

Annual Report 2021-22

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.



Over the years we have been anchored to the culture of Trust and Transparency. Trust, Integrity and Customer Confidence reigns paramount at Chola MS. The last two decades of success is testimony of expertise cultivated, experience enhanced and a loyal customer base. Our commitment to responsible transparent practices have won the trust of all stakeholders. We continue to focus on being responsible towards our customers and look forward to decades of growth and sustainability.

YEARS

of Trust and Transparency -



Bringing **Simplicity** and **Convenience**

From Vehicles to Homes
and Health, we are here to
simplify your life
and protect the things
that matter most.





Company Highlights

- » Wide product portfolio with comprehensive channel mix
- » 12.44 Million policies + certificates issued and serviced
0.46 Million claims in FY 2021-22
- » Solvency ratio of 195% as against the 150% mandated by IRDAI
- » Credit rating of ICRA AA, CRISIL AA with a stable outlook for the Non-Convertible Debentures issued by the Company
- » ISO certified processes in the functions of Risk Management, Motor Claims, Health Claims, Commercial Claims, Claim Investigation and Customer Relationship Management
- » PAN-India presence with more than 150 branches
- » PAN-India network of 10,000+ Cashless Hospitals
- » PAN-India network of 10,000+ Cashless Garages





From the Chairman's Desk

DEAR SHAREHOLDER,

The COVID-19 pandemic, with its seemingly never-ending multiple waves, has impacted the world at large. The geopolitical tensions and their associated after-effects by way of oil prices, food shortage, microchip shortage, inflationary tendencies etc. have added newer hues to the spectrum. The country and the economy are battling these with optimism, hope and vigour.

In this turmoil and distress, the General Insurance industry has contributed strongly to supporting humanity by settling COVID related health claims of over ₹240 Billion across the three waves. Even as other industries were accorded relief and support in multiple forms by the Government and Regulators, the General Insurance industry stood strong without any such support reflecting the strong foundations of its constituents and the resilience of its teams.

The General Insurance industry (excluding SAHI players) grew by 8.9% in 2021-22. Amongst its various sectors, the property and the health segments had growth, the motor segment experienced stunted growth and the crop segment had negative growth. The Regulator has a new Chairman at its helm and the vision for the industry that has been put out in terms of industry related reforms augurs well for the growth, development and in promoting insurance penetration in the country.

Chola MS enters its 20th year of operations. Over the years, the Company has reinforced and stood by its mission of “bringing peace of mind to its customers” as a trusted, transparent and reliable insurer. In FY 2021-22, Chola MS recorded a gross written premium of ₹48.2 Billion, a growth of around 10% and with over 9 Million new customer additions. Chola MS has added new channel partners, progressed on its strategic intent of de-risking and diversification, stepped up efforts on digitization and grown its investment corpus to over ₹125 Billion. Post the directive from the Regulator, the Company has absorbed all sourcing costs relating to long term policies on incurrence which impacted the financial results for the year but has left the balance sheet stronger in terms of the embedded value.

Chola MS is committed to growing faster than the industry, expanding its geographical and product presence and in adopting digital technology in its servicing of channels and customers. In a vibrant and continuously evolving landscape, the emphasis and thrust is on redefining our aspirations on growth, profitability and servicing parameters even as we retain our core mission and operating principles intact.



I would like to thank our Joint venture partner, Mitsui Sumitomo Insurance Co. Ltd. (MSI) for their continued trust and support over the 20 eventful years. Together, the Murugappa Group and MSI have built a strong, vibrant brand that is well recognised by the 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. The Board is thankful for the contributions made by Mr. Takashi Kishi and Mr. Akihiko Ikeno, who have stepped down on March 31, 2022. I also take the opportunity to welcome Mr. Tsutomu Aoki and Mr. Naoki Takeda who have been inducted into the Board.

We, in Chola MS believe that we are now standing at the threshold of a period of great opportunity and growth and look forward with optimism to continue and enhance our contributions to the industry, stakeholders and customers as we go past the landmark of 20 years.

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 has done well despite the trying circumstances. The entire team has stood together in the face of much uncertainty to ensure that we serve our customers well and respect the needs of all our stakeholders. My most grateful thanks to our entire team.

Warm Regards,
M M MURUGAPPAN
Chairman



From the Managing Director's Desk

DEAR SHAREHOLDER,

The financial year 2021-22 witnessed the second continuing year of the pandemic. In India, the fiscal year began with the outbreak of the second wave causing significant disruption and despair. As the vaccination drives gained momentum and instilled confidence, the economic activity gained ground. The cascading effect on the non-life industry meant that the GWP of the industry (excl. SAHI players) grew by 8.8% to Rs.1848 billion (comparative growth in FY21: 5.2%).

Chola MS registered its highest GWP of Rs.48.2 billion, a growth of 10%. The Company had a growth higher than the industry growth in the business lines of fire and motor. The Company added several new channels and expanded its presence in the northern markets. Due to the external environment, the business volumes from the financier channel tie-ups remained at a low key in the lines of motor, health, personal accident etc. The Company renewed its bancassurance arrangements with its banking tie-ups and digital channels grew to contribute 2% of GWP.

During the year, IRDAI withdrew its earlier permission to the Company and directed the Company to absorb all sourcing costs related to long term policies upfront on incurrence and also absorb the carried forward amount of prepayments of Rs.3,265 Million (as at March 31, 2021) on such policies fully.

The pandemic also meant that the Company had to absorb COVID-related health claims to the tune of Rs.2,768 million during the year. Cumulatively, over a period of two fiscal years, the Company has absorbed over Rs.4,264 million of COVID related health claims. The pandemic led lockdowns also resulted in some benefits by way of lower motor own damage and third party claims.

The investment corpus crossed the Rs.125 billion mark with overall investment income (including profit on sale of investments) at Rs.7.99 billion. The Company also realised recovery on some of its fully provided stressed investment assets. The Company's investment portfolio is now cleansed of stressed assets fully. After giving effect to the above adjustments, Chola MS attained a PBT of Rs.1.06 billion. The net worth of the Company was at Rs.19.62 billion and the solvency ratio was at 1.95 times (1.5 times is the minimum) as at March 31, 2022.

Credit rating of CRISIL AA (Stable outlook) and ICRA AA (Stable Outlook) on the Non-Convertible Debentures of the Company were reaffirmed during the year.

The Company made progress in its digitisation initiatives in the areas of RPA, website revamp and better customer journeys, integrated policy issuance across channels going past 97% and



improved customer servicing by providing an omni channel experience. As a responsible corporate citizen, the Company supported the society (value of Rs.56.8 M) through various CSR initiatives aimed at promoting of education, health, road safety and protection of art & culture.

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 provide the motivation to continue and build on the momentum.

As Chola MS enters its 20th year of operations, we look back with pride on the trust that the Company has built with its channel partners and policy-holders on reliability and transparency in business. The Chola MS team rededicates itself and commits to pursuing growth with profitability without losing this fundamental characteristic.

I express my profound gratitude to our customers, regulators, business partners, intermediaries, reinsurers, 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 MSI, 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, commitment and resilience displayed in ensuring business continuity in such uncertain times.

Best Regards,
V SURYANARAYANAN
Managing Director

Profile of Directors



MR. M M MURUGAPPAN

Chairman (DIN: 00170478) 66 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 Ltd., Carborundum Universal Ltd. and Cyient Ltd. He serves on the Boards of various other companies including Ambadi Investments Ltd. 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. He is a trustee of AMM Foundation and is actively involved in the Foundation's activities particularly in the area of education.



MR. MARGAM RAMA PRASAD

Independent Director (DIN: 01637947) 69 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 in 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 Ltd., GIC Housing Finance Ltd., SHCIL Services Ltd., Institute of Insurance and Risk Management, Indian Institute Of Insurance Surveyors And Loss Assessors. He joined the Board of Chola MS in July 2017.



MR. KANCERLA LUKE RAVINDRANATH BABU

Independent Director (DIN: 06954320) 66 years

Mr. K L R Babu holds a Master's degree in Arts and is an Associate member of Insurance Institute of India. He has over 40 years of experience in various sectors including more than 33 years of experience in insurance sector. Mr. Babu is a former Director and General Manager of The New India Assurance Company Ltd. Mr. Babu was the CEO of New India Assurance Japan Operations. Mr. Babu had held Directorships in The New India Assurance Company Ltd. and ITUS Insurance Brokers Private Ltd.



MS. KASIVAJJULA RAMADEVI

Independent Director (DIN: 07327977) 65 years

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



MR. SRIDHARAN RANGARAJAN

Non-Executive Director (DIN: 01814413) 56 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 Ltd., E.I.D. Parry (India) Ltd., Carborundum Universal Ltd., Cholamandalam MS Risk Services Ltd., Net Access India Ltd., Parry Agro Industries Ltd.. 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

Additional Director (Non-Executive Director (DIN: 09568125) 52 years

Mr. Tsutomu Aoki is a Bachelor of Arts in Economics from Keio University, Japan. He has over 30 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 Ltd., Japan. He is a Non-Executive Director of MS Amlin Insurance SE and holds Directorship in Cholamandalam MS Risk Services Ltd.. Mr. Aoki joined the Board of Chola MS in April 2022.



