133,814	27,666,936	-	28,630,948
	2021-22	-	388,672	5,297,690	2	110,230	23,448,443	-	24,160,125
Direct Commission Paid	2022-23	-	495,162	769,138	-	104,130	5,073,357	-	5,837,255
	2021-22	-	694,648	543,828	35	99,340	4,017,179	-	4,995,315
Commission on Reinsurance Accepted	2022-23	-	-	-	-	-	537	-	11,407
	2021-22	-	-	-	-	93	536	-	6,931
Commission on Reinsurance Ceded	2022-23	-	494,678	156,642	(792)	27,101	3,033,155	-	4,625,695
	2021-22	-	448,487	27,287	5,748	15,522	2,299,485	-	3,781,380
Operating Expenses Related to Insurance Business	2022-23	-	894,742	1,671,374	-	110,510	15,569,942	-	16,344,712
	2021-22	-	960,952	1,396,866	1,935	162,862	12,562,155	-	13,319,178
Other Expenditure / (Income)	2022-23	-	-	-	-	-	-	4,256,800	4,256,800
	2021-22	-	-	-	-	-	-	5,907,889	5,907,889
Premium Deficiency	2022-23	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-
Total Segmental Expenses	2022-23	-	1,262,891	5,557,181	879	321,353	45,277,617	4,256,800	50,455,427
	2021-22	-	1,595,785	7,211,097	(3,776)	357,003	37,728,828	5,907,889	44,608,058
Segmental Profit	2022-23	-	846,124	(1,058,434)	(802)	409,584	190,083	(3,199,727)	2,644,538
	2021-22	-	1,081,005	(3,144,253)	21,054	99,763	4,774,393	(4,887,748)	1,060,268
Provision For Taxation (net of MAT Credit)	2022-23	-	-	-	-	-	-	-	657,506
	2021-22	-	-	-	-	-	-	-	290,068
Net Profit for the year	2022-23	-	-	-	-	-	-	-	1,987,032
	2021-22	-	-	-	-	-	-	-	770,200
Net incurred Claims / Net Earned Premium (%)	2022-23	0.00%	19.87%	93.00%	0.00%	19.96%	72.80%	-	71.24%
	2021-22	0.00%	21.36%	174.48%	0.00%	28.40%	72.06%	-	70.29%



Summary of Financial Statements

Date of Registration with the IRDA July 15, 2002

Registration No.123

(₹ '000)

Sl. No.	Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
	OPERATING RESULTS					
1	Gross Direct Premium	61,559,922	48,241,244	43,882,083	43,984,933	44,281,599
2	Net Premium Income #	46,100,945	35,724,380	33,575,853	34,091,950	33,523,219
3	Income from Investments (Net) @	7,815,081	6,973,929	7,206,071	6,985,744	4,831,385
4	Other Income	4,035,638	3,303,360	1,469,204	879,634	1,819
5	Total Income	57,951,664	46,001,669	42,251,128	41,957,328	38,356,423
6	Commissions (Net) (Including Brokerage)	1,222,966	1,220,866	548,645	519,587	127,235
7	Operating Expenses	16,344,712	13,319,178	11,148,317	10,552,805	9,268,816
8	Net incurred Claims	28,630,948	24,160,124	23,198,277	25,772,815	23,354,995
9	Change in Unexpired Risk Reserve	5,908,771	1,353,484	1,551,491	(278,074)	3,024,277
10	Operating Profit / (Loss)	5,844,267	5,948,017	5,804,398	5,390,195	2,581,100
	NON-OPERATING RESULT					
11	Total Income under Shareholders' Account	(3,199,727)	(4,887,748)	(2,056,561)	(2,844,195)	(75,214)
12	Profit / (Loss) before tax	2,644,540	1,060,269	3,747,837	2,546,000	2,505,886
13	Provision for Tax	657,506	290,068	931,118	1,051,600	716,514
14	Profit / (Loss) after Tax	1,987,034	770,201	2,816,719	1,494,400	1,789,372
	MISCELLANEOUS					
15	Policyholders' Account					
	Total Funds	129,383,424	109,167,925	98,990,957	83,499,757	68,112,083
	Total Investments	129,383,424	109,167,925	98,990,957	83,499,757	68,112,083
	Yield on Investments	6.55%	6.84%	7.60%	9.05%	7.92%
16	Shareholders' Account					
	Total Funds	21,602,890	19,615,856	18,845,655	15,740,797	14,534,536
	Total Investments	17,765,987	16,170,180	11,614,098	7,284,891	7,848,895
	Yield on Investments	6.55%	6.84%	7.60%	9.05%	7.92%
17	Paid up Equity Capital	2,988,057	2,988,057	2,988,057	2,988,057	2,988,057
18	Net Worth *	21,602,890	19,615,856	18,845,655	15,740,797	14,534,536
19	Total Assets	160,480,394	137,160,103	125,091,861	105,419,245	90,943,099
20	Yield on Total Investments	6.55%	6.84%	7.60%	9.05%	7.92%
21	Earnings per Share (₹)	6.65	2.58	9.43	5.00	5.99
22	Book Value per Share (₹)	72.30	65.65	63.07	52.68	48.64
23	Total Dividend	-	-	-	-	179,283
24	Dividend per Share (₹)	-	-	-	-	0.60

Notes

Net of Re-insurance

@ Net of Losses

* Share Capital + Reserve & Surplus- (Miscellaneous Expenditure-Debit Balance in Profit & Loss account)