MR. V SURYANARAYANAN

Managing Director (DIN: 01416824) 55 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 33 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 of 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 Ltd.



MR. NAOKI TAKEDA

Additional Director (Whole time Director (DIN: 09524037) 53 years

Mr. Naoki Takeda is a Bachelor in faculty of Political Sciences and Economics from Waseda University, Japan. Mr. Takeda has over 31 years of experience in General Insurance industry. Mr. Takeda has joined in Mitsui Marine & Fire Insurance Co. Ltd. In 1991. Before appointment as Whole time Director he was General Manager of International Business Department in Mitsui Sumitomo Insurance Company Ltd., Japan. Mr. Takeda was a Director on the Board of Cholamandalam MS Risk Services Ltd. and joined the Board of Chola MS in April 2022.



Leadership Team



V SURYANARAYANAN
Managing Director



NAOKI TAKEDA
Whole time Director



S VENUGOPALAN
Chief Financial Officer



SANJIV KUMAR MATHUR
SBU Head – Commercial & SME



SURESH KRISHNAN
Company Secretary &
Chief Compliance Officer



BISWAJEET PADHI
SBU Head – Motor



CHITRA K
SBU Head – Digital, Branding
& Corporate Communications



ABHIRANJAN GUPTA
Chief Investment Officer



S K RANGASWAMY
Chief Risk Officer & Head – IT,
Digital, Operations and CRM



SHAILEN MERCHANT
Head – Human Resources



SRINIVAS KOMMU
SBU Head – Health



KRISHNAN P
Head – Renewals,
Cross sell & Upsell



ASHWANI KUMAR ARORA
Appointed Actuary



CHANDAR RAMAMURTHY
Head – Reinsurance



BHASKAR K U
SBU Head – Govt., Rural
& Misc. LOB



PUNIT AGARWAL
Head – Internal Audit &
FCU



Visibility that showcases our strengths



Radio: We went LIVE on Radio across 3 cities (Chennai, Mumbai and Delhi) airing spots 20 times a day

Metro: We were LIVE in Metro Trains in 2 cities (Chennai and Delhi)

IPL 2022: Were the Associate Sponsor for Team Royal Challengers Bangalore (RCB)

Digital Media: Social Media Posts; Tune in LIVE sessions; Podcasts; Collaborative Reels; Trending Posts; Films across SBU's videos hosted on YouTube handle



Financial Highlights

₹ Million

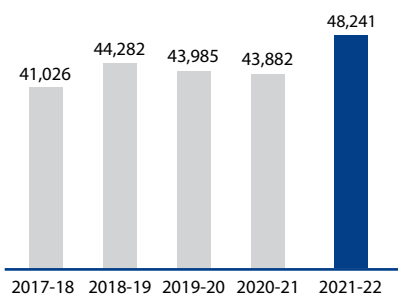
Particulars	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Gross Written Premium	48,241	43,882	43,985	44,282	41,026	31,333	24,520	18,904	18,551	16,209
Net Earned Premium	34,371	32,024	34,370	30,499	28,238	22,481	16,908	14,821	14,314	11,674
PBT	1,060*	3,748	2,546	2,506	3,466	2,971	2,131	2,007	1,015	890
PAT	770*	2,816	1,494	1,789	2,426	2,081	1,479	1,371	701	602
Net worth	19,615	18,846	15,741	14,534	12,961	10,751	8,529	7,190	5,824	4,359
Fixed Assets (net)	848	727	724	687	703	691	615	617	577	496
Investment portfolio	125,338	110,605	90,785	75,961	63,626	48,919	38,607	31,646	23,282	17,242
Earnings per Share (₹)	2.58	9.43	5	5.99	8.12	6.97	4.95	4.59	2.37	2.08
Book value per Share (₹)	65.65	63.07	52.68	48.64	43.38	35.98	28.54	24.06	19.49	14.93

PBT - Profit before tax
PAT - Profit after tax

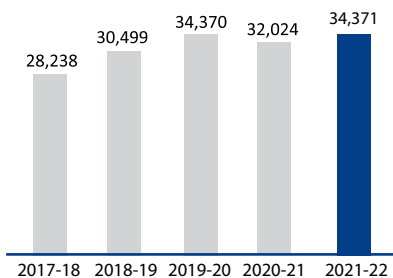
*Please refer note 24 of Schedule 16 of the Financial Statements

Key Financial Indicators

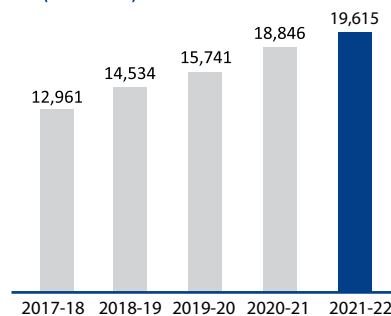
GROSS WRITTEN PREMIUM - DIRECT
(₹ million)



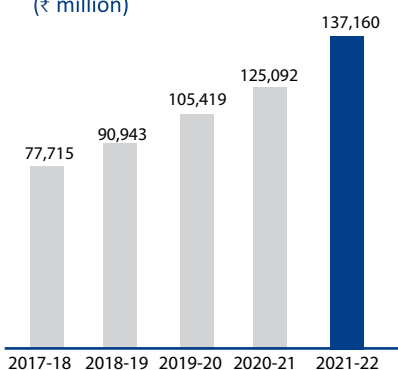
NET EARNED PREMIUM
[Including IMTPIP (Indian Motor Third Party Insurance)] - (₹ million)



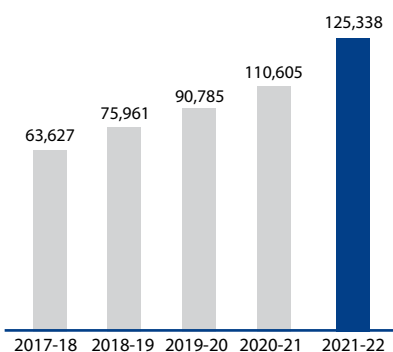
NET WORTH
(₹ million)



TOTAL ASSETS
(₹ million)



INVESTMENT PORTFOLIO
(₹ million)



Corporate Social Responsibility



Provision of Ambulance to Anandam Old Age Home, Chennai for the use of critically sick patients residing at Anandam Home and for conducting medical camps in nearby villages. The ambulance is installed with modern medical equipment / oxygen cylinder and other accessories required for emergency care.

Creation of Road Safety awareness among Bus drivers and conductors of State Express Transport Corporation (SETC) at various Bus depots in Tamil Nadu. The Road safety awareness campaign was carried out for 8 days with innovative games and activities such as, drunk & drive awareness, reaction time games, patience test game, etc. to train them on road safety with an objective to reduce road accidents.



Provided free Medical Health camps for the underprivileged in North Chennai using mobile medical van through Sevabharathi, Tamil Nadu. Medical Health camps were provided at 12 slum areas on daily basis (2 places a day) with a team of doctor, pharmacist, coordinator and driver. The beneficiaries were provided with basic treatments, tests and free medicines.

Conducted COVID-19 Vaccination Camps for general public at Kottayam, Ernakulam and Thrissur in Kerala state. Covishield vaccines were administered during the 3 days vaccination camp at Kottayam, Ernakulam & Thrissur.





Awards received during the Financial Year



**Bancassurance Leader - Large
by world HRD Congress**



**Asia Best General Insurance Company
Bancassurance by insurance Alerts**



**Promising Brands of the year
by Economic Times**



**Bancassurance Leader
by World BFSI Congress & Awards**



**Brand of the Year in Recognition for
Excellence from CEO Magazine**



Corporate Information

BOARD OF DIRECTORS

M M Murugappan	Chairman
Margam Rama Prasad	Director
K L R Babu	Director
K Ramadevi	Director
Sridharan Rangarajan	Director
Tsutomu Aoki	Additional Director (with effect from April 28, 2022)
V Suryanarayanan	Managing Director
Naoki Takeda	Whole time Director (with effect from April 1, 2022)

COMPANY SECRETARY

Suresh Krishnan	Company Secretary & Chief Compliance Officer
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TOP MANAGEMENT TEAM

V Suryanarayanan	Managing Director
Naoki Takeda	Whole time Director
S Venugopalan	Chief Financial Officer
Sanjiv Kumar Mathur	SBU Head – Commercial & SME
Suresh Krishnan	Company Secretary & Chief Compliance Officer
Biswajeet Padhi	SBU Head – Motor
Chitra K	SBU Head – Digital, Branding & Corporate Communications
Abhiranjan Gupta	Chief Investment Officer
S K Rangaswamy	Chief Risk Officer & Head – IT, Digital, Operations and CRM
Shailen Merchant	Head – Human Resources
Srinivas Kommu	SBU Head – Health
Krishnan P	Head – Renewals, Cross-sell & Upsell
Ashwani Kumar Arora	Appointed Actuary
Chandar Ramamurthy	Head – Reinsurance
Bhaskar K U	SBU Head – Govt., Rural & Misc. LOB
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

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

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

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited


17, R. Kamani Marg,
Ballard Estate, Mumbai – 400 001
Tel. No: 022 – 40807000
Fax: 022 – 66311776



Tuning
into a world
of possibilities



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to serve customers &
potential customers.





Directors' Report to Members

Your Directors have the pleasure in presenting the 21st Annual Report together with the audited financial statements of the Company for the year ended March 31, 2022.

Financial Highlights

₹ Million

Particulars	2021-22	2020-21
Gross Written Premium (GWP)		
a) Direct	48,241	43,882
b) Reinsurance Acceptance	298	121
Total GWP	48,539	44,003
Net Earned Premium	34,371	32,024
Net Claims Incurred	24,160	23,198
Net Commission and expense of management	14,540	11,697
Investment Income (Policyholders' funds)	6,979	7,210
Contribution from Shareholders' Fund - Excess of Exp of Mgmt.	3,298	1,465
Operating Profit	5,948	5,804
Investment Income (Shareholders' funds)	1,020	834
Impairment Provision & Write off - Stressed Investment Assets	(184)	1,045
Contribution to Policyholders Fund - Excess of EoM	3,298	1,465
Marketing Cost Absorbed in Shareholders' fund (arising from IRDAI direction)	2,514	-
Other Expenses	280	380
Profit before tax	1,060	3,748

Industry Scenario

FY 2021-22 commenced with the impact from the second wave of COVID creating havoc, followed by a phase of recovery only to be beset with challenges of heightened competitive intensity, chip shortages in the four-wheeler segment and weak customer demand in the 2-wheeler segment.

In this context, the Gross Direct Premium of non-life insurers (excluding Standalone Health & Specialized insurers), was reported at around ₹1,848 Billion and registered a growth of around 8.8% over the previous year. The market share of public sector companies was 40.7% with the private sector companies growing their share to 59.3%.

Amongst the various lines of businesses, motor registered a muted growth of 4% while the fire line of business grew by 7%. The growth in the health lines of business was higher in the backdrop of group and Govt. health business.

Summary of Company Performance

The Company achieved a direct premium of ₹48,241 Million, a

growth of 10% which helped in growing market share to around 2.61% (among GI players).

The Company's GWP growth was driven by its thrust in adding new channel partners, entry into large motor OEM programs, growth in commercial lines. Digital business grew well to contribute 2% of the top line. The difficult external environment, especially relating to commercial vehicles impacted the Company as several of its financier channel partners registered degrowth in premium mobilisation.

During the year, IRDAI withdrew its earlier permission on the accounting treatment of sourcing costs on long term policies and directed the Company to absorb all costs relating to sourcing of business upfront. The Company was also directed to absorb the carried forward prepayments fully. The financial impact of the direction is detailed in Note 24 of Schedule 16 of the Financial Statements.

On the investments front, the Company grew its corpus to ₹1,25,338 Million and its investment income to ₹7,999 Million.

The Company attained a profit before tax of ₹1,060 Million for the FY ended March 31, 2022 (₹3,748 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 2021-22.

Transfer to Reserves

An amount of ₹500 Million has been transferred to General Reserve for the FY 2021-22.

Business Operations

The Company grew its business operations during the year by welcoming over 9 Million customers across its product categories. The year saw higher penetration into the northern markets.

(A) Motor Line of Business

Motor Line of business registered a higher than industry growth of over 9.67% during the year. The composition of the motor portfolio comprise of Two wheelers: 23%, Motor Cars: 29%, Commercial Vehicle: 40% and Tractors & others comprising 8%.

The Company stepped up the renewal ratio in the cars portfolio even as the pandemic impacted the renewal ratio in commercial vehicles.



The premium pricing in motor own-damage witnessed severe pressure with discounts across vehicle categories rising to new highs. This has caused an adverse change in the motor OD claims ratios of all players in the industry.

In motor third party, the absence of hike in third party premium was extended for the second year due to the pandemic. While there were lockdown induced benefits, the continuous rise in medical inflation as also on the minimum wage increases underline the need for restoration of the annual price increase regime.

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 ₹7,028 Million, mainly driven by the 11% growth in the Fire line of business. Marine and engineering lines of businesses also witnessed improved performance with increase in the levels of economic activity. The Misc. lines grew well during the year. The Company registered growth across all its verticals of Indian Commercial, SME 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 marginally during the year with stronger growth coming up in the last quarter of the year. While the growth in retail indemnity policies was strong, the bancassurance led bundled product sales in personal accident and health benefit policies suffered a drop as a fall out of the pandemic and reduced lending by financiers.

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.

The Company has soft launched a customer app for its customers which also has features relating to wellness.

The second wave of the pandemic impacted heavily with the Company settling over 58,646 COVID health claims amounting to ₹2,768 Million during the year.

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:

The Company continued its stance of not participating in any new Crop Insurance tenders and has not underwritten any fresh Crop Insurance business. However, the Company will continue to closely watch the developments in this line of business to assess the opportune time for re-entry into the portfolio.

Claims

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

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

The other highlights include:

- (a) Servicing over 4,78,908 claims across various LOBs, which is 52% more than the previous fiscal
- (b) Continuing to secure higher levels of compromise settlements in motor third party claims
- (c) Strengthening of the investigation framework for motor OD, motor TP and health claims
- (d) Adding to the network of hospitals and garages expanding the service network for the policyholders - over 10,000 hospitals and 12,200 garages
- (e) Ensuring timely resolution of customer complaints on claims servicing
- (f) 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 the year, the monsoon induced cyclones in the east and west coasts caused inundation related losses. The impact on non-proportional and proportional treaties from these natural calamities was marginal. Both the proportional and non-proportional treaties generated surplus for the reinsurers for the year.

During the year, the Company put in place new reinsurance arrangements in respect of its product offerings.

Renewal for 2022-23 had challenges on cost of covers for catastrophe programs and the Company successfully negotiated and completed the RI placements for FY 2022-23 by diversifying the panel of reinsurers. The Treaties were placed in the market at improved & competitive terms with well-rated reinsurers.

Investments

The Company's investment portfolio grew to ₹1,25,338 Million as at March 31, 2022 (Previous year: ₹1,10,605 Million).

The exposure to Central and State Government securities stood at 66.1% of the investment assets (Previous year 69.28%). The Company's investment in fixed deposits in state owned banks stood at 8.7% of portfolio as of March 31, 2022.

The Company stepped up its provisioning for non-performing assets by ₹222 Million as at March 31, 2022. The net carrying value of such NPA investments as of March 31, 2022 was at ₹119 Million (Previous Year ₹714 Million). During the year, based on the resolution plan approved by NCLT scheme of Amalgamation by Piramal Capital for discharge of Dewan Housing Finance Ltd., securities classified as non-performing Assets amounting to ₹1,567 Million (Gross Value) were discharged resulting in recovery amounting to ₹751 Million.

The Company continues to emphasize on safety and liquidity of investments and together with monetized gains, grew the investment income to ₹7,933 Million with a gross yield of 6.84% (Previous year: 7.60%). The average investment portfolio duration was at 3.49 years (Previous Year 3.78 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. Return to Office from the Work from Home phase was handled seamlessly.

Recruitment for new channels and attrition management has been a focus area. Learning and engagement has been through virtual mode for all our employees.

Information Technology & Digital Initiatives

Tech Enablers for Sales, Channels and Partners:

- During the year several new partners such as OEMs, bancassurance partners, digital partners etc. have been on boarded on the new tech platforms for seamless issuance of policies through integration to attain an overall integrated policy issuance level of 97%.
- Implemented a Java based web application platform 'Liferay' which has enabled fulfilment of customer journeys for Motor and Health products and will get extended to other products going forward.
- Launched WhatsApp Services enabling customers to meet most policy and claims related information needs on a self-help basis.
- Enabled a quick renewal option for existing customers through a middleware leading to instant policy issuance.

- "Do it yourself" endorsement has been introduced in a phased manner for partners & customers, resulting in customers making the request through our website.
- Upgraded its in house policy issuance application to handle the new standard products mandated by IRDAI.
- Soft launched a new customer mobile app that enables customers to enjoy a host of services such as policy copy download, registration of a claim, checking of claim status, health risk assessment etc.

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

The Company has

- implemented an AI Tool for Motor – Own damage claims assessment.
- enhanced its capability on OCR based bot processing of Motor Private Car Claims that has resulted in improved productivity.
- automated several processes using RPA in Finance/Accounting & Operations, which has resulted in improved productivity.
- launched welcome calling process for its health customers leveraging voice bot technology.
- implemented a mobile Learning Management System 'Chola Gurucool' for its front line teams to support continuous capability building on both products and processes.
- implemented Information Technology Service Management [ITSM] tool that facilitates the tasks associated with the management & delivery of IT service.

Net worth and Solvency

The paid-up capital as at March 31, 2022 was at ₹2,988 Million and the net-worth as at that date was ₹19,616 Million. During the year, the Company has not issued any equity shares.

The Company's solvency ratio as at March 31, 2022 was 1.95 times as against the mandated threshold of 1.50 times.

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, 2022, 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.



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 organization. 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) All the risk registers including changes in risk rating
- (f) Emerging risks and changes in risk categories with specific emphasis on the residual risk
- (g) The asset liability management framework
- (h) Business continuity plan

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 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. Some of the implemented controls include Next Generation Firewall with integrated Intrusion Prevention System (IPS), Web Application Firewall (WAF), Threat Intelligence and Simulation services with 24/7 SOC operation Center etc. 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.

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 has always kept a strong focus on embedding risk management in its strategy and operations.

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 One Million Only) each at par, aggregating ₹1,000 Million on private placement basis. The debentures have a tenure of 10 years and mature on May 25, 2027 (with a call option in May 2022). 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.

The Board had approved the exercising of call option. The Board had also approved fresh issue of unsecured, subordinated, fully paid-up, listed, redeemable, non-convertible debentures of face value of ₹10,00,000 (Rupees Ten Lakh Only) each at par, aggregating ₹1,000 Million on private placement basis.

IRDAI has approved the exercise of the call option and the proposed fresh issue of debentures thereafter.

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 Ltd. 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 Ltd. (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 Twentieth AGM of the Company held on July 29, 2021:

- Mr. M M Murugappan who was liable to retire by rotation was reappointed as Director
- Mr. Akihiko Ikeno was appointed as a Director (liable to retire by rotation)
- Mr. Takashi Kishi was reappointed as Whole time Director for a further period of two years with effect from April 1, 2021.

Mr. Takashi Kishi resigned from the office of Director and Whole time Director with effect from the closing hours of March 31, 2022. Mr. Naoki Takeda was appointed as Additional Director and Whole time Director with effect from April 1, 2022.

Mr. Akihiko Ikeno resigned from his office of Director (Non-Executive) with effect from the closing hours of March 31, 2022.

Mr. Tsutomu Aoki was appointed as Additional Director (Non-

Executive) by the Board with effect from April 28, 2022.

The Board places on record its deep appreciation and gratitude to Mr. Takashi Kishi and Mr. Akihiko Ikeno for their guidance and valuable contribution to the Company during their tenure.

Mr. Sridharan Rangarajan 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

There are no changes in Key Managerial Personnel during the year.

As on March 31, 2022, 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. Takashi Kishi, Whole time Director
- Mr. S Venugopalan, Chief Financial Officer
- Mr. Suresh Krishnan, Company Secretary.

Mr. Naoki Takeda was appointed as Whole time Director with effect from April 1, 2022 in place of Mr. Takashi Kishi, who resigned from the office of Whole time Director with effect from the closing hours of March 31, 2022.

Audit Committee

The Audit Committee, comprised of three independent Directors viz., Mr. Margam Rama Prasad, Mr. K L R Babu and Ms. K Ramadevi and two non-executive Directors viz., Mr. Sridharan Rangarajan and Mr. Akihiko Ikeno (resigned on March 31, 2022).

Mr. Tsutomu Aoki was inducted as a member of the Committee with effect from April 28, 2022 in place of Mr. Akihiko Ikeno.

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, Policyholder's 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 briefing to all members of the Board on the evaluation was completed.

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/3OnWCfs>

The Policy is annexed to this report as **Annexure B**.

- 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/3OkUTaH>

The same is annexed to this report as **Annexure C**.

- 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/3u1duQX>

The Remuneration Policy is annexed to this report as **Annexure D**.

The aforesaid policies have been reviewed during the year to align with the requirements of Guidelines on remuneration to Non-Executive Directors and Managing Director/ Chief Executive Officer/ Whole time Directors and Guidelines on Corporate Governance for Insurers issued by IRDAI.

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 profits;
- 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, 2022
Number of MD/ CEO / WTDs having received a variable remuneration award during the financial year	2
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	180.12
Variable *	300.83
Deferred *	239.56
Non-deferred *	61.27
Total amount of outstanding deferred remuneration	
Cash (₹ in Lakh) *	239.56
Shares (nos.)	Nil
Shares-linked instruments	Nil
Other forms	Nil

*Includes remuneration paid to Mr. S S Gopalathnam for the period April 1, 2020 to June 30, 2020 which was paid in FY 2021-22.

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 qualifications 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, Practicing Company Secretaries, were appointed as Secretarial Auditors by the Board to conduct secretarial audit for FY 2021-22. The secretarial audit report is appended to this report as **Annexure E**. The secretarial audit report does not contain any qualification or adverse remarks.

Corporate Social Responsibility Initiatives

The Corporate Social Responsibility (CSR) Committee, as on March 31, 2022, comprises of Mr. M M Murugappan (Chairman),

Mr. Margam Rama Prasad, Mr. V Suryanarayanan and Mr. Takashi Kishi (until March 31, 2022) 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 attached as **Annexure F** to the report and has also been hosted on the website of the Company.

The Company earmarked an amount of ₹58.30 Million towards CSR spend for the financial year 2021-22, and ₹56.79 Million was spent towards CSR activities as approved by the Committee and the Board towards the same.

In addition to the above, the Board has approved an ongoing project of ₹10 Million for financial years 2021-22 and 2022-23. Further, an amount of ₹0.26 Million has been unutilised by the implementing agency and has been refunded to the Company.

Pursuant to the provisions of Section 135 of the Companies Act, the unspent amount pertaining to financial year 2021-22 (₹10.26 Million) has been deposited in the Unspent CSR Account (opened for this purpose for the ongoing projects).

The report on CSR activities in the prescribed format is attached as **Annexure G** 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.

Outlook for 2022-23

The General Insurance industry which has displayed good resilience during the two years ravaged by the pandemic expects to grow strongly in 2022-23 in anticipation of a full year's volumes undisturbed by lockdowns and further waves of the pandemic.

Headwinds for the industry include the micro-chip shortage induced lower automobile sales, higher inflation impacting consumer spends. Amongst the tail winds are the enhanced level of awareness towards health insurance, newer products in the market, the infrastructure spend thrust from the Government, expected credit offtake from banks etc. The imminent rise in interest rates in the economy will augment the investment income for all players in the industry.

The Company has continuously added new channel partners for diversity and reduction of dependency risk which has helped it grow in FY 2021-22. The Company will continue to seek adding channel partners, expand geographically into new markets, enhance its focus on renewals besides launching new products across lines of businesses.

The Company will tighten its expenses management related processes by its thrust on productivity and efficiency improvements.

The Company will continue to operate as a prudent insurer in its choice of product portfolio and segments and will fully live up 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 ₹535.48 Million and ₹899.62 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, 2022 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, 2022 ("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, 2021 in form MGT 7 is available on the website at <https://bit.ly/3u0MS2G>

The draft 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/3bBRWnu>

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 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.

The remuneration paid to the Key Management Persons as defined under Corporate Governance Guidelines of IRDAI forms part of draft Annual Return in MGT 7 which is available on the website at the link provided above.

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 H** 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. Promising Brand of the Year by Economic Times
2. Bancassurance Leader – Large by World HRD Congress
3. Asia Best General Insurance Company – Bancassurance by Insurance Alertss
4. Bancassurance Leader – World BFSI Congress & Awards
5. Brand of the Year in Recognition for Excellence from CEO Magazine

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 year.

For and on behalf of the Board

April 28, 2022
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 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 Ltd. (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 to keeping up with 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 the 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 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 the Company's business needs.

The Board of Directors of the Company, being a joint venture between the MG represented by Cholamandalam Financial Holdings Ltd. and MSI, Japan, comprises representatives of MG and MSI in addition to Independent Directors. The Board comprises 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.

At the Twentieth Annual General Meeting held on July 29, 2021, Mr. Takashi Kishi was reappointed as Whole time Director and Mr. Akihiko Ikeno was appointed as Director.

Mr. Takashi Kishi resigned from the offices of Director and Whole time Director and Mr. Akihiko Ikeno resigned from the office of Director with effect from closing hours of March 31, 2022. Mr. Naoki Takeda was appointed as Whole time Director by the Board with effect from April 1, 2022. Mr. Tsutomu Aoki was appointed as an Additional Director with effect from April 28, 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, 2022, 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	-
Mr. K L R Babu	Non-Executive / Independent	-
Ms. K Ramadevi	Non-Executive / Independent	-
Mr. Sridharan Rangarajan	Non-Executive / MG nominee	6
Mr. Akihiko Ikeno	Non-Executive / MSI nominee	1
Mr. V Suryanarayanan	Managing Director / MG nominee	1
Mr. Takashi Kishi	Whole time 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, 2022, 5 Board meetings were held on April 27, 2021, July 28, 2021, October 26, 2021, January 24, 2022 and March 18, 2022. Attendance of Directors at Board Meetings is given below:

Name of Director	Nature of Directorship	Designation	Meeting dated April 27, 2021	Meeting dated July 28, 2021	Meeting dated October 26, 2021	Meeting dated January 24, 2022	Meeting dated March 18, 2022
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	Non-Executive Director	Independent Director	Present	Present	Absent	Present	Present
Ms. K Ramadevi	Non-Executive Director	Independent Director	Present	Present	Present	Present	Absent
Mr. Sridharan Rangarajan	Non-Executive Director	Director	Absent	Present	Present	Present	Present
Mr. Akihiko Ikeno	Non-Executive Director	Director	Present	Absent *	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Managing Director	Present	Present	Present	Present	Present
Mr. Takashi Kishi	Executive Director	Whole time Director	Present	Present	Present	Present	Present

* Mr. Akihiko Ikeno participated in the meeting through audio mode and hence was not considered present.



BOARD TRAINING AND INDUCTION

At the time of appointment of a Director to the Board of the Company, the Director is provided with a Director's 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 Committee, defines the terms of reference and authorizes 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, 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 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. 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, 2022. During the year, Mr. Akihiko Ikeno was inducted as a member of the Committee in place of Mr. Hideo Yoshida with effect from April 27, 2021. Further, he ceased to be Member with effect from March 31, 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 Director	Nature of Directorship	Designation	Meeting dated April 27, 2021	Meeting dated July 28, 2021	Meeting dated October 26, 2021	Meeting dated January 24, 2022	Meeting dated March 18, 2022
Mr. Margam Rama Prasad	Independent Director	Chairman	Present	Present	Present	Present	Present
Mr. K L R Babu	Independent Director	Member	Present	Present	Absent	Present	Present
Ms. K Ramadevi	Independent Director	Member	Present	Present	Present	Present	Absent
Mr. Sridharan Rangarajan	Non-Executive Director	Member	Absent	Present	Present	Present	Present
Mr. Akihiko Ikeno (with effect from April 27, 2021)	Non-Executive Director	Member	-	Absent *	Present	Present	Present

* Mr. Akihiko Ikeno participated in the meeting through audio mode and hence was not considered 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 in Audit Committee have held separate discussions with the statutory and internal auditors without the presence of the management team on April 27, 2021.

INVESTMENT COMMITTEE

Terms of reference:

Investment Committee has been constituted in terms of IRDAI (Investment) Regulations. 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. Abhiranjan Gupta, Chief Investment Officer was inducted as a member of the Committee in place of Mr. N V Murali with effect from May 1, 2021. Mr. Naoki Takeda, was inducted as a member of the Committee with effect from April 1, 2022 in place of Takashi Kishi who ceased to be member.

During the year ended March 31, 2022, 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 Director	Nature of Directorship	Designation	Meeting dated April 27, 2021	Meeting dated July 28, 2021	Meeting dated October 26, 2021	Meeting dated January 24, 2022	Meeting dated March 18, 2022
Mr. M M Murugappan	Non- Executive Director	Chairman	Present	Present	Present	Present	Present
Mr. Sridharan Rangarajan	Non- Executive Director	Member	Absent	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present	Present
Mr. Takashi Kishi	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	Present
Mr. N V Murali (till April 30, 2021)	-	Member, Chief Investment Officer	Present	-	-	-	-
Mr. Abhiranjan Gupta (from May 1, 2021)	-	Member, Chief Investment Officer	-	Present	Present	Present	Present
Mr. Ashwani Kumar Arora	-	Member, Appointed Actuary	Present	Present	Present	Present	Absent

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. Akihiko Ikeno was inducted as a member of the Committee in place of Mr. Hideo Yoshida with effect from April 27, 2021. Further, he ceased to be a Member with effect from March 31, 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, 2022. 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 Director	Nature of Directorship	Designation	Meeting dated April 27, 2021	Meeting dated July 28, 2021	Meeting dated October 26, 2021	Meeting dated January 24, 2022	Meeting dated March 18, 2022
Mr. K L R Babu	Independent Director	Chairman	Present	Present	Absent	Present	Present
Mr. M M Murugappan	Non- Executive Director	Member	Present	Present	Present	Present	Present
Mr. Sridharan Rangarajan	Non-Executive Director	Member	Absent	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present	Present
Mr. Akihiko Ikeno (with effect from April 27, 2021)	Non-Executive Director	Member	-	Absent *	Present	Present	Present
Mr. S K Rangaswamy	--	Chief Risk Officer	Present	Present	Present	Present	Present

* Mr. Akihiko Ikeno participated in the meeting through audio mode and hence was not considered present.

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 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, 2022, 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 Director	Nature of Directorship	Designation	Meeting dated April 27, 2021	Meeting dated July 28, 2021	Meeting dated October 26, 2021	Meeting dated January 19, 2022	Meeting dated March 18, 2022
Ms. K Ramadevi	Independent Director	Chairperson	Present	Present	Present	Present	Absent
Mr. Sridharan Rangarajan	Non- Executive Director	Member	Absent	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present	Present
Mr. Takashi Kishi	Executive Director	Member	Present	Present	Present	Present	Present
Ms. G Jalaja	--	Customer Representative	Present	Absent	Present	Absent	Present

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of reference:

As per the requirements of section 135 of the Companies Act, 2013, 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;
- 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.

Composition & Meetings:

The Committee comprises 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 a member with effect from March 31, 2022.

The Committee met four 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 Director	Nature of Directorship	Designation	Meeting dated April 27, 2021	Meeting dated July 28, 2021	Meeting dated October 25, 2021	Meeting dated March 18, 2022
Mr. M M Murugappan	Non- Executive Director	Chairman	Present	Present	Present	Present
Mr. Margam Rama Prasad	Independent Director	Member	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present
Mr. Takashi Kishi	Executive Director	Member	Present	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. Akihiko Ikeno was inducted as a member of the Committee in place of Mr. Hideo Yoshida with effect from April 27, 2021. Further, he ceased to be member with effect from March 31, 2022.

The Committee met four 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 Director	Nature of Directorship	Designation	Meeting dated April 27, 2021	Meeting dated July 28, 2021	Meeting dated January 24, 2022	Meeting dated March 18, 2022
Mr. Margam Rama Prasad	Independent Director	Chairman	Present	Present	Present	Present
Ms. K Ramadevi	Independent Director	Member	Present	Present	Present	Absent
Mr. M M Murugappan	Non-Executive Director	Member	Present	Present	Present	Present
Mr. Akihiko Ikeno (with effect from April 27, 2021)	Non-Executive Director	Member	-	Absent *	Present	Present

* Mr. Akihiko Ikeno participated in the meeting through audio mode and hence was not considered present.

BUSINESS COMMITTEE

Terms of reference:

Business Committee is a non-mandatory committee. The Committee's role 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. 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.

The Committee met five times during the year ended March 31, 2022. 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 Director	Nature of Directorship	Designation	Meeting dated April 27, 2021	Meeting dated July 28, 2021	Meeting dated October 26, 2021	Meeting dated January 24, 2022	Meeting dated March 18, 2022
Mr. M M Murugappan	Non-Executive Director	Chairman	Present	Present	Present	Present	Present
Mr. K L R Babu	Independent Director	Member	Present	Present	Absent	Present	Present
Mr. Sridharan Rangarajan	Non-Executive Director	Member	Absent	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present	Present
Mr. Takashi Kishi	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:

- reviewing the items on the board agenda before every meeting of the Board;
- implementing the guidelines issued by the Board for Company's operations;
- reviewing the operations of the Company periodically.

Composition & Meetings:

The Committee comprises four members. During the year under review, Mr. Akihiko Ikeno was inducted as a member of the Committee in place of Mr. Hideo Yoshida with effect from April 27, 2021. Further, he ceased to be member of the Committee from the closing hours of 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 Director	Nature of Directorship	Designation	Meeting dated April 26, 2021	Meeting dated July 28, 2021	Meeting dated October 25, 2021	Meeting dated January 24, 2022	Meeting dated March 18, 2022
Mr. M M Murugappan	Non-Executive Director	Chairman	Present	Present	Present	Present	Present
Mr. Sridharan Rangarajan	Non-Executive Director	Member	Absent	Present	Present	Present	Present
Mr. V Suryanarayanan	Executive Director	Member	Present	Present	Present	Present	Present
Mr. Akihiko Ikeno (with effect from April 27, 2021)	Non-Executive Director	Member	-	Absent *	Present	Present	Present

* Mr. Akihiko Ikeno participated in the meeting through audio mode and hence was not considered present.

REMUNERATION OF DIRECTORS

IRDAI had issued Guidelines on remuneration of Non-executive Directors, Managing Director/ Chief Executive Officer / Whole time 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 forms part of the annual report.

The Managing Director and the Whole time 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 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 Whole time Director is on secondment from MSI, Japan and the remuneration is subject to IRDAI approval. 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, 2022 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 Codes 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 Ltd. (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, 2021, the Company has not received any cases 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, 2022, the below assignments were entrusted to statutory auditors.

(Amount in ₹)

Particulars	Sharp & Tannan	R G N Price & Co.
Limited Review		
— Management Reporting	310,500	310,500
— SEBI Reporting	80,000	80,000
— Schedule III FS	90,000	90,000
Other Certifications	156,000	145,000
Holding Company Reporting	126,500	126,500
Tax Audit	414,000	-
Out of pocket expenses for Tax Audit	11,500	-
ETASS Certification	75,000	-
Ind AS Audit	850,000	-
Total	2,113,500	752,000

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 2021-22:

S.No.	Particulars	Number of claims
1	Claims pending at the beginning of the year	67,885
2	Claims intimated during the year	478,908
3	Claims disposed during the year	469,936
4	Claims pending at the end of the year	76,857

Ageing of pending claims	Number of claims
Less than 3 months	28,754
3 months to 6 months	6,437
6 months to 1 year	5,455
1 year and above	36,211

Above pending claims includes 33652 TP claims and 12971 RSBY Claims

MEANS OF COMMUNICATION

In terms of IRDAI circular no.IRDA/F&I/CIR/F&A/012/01/2010 dated January 28, 2010, the Company published its half yearly financial statements as at March 31, 2021 and September 30, 2021 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. In addition, the Company has published the quarterly financial results for the quarter ended December 31, 2021 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	Resolutions passed
20th AGM	July 29, 2021	<ul style="list-style-type: none"> - Adoption of audited accounts for FY 2020-21; - Re-appointment of Mr. M M Murugappan as Director; - Re-appointment 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	<ul style="list-style-type: none"> - Approval of Long Term Incentive Plan 2021 to Managing Director

AGM/EGM	Date of the meeting	Resolutions passed
19th AGM	July 28, 2020	<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.
18th AGM	July 23, 2019	<ul style="list-style-type: none"> - Adoption of audited accounts for FY 2018-19; - Re-appointment of Mr. M M Murugappan as Director; - Ratification of appointment of joint statutory auditors; - Appointment of Mr. Sridharan Rangarajan as Non-Executive Director; - Appointment of Mr. Hideo Yoshida as Non-Executive Director; - Appointment of Mr. Takashi Kishi as Director; - Appointment of Mr. Takashi Kishi as Whole time Director for a period of two years from April 1, 2019; - Reappointment of Mr. S S Gopalarathnam as Managing Director for a further period till June 30, 2020.

Compliance with corporate governance guidelines

IRDAI has vide its circular dated May 18, 2016, issued revised 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 28, 2022
Chennai

M M Murugappan
Chairman

Certification for compliance of the Corporate Governance Guidelines for 2021-22

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

April 28, 2022
Chennai

Suresh Krishnan
Company Secretary



Accessibility
is part of
our **DNA**

Toll Free Numbers:

For Motor: 1800 208 5544

For Health & Other Insurance: 1800 208 9100

WhatsApp Number: 7305234433

Chatbot: Joshu

E-mail: customercare@cholams.murugappa.com

Policy for Board nominations

Annexure B

The Nomination and Remuneration Committee (N & R Committee) of the Board is responsible for identifying persons for initial nomination as Directors and evaluating incumbent Directors for their continued service. The following are the qualifications, positive attributes and independence criteria laid down by the N&R Committee of Cholamandalam MS General Insurance Company Limited in terms of Section 178(3) of the Companies Act, 2013 and Corporate Governance Guidelines for Insurers in India issued by Insurance Regulatory and Development Authority of India (IRDAI) to be considered for nominating candidates for Board positions/re-appointment of Directors.

QUALIFICATIONS:

Personal Traits

- Highest personal and professional ethics, integrity and values;
- Shares values and beliefs of the Company;
- Inquisitive and objective perspective, practical wisdom and mature judgment;
- Demonstrates intelligence, maturity, wisdom and independent judgment;
- Self-confidence to contribute to board deliberations, has a stature that other board members will respect his or her views.

Experience and Background

- Well accomplished in his / her respective field;
- Demonstrated success at policy-setting and strategy development levels in a large organization (such as corporation, government, academic institution or profession);
- Typically first level leadership position (i.e., Chair, CEO or President or equivalent) or second level (i.e., COO, CFO or head of a major subsidiary or line of business) unless the Board is seeking a particular skill set (e.g., technology, human resources management or financial expert);
- Leadership role - at the time a potential Director's initial candidacy is evaluated must either be current or very fresh and recent, and incumbent Directors should continue to

demonstrate a sophisticated understanding and current knowledge of complex business issues;

- Mastery over a broad knowledge area (e.g., engineering, finance, marketing, corporate affairs, technology, law, human resources management, executive leadership) that complements the skills of current board members and proposed board role;
- Absence of adverse events (e.g., bankruptcy affiliations, securities law sanctions, disqualifications under Companies Act, 2013 or other applicable laws etc.) that either disqualify or require adverse disclosures.

Fit and proper

- The intangibles of demeanor, attitude and interpersonal skills that indicate the candidate will be an effective member of the Board of Directors "team" in a major Company setting;
- Should act on fully informed basis, in good faith, with due diligence and care and in the best interest of the Company and its stakeholders;
- Should be able to exercise objective independent judgment on corporate affairs;
- Special skills, expertise and background that contribute to the diversity of views and perspective of the Board as a whole;
- With respect to Directors being nominated for Independent position, the candidate should comply with the "Independence qualifications" as defined by applicable laws;
- Willingness to devote sufficient time to carry out the duties and responsibilities effectively, including attendance at meetings;
- Willingness to undertake appropriate induction and regularly update and refresh his/ her skills, knowledge and familiarity with the Company;
- Commitment to representing the long-term interests of the shareholders and balancing the interests of stakeholders;
- Willingness to challenge management in a constructive manner while working effectively as a part of a team in an environment of collegiality and trust;

- Adhere to the code of conduct of the Company;
- Protecting the legitimate interests of the Company, its shareholders and employees and maintain confidentiality;
- Meets the age criteria and applicable tenor restrictions placed by the Board;
- Absence of an unacceptable number of other board commitments;
- Absence of personal and business relationships/Directorship that would pose a conflict of interest to the Board position;
- Not being an agent or an intermediary or an insurance intermediary or a Director on the Board of an intermediary / corporate agent of the Company, unless with the prior approval of IRDAI
- Absence of unfair obstruction in the functioning of the Board/Committees:

POSITIVE ATTRIBUTES:

The positive attributes for a Director would encompass:

- Ethical Integrity & transparency;
- Sufficient knowledge in the Company's business and operations;
- Sound judgment gained through experience & expertise in management/ technical/ financial /governance or regulatory matters;

- Foresight - ability to see and prepare for future, anticipate needs, opportunities and threats;
- Managerial abilities required to lead and guide the management such as effective communication skills, cultural sensitivity, flexibility, team spirit, strategic thinking, balancing risk with opportunity, ability to juggle several variables and make complicated decisions etc.

INDEPENDENCE STANDARDS:

A Director is independent if the Board affirmatively determines that he meets the independence criteria provided under the applicable laws. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relative to a Director's independence.

Two core objectives in selecting Board members and continued Board service are that the skills, experiences and perspectives of the Board as a whole should be broad and diverse, and the collective talent should blend together to be as effective as possible.

Retirement

A Director shall be liable for retirement upon reaching the age of superannuation, which currently is 70 years, unless otherwise approved by the Board and shareholders as the case may be, subject to compliance of Companies Act, 2013 and IRDAI Guidelines.



Criteria for Appointment of Senior Management

Annexure C

The Nomination and Remuneration Committee (NRC) of the Board is responsible for identifying persons who are qualified to be appointed in senior management. The following criteria laid down by the NRC of Cholamandalam MS General Insurance Company Ltd. in terms of section 178(2) of the Companies Act, 2013 and Corporate Governance Guidelines for Insurers in India issued by IRDAI are to be considered for induction of a person into the senior management positions.

Senior management means personnel of the Company who are members of its core management team excluding the Board of Directors, comprising all members of management one level below the executive Directors, including functional heads.

Personal Traits

- Highest personal and professional ethics and integrity;
- Values embodied in the guiding principles of the Murugappa Group and the Company - "Five Lights" – Integrity, Passion, Quality, Respect and Responsibility;
- Age criteria set by the Company.

Competencies

- Possess specialist knowledge and business acumen relative to the position for which he or she is being considered;
- Good leadership skills;
- Innovative;
- Demonstrating intelligence, maturity and wisdom;
- Exercising sound judgement gained through experience and expertise in management/ technical/ financial/ corporate matters in the best interest of the Company as a whole;
- Ability to see and prepare for future, anticipate needs, opportunities and threats.
- Possesses managerial abilities such as effective communication skills, action focus, people engagement, cultural sensitivity, flexibility, team player, strategic thinking, creating a shared vision, etc.
- Exhibits personal effectiveness;

- Ability to influence and drive decisions in the interest of the Company;
- Respects customer centricity;
- Good interpersonal relationship;
- Effective team player.

Experience and Background

Highly accomplished and experienced in their respective field of engineering / finance / marketing / corporate affairs / technology / law / HRM, etc., with superior credentials and recognition.

Fit

- Should act on fully informed basis, in good faith, with due diligence and care and in the best interest of the Company and its stakeholders;
- Should be able to exercise objective independent judgment on corporate affairs;
- Willingness to undertake appropriate induction and regularly update and refresh his/ her skills, knowledge and familiarity with the Company;
- Commitment to representing the long-term interests of the shareholders and balancing the interests of stakeholders;
- Adhere to the code of conduct of the Company;
- Protecting the legitimate interests of the Company, its shareholders and employees and maintain confidentiality;
- Absence of commitments and other fixed outside obligations;
- Absence of personal and business relationships that would pose a conflict of interest to the position.

Retirement

Senior Management Person shall be liable for retirement upon reaching the age of superannuation, which currently is 58 years, unless otherwise approved by the Board.



Remuneration Policy

Annexure D

1. Preamble

This Remuneration Policy provides the framework for remuneration of members of the Board of Directors, Key Managerial Personnel, and other employees of Cholamandalam MS General Insurance Company Limited.

This Policy is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013, Guidelines for Corporate Governance of Insurance Regulatory and Development Authority of India (IRDAI) and Guidelines on Remuneration of Non-executive Directors and Managing Director/Chief Executive Officer / Whole time Directors of insurers of IRDAI ("the guidelines"). The objective of the policy is to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company.

This Policy reflects the remuneration philosophy and principles of the Murugappa Group and considers the pay and employment conditions with peers / competitive market to ensure that pay structures are appropriately aligned.

2. Remuneration of Non-Executive Directors

- 2.1. Non-Executive Directors ("NEDs") will be paid remuneration by way of Sitting Fees and Commission. The remuneration/ commission/ compensation to the NEDs will be decided by the Board in accordance with this policy.
- 2.2. As approved by the shareholders at the shareholders general meeting, commission will be paid at a rate computed in accordance with Section 198 of the Companies Act, 2013 read with relevant IRDAI guidelines. The commission to be paid will be restricted to a fixed sum within the above limit annually on the basis of their tenure in office during the financial year.
- 2.3. Commission payable to non-executive Directors other than Chairman of the Board, shall not exceed the maximum limit stipulated in the "Guidelines". For Chairman, the commission payable may be decided by the Board subject to statutory ceiling and approvals as may be required under relevant authority.
- 2.4. The payment of the Commission to the NEDs will be

placed before the Board every year for its consideration and approval. The sitting fee payable to the NEDs for attending the Board and Committee meetings will be fixed, subject to the statutory ceiling. The fee will be reviewed periodically and aligned to comparable best in class companies.

- 2.5. Keeping with evolving trends in industries and considering the time and efforts spent by specific NEDs, the practice of paying differential commission will be considered by the Board.
- 2.6. Independent Directors will not be eligible to receive stock options under the employee stock option scheme(s) ("ESOP") of the Company, if any.

3. Remuneration of Managing Directors (MD) / Whole time Directors (WTD) / Chief Executive Officers (CEO)

- 3.1 The compensation payable to MD/WTD/CEO will be within the scale approved by the shareholders and will be within the overall limits specified under the Companies Act, 2013. While determining the total remuneration, the Nomination & Remuneration (N&R) Committee shall consider the parameters and various risks as specified in the guidelines issued by IRDAI (from time to time) and recommend to the Board for approval.

The following aspects may be considered while framing the remuneration structure of the MD/WTD /CEO viz., Fixed Pay, Variable Pay, Perquisites, Pension Plan and Gratuity, including annual and deferred variable pay.

- 3.2 The N&R Committee will determine the annual increment and the annual variable pay in the form of the annual incentive for the MD/WTD/CEO based on Company's and individual's performance as against the pre-agreed objectives for the year. The business plan as approved by the Board and the various qualitative parameters as specified in the Guidelines would form the basis of determination of variable pay compensation.
- 3.3 Grants under ESOP Scheme, if any, shall be approved by the N&R Committee and shall be governed by the norms prescribed in the guidelines and SEBI regulations as applicable.
- 3.4 In case of inadequacy of profit in any financial year, the



remuneration payable to MD/WTD/CEO shall be further subject to the relevant provisions of the Companies Act and IRDAI regulations as applicable.

- 3.5 MD/WTD/CEO will not be paid sitting fees for any Board/Committee meetings attended by them.

4. Remuneration to Key Managerial Personnel / Other Employees

- 4.1 The Company's total compensation for Key Managerial Personnel as defined under the Companies Act, 2013 / other employees will consist of:

- fixed compensation
- variable compensation in the form of annual incentive
- benefits
- work related facilities and, perquisites

- 4.2 In addition, select senior executives will be eligible for long-term incentive plan, which among others may include, in the form of ESOPs, as per the ESOP scheme in force from time to time. Grants under the ESOP Scheme will be approved by the N&R Committee.

- 4.3 Fixed compensation will be determined on the basis of size and scope of the job typically as reflected by the level or grade of the job, trends in the market value of the job and the skills, experience and performance of the employee. Fixed compensation will include Basic Salary, Housing Allowance, Leave Travel Allowance and a cash allowance.

- 4.4 The Annual and long term Incentive (variable pay) of executives will be linked directly to the performance of the relevant business unit and the Company in accordance with the Employees Incentive Scheme of the Company as formulated from time to time.

- 4.5 Based on the grade and seniority of employees, Benefits for employees include:

- 4.5.1. Health-Related
- 4.5.2. Health (hospitalization) insurance
- 4.5.3. Accident and Life insurance
- 4.5.4. Retirement-Related
- 4.5.5. Contribution to a Superannuation Fund (in addition to statutory benefits such as Provident Fund account, Gratuity, etc.)

- 4.6 Employees will also be eligible for work related facilities and perquisites as may be determined through human

resources policies issued from time to time based on the Grade of the employee.

- 4.7 A formal annual performance management process will be applicable to all employees, including senior executives and Key Management Personnel. Annual increases in fixed and variable compensation of individual executives will be directly linked to the performance ratings of individual employee.

- 4.8 Overall compensation shall be subject to periodic reviews which takes into account data from compensation surveys conducted by specialist firms, as well as factors such as affordability based on the Company's performance and the economic environment.

- 4.9 Employees may be eligible for ESOPs as per the ESOP scheme, if any, approved by the Shareholders and in force from time to time. The objective of the ESOP scheme will be to reward employees for their contribution to the long term growth and profitability of the Company by providing a platform to share the value they create for the Company.

- 4.10 Employees may be eligible for severance payments in accordance with the termination clause in their employment agreement subject to applicable regulatory requirements.

5. Committee members interest

The NRC may invite such executives, as it considers appropriate, to be present at the meetings of the N&R Committee.

6. Adoption, Changes and Disclosure of Information

- 6.1 This Remuneration Policy and any changes thereof will be approved by the Board of Directors based on the recommendation(s) of the N&R Committee.

- 6.2 The policy shall be reviewed annually.

- 6.3 Norms as prescribed by IRDAI, changes arising out of implementation of labour code, or any other applicable statutory authority, as applicable, from time to time with regard to remuneration of non-executive Directors and MD/WTD/CEO shall be complied with.

- 6.4 Disclosures of this Remuneration Policy would be made at such places as may be required under any applicable Statute.



Secretarial Audit Report

Annexure E

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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, 2022. 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, 2022 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, 2022 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 Insurance Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct

Investment and External Commercial Borrowings under FEMA during the year under review and hence, the question of complying with the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder does not arise;

- (v) The Insurance Company has listed its debt securities with the National Stock Exchange of India Ltd. 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 Debt Securities) Regulations, 2008 & 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) Regulations, 2014 and 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, 2009; and
- e) The Securities and Exchange Board of India (Buyback 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 & 4 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 in view of the pandemic 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, there were no specific events having major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines and standards during the period under review.

PLACE : CHENNAI
DATE : APRIL 28, 2022

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO.657/2020
UIN : S2003TN063400
UDIN: F004775D000220804

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. Where ever 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 28, 2022

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO.657/2020
UIN: S2003TN063400
UDIN: F004775D000220804



Corporate Social Responsibility Policy

Annexure F

Preamble

The Murugappa Group is known for its tradition of philanthropy and community service. The Group's philosophy is to reach out to the community by establishing service-oriented philanthropic institutions in the field of education and healthcare as the core focus areas.

Cholamandalam MS General Insurance Company Ltd. (hereinafter referred to as Chola MS) has been upholding the Group's tradition by earmarking a part of its income for carrying out its social responsibilities. We believe that social responsibility is not just a corporate obligation that has to be carried out but it is one's dharma. Therefore, our philanthropic endeavors are a reflection of our spiritual conscience and this provides us a way to discharge our responsibilities to the various sections of the society.

We have been carrying out Corporate Social Responsibility (CSR) activities for a long time through AMM Foundation, an autonomous charitable trust, in the field of Education and Healthcare.

Corporate Social Responsibility Purpose Statement

The Company shall seek to positively impact the lives of the disadvantaged by supporting and engaging in activities that aim to improve their wellbeing. We are dedicated to the cause of empowering people, educating them and improving their quality of life. While we will undertake programmes based on the identified needs of the community, education and healthcare shall remain our priority. Across the different programme areas, it would be our endeavour to reach the disadvantaged and the marginalised sections of the society to make a meaningful impact on their lives.

We are committed to identifying and supporting programmes aimed at:

- 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, rainwater harvesting, conservation of flora & fauna, and similar program;
- Promotion of sports through training of sportspersons;
- Undertaking rural development projects;
- Providing support to institutions involved in the welfare of senior citizens;
- Providing support for initiatives aimed at improvements in Road Safety;
- Disaster relief and management;
- Women empowerment.

Scope

This policy will apply to all projects/programmes undertaken as part the Company's Corporate Social Responsibility and will be developed, reviewed and updated periodically with reference to relevant changes in corporate governance, international standards and sustainable and innovative practices. The policy will maintain, at all times, compliance and alignment with the activities listed in Schedule VII and Section 135 of the Companies Act, 2013 and the rules framed thereunder.

Governance

The approval of the CSR policy and oversight is the responsibility of the Company's Board of Directors. The responsibility of the CSR committee is to formulate the policy and to administer the policy through implementing partner(s) or via self-implementation. The CSR Committee shall provide guidelines for projects/partner selection to the respective HR or CSR teams, wherever applicable. The CSR committee is to ensure that projects/programmes are compliant with regulations and are monitored and reported effectively.

As the Company's CSR activities evolve, the policy may be revised by the CSR committee and approved by the Board of Directors.

Annual Action Plan

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of this policy, which shall include the following, namely:

- (a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act or as may be permitted;
- (b) the manner of execution of such CSR projects or programs;
- (c) the modalities of utilization of funds and implementation schedules for the projects or programs;
- (d) monitoring and reporting mechanism for the projects or programs; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the Company:

Based on the recommendation of the CSR Committee, the Board may alter the action plan at any time during the financial year, based on a reasonable justification to that effect.

CSR Spend

The CSR Committee shall recommend to the Board the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013, (the Act) as amended from time to time.

The amount spent on CSR activities in excess of mandatory requirement, may be set off against the requirement to spend towards CSR under the Act up to immediate succeeding three financial years subject to the conditions prescribed in the Act and the Rules made thereunder.

The unspent amount of CSR during a financial year, if any, not pertaining to any ongoing project shall be transferred by the Company to any fund specified in Schedule VII of the Act within six months from the expiry of the financial year.

The unspent amount of CSR during a financial year, if any, pertaining to any ongoing project, fulfilling such conditions as may be prescribed under the Act or the Rules made thereunder, and under the Policy, shall be transferred to a special bank account to be opened in this behalf for that financial year in a scheduled bank to be called "Unspent CSR Account" and such amount shall be spent by the Company towards CSR activities within a period of three financial years from the date of the transfer, failing which the Company shall transfer the same to a fund specified in Schedule VII of the Act within 30 days from the expiry of the third financial year.

In case of any surplus arising out of CSR projects, the same shall not form part of business profits of the Company, and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account. The same shall be spent in pursuance of CSR policy or transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry

of the financial year.

CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by:

- a) A Company established under section 8 of the Act, or a registered public trust or a registered society, having charitable objects and CSR Registration Number as prescribed under the Act and the Rules made thereunder; or
- b) Beneficiaries of the said CSR project in the form of self-help groups, collectives, entities; or
- c) Public authority.

Implementation

The Company shall undertake CSR project/programmes identified by the CSR Committee and approved by the Board of Directors in line with the CSR Policy.

The Company shall implement its CSR programmes/projects:

- a) A Company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, established by the Company either singly or along with any other Company; or
- b) A Company established under section 8 of the Act or a registered public trust or a registered society, established by the Central Government or State Government; or
- c) Any entity established under an Act of Parliament or a State legislature; or
- d) A Company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

The Company may enter into partnerships or alliances with NGOs, Trusts, or other Corporate Foundations etc. to effectively implement its CSR programmes/ projects.

The Company can also implement programmes in collaboration with other Company(ies), if permissible and feasible.

The Company shall formulate criteria and procedure for selection, screening and due diligence of its implementing partners.

The board shall make sure the CSR funds disbursed for ongoing projects are utilised for the purposes in the manner as it was approved by the board and Chief Financial Officer shall certify the same.



CSR Programmes/Projects

The Company would be adopting a focused and a structured approach towards implementing its CSR initiatives. It has identified thematic 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 program areas are:

- Providing basic health care facilities to economically backward societies across geographical areas,
- Improving access to education,
- Provision of Skill Development/Vocational Training,
- Rural Development,
- Environmental Sustainability,
- Promoting Sports, Arts & Culture,
- Sustainable livelihood including setting up old age homes, day care centers and such other facilities for senior citizens,
- Road Safety Campaign,
- Disaster Relief Programs,
- Women Empowerment,
- Any other program that falls under CSR Policy and which are in alignment with the activities listed in Schedule VII and Section 135 of the Companies Act, 2013 and the rules framed thereunder.

Monitoring and Reporting

The CSR Committee will oversee the implementation and monitoring of all CSR projects/ programmes and periodic reports shall be provided for review to the Board.

The Company may engage international organizations for designing, monitoring and evaluation of the CSR projects or programmes, as well as for capacity building of their own personnel for CSR.

The board shall monitor the implementation of the project on approved timelines, year-wise allocation and shall make modification if any, ensuring smooth implementation of the Project.

The Composition of the CSR Committee, CSR Policy and Projects approved by the Board shall be disclosed in Company's website for public access.

The Company, subject to conditions as laid down under Act and Rules, shall undertake impact assessment for the projects through independent agency.

The Company will institute a well-defined, transparent monitoring and review mechanism to ensure that each CSR project/program has:

1. Clear objectives developed out of the societal needs that may be determined through need assessment studies and research (secondary or primary);
2. Clear targets, time lines and measureable indicators, wherever possible;

A progress monitoring and reporting framework that is aligned with the requirements of Section 135 of the Companies Act 2013 and the CSR Rules.



Enabling
people and
their vehicles

A PAN India network
of **10,000+** Cashless
Network Garages.



Annual Report on CSR Activities to be included in the Board's Report for Financial Year ended March 31, 2022

Annexure G

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 centers 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 Committee:

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

3. The web-link of Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company 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. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

6. Average net profit of the Company as per section 135(5) : ₹2,915.00 Million

7. (a) Two percent of average net profit of the Company as per section 135(5) : ₹.58.30 Million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year: NIL

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹58.30 Million

8. (a) 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
5,67,93,529	10,000,000	21.04.2022	-	-	-
	264,710	22.04.2022			

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Contribution towards documentation of Kathakalli -Kalladikottan tradition	Protection of Art and Culture	Yes	Tamil Nadu	Chennai	2021-23	666,000	401,290	264,710	No	Kalakshetra Foundation, Chennai	CSR00005446
2	Contribution towards setting up of Live Museum at New Delhi	Protection of Art and Culture	No	Delhi	New Delhi	2021-23	10,000,000	-	10,000,000	No	Serendipity Arts (a unit of KK Birla Academy)	CSR00005999
Total							10,666,000	401,290	10,264,710			

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Contribution to Support Sir Ramaswami Mudaliar Higher Secondary School	Promoting Education	Yes	Tamil Nadu	Chennai	18,447,000	No	AMM Foundation, Chennai	CSR00000050
2	Contribution to Support Murugappa Polytechnic College	Promoting Education	Yes	Tamil Nadu	Chennai	10,370,613	No	AMM Foundation, Chennai	CSR00000050
3	Contribution towards provision of equipment to Murugappa Polytechnic College, Chennai	Promoting Education	Yes	Tamil Nadu	Chennai	2,945,000	No	AMM Foundation, Chennai	CSR00000050
4	Contribution towards operation of Mobile Science Lab for Rural Children in Sivagangai District	Promoting Education	Yes	Tamil Nadu	Sivagangai	1,303,000	No	AMM Foundation, Chennai	CSR00000050
5	Contribution towards AMM Murugappa Chettiar Centenary Scholarship Full Fee Project	Promoting Education	Yes	Tamil Nadu	Chennai	429,387	No	AMM Foundation, Chennai	CSR00000050
6	Contribution towards Merit-cum-Means Scholarship Online BSc Degree in Programming and Data Science	Promoting Education	Yes	Tamil Nadu	Chennai	1,000,000	No	IIT Madras, Chennai	CSR00004320



(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
7	Contribution towards educational support to students from economically weaker section of society	Promoting Education	Yes	Tamil Nadu	Chennai	1,000,000	No	Equitas Development Initiatives Trust	CSR00001339
8	Contribution towards