Performance Ratios

Registration No.123

Date of Registration with the IRDA July 15, 2002

Sl. No.	Type of Ratio	Method of Computing	2022-23	2021-22
1	Gross Direct Premium Growth Rate (Segment Wise)	Gross Premium for the Current Year / Gross Premium for the previous year	Schedule 1	Schedule 1
2	Gross Direct Premium to Net Worth Ratio	Gross Premium for the Current Year / (Paid up capital plus Free Reserves)	2.85	2.46
3	Growth Rate of Net Worth	Net Worth as at the current balance sheet date / Net Worth as at the previous balance sheet date	10.13%	4.09%
4	Net Retention Ratio (Segment wise)	Net Premium / Gross Premium	Schedule 2	Schedule 2
5	Net Commission Ratio (Segment wise)	Commission net of Reinsurance / net written premium	Schedule 3	Schedule 3
6	Expenses of Management to Gross Direct Premium Ratio (Note 1)	Expenses of management (operating expenses plus direct commission) / gross direct premium	36.03%	37.96%
7	Expenses of Management to Net Written Premium Ratio (Note 1)	Expenses of management (operating expenses plus net commission) / Net Written Premium	38.11%	40.70%
8	Net Incurred Claims to Net Earned Premium	Net Incurred Claims / Net Earned Premium	71.24%	70.29%
9	Combined Ratio	Claims paid plus expenses of management plus commission / Net Written Premium	109.34%	110.99%
10	Technical Reserves to Net Premium Ratio	Reserve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims / Net premium	2.39	2.66
11	Underwriting Balance Ratio (Segment wise) (Note 2)	Underwriting profit / Net premium	Schedule 4	Schedule 4
12	Operating Profit Ratio	Underwriting profit (loss) plus investment income / Net premium	14.54%	17.31%
13	Liquid Assets to Liabilities Ratio (Note 3)	Liquid assets of the insurer / policy holders' liabilities	0.07	0.14
14	Net Earning Ratio	Profit after tax / Net premium	4.31%	2.16%
15	Return on Net Worth	Profit after tax / Net worth	9.20%	3.93%
16	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	Available Solvency Margin at the end of the Quarter to the Required Solvency Margin required to be maintained as per regulations	2.01	1.95
17	Net NPA Ratio	Net NPA / Investments book value	-	0.10

Notes:

- Expenses of Management represent Operating expenses related to Insurance Business and Commission paid to Agents and Brokers.
- Underwriting Profit represents Segmental Profit / (Loss) excluding Investment Income and other income.
- Liquid Assets represent Cash and Cash Equivalents and Short Term Investments.
- Policyholder's liabilities represents sum of a) estimated liability and outstanding claims including IBNR and IBNER b) Unexpired risk reserve (URR) c) Catastrophe reserve d) Premium deficiency e) Other liabilities net off other assets. "Other liabilities" comprise of (i) Premium received in advance (ii) Unallocated premium (iii) Balance due to other insurance companies (iv) due to members of other third party pool (IMTPIP), if applicable (v) Sundry creditors (due to policyholders). Other assets comprise of (i) Outstanding premium (ii) due from other entities carrying on insurance business including re-insurers (iii) balance with terrorism pool (if applicable) and (iv) balance with motor third party pool, if any (if applicable)
- Underwriting Profit or loss which is computed as net premium earned less net claims incurred less net commission less operating expenses related to insurance business

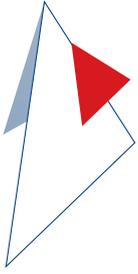
Segmental Ratios

Date of Registration with the IRDA July 15, 2002

RDAI Registration No.123

Schedule	Particulars	Year	Fire	Marine			Miscellaneous										Total
				Cargo	"Other than Cargo"	Total	Motor	Workmen's Compensation	Public / Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Weather	Others	Total Misc.	
Schedule 1	Gross Premium for the Current Year / Gross Premium for the previous year	2022-23	33.42%	22.18%	-	30.17%	26.79%	29.80%	-7.05%	-0.51%	-	16.69%	36.69%	-	28.75%	26.87%	27.61%
		2021-22	11.33%	15.48%	-	20.33%	9.67%	28.23%	9.43%	3.90%	-	5.51%	3.64%	-	125.06%	9.56%	9.93%
Schedule 2	Net Retention Ratio (Net Written Premium / (Gross Premium + RI Acceptance))	2022-23	29.88%	40.85%	-	36.56%	82.30%	95.76%	54.78%	37.32%	-	71.01%	77.99%	-	89.18%	81.02%	74.35%
		2021-22	21.76%	40.69%	-	38.76%	82.21%	95.00%	60.10%	36.94%	-	71.00%	76.79%	-	90.67%	80.75%	73.60%
Schedule 3	Net Commission Ratio (Commission Paid Net of Reinsurance / Net Written Premium) Refer Note below	2022-23	(36.91%)	(4.25%)	-	(9.85%)	3.80%	6.15%	4.19%	(16.65%)	-	0.02%	13.38%	-	10.32%	4.69%	2.65%
		2021-22	(42.39%)	(2.14%)	-	(4.56%)	3.15%	8.10%	1.66%	(16.69%)	-	13.25%	15.66%	-	14.18%	5.02%	3.42%
Schedule 4	Underwriting Balance Ratio (Underwriting Profit / Net Earned Premium)	2022-23	0.67	0.15	-	0.21	(0.20)	0.65	0.80	0.51	-	0.32	(0.58)	-	0.52	(0.19)	(0.15)
		2021-22	0.55	0.12	-	0.15	(0.05)	0.09	0.64	0.60	-	0.12	(1.37)	-	0.08	(0.16)	(0.13)

Note: Ratios in brackets indicate instances where commission earned on insurance ceded exceeded commission paid on gross written premium.



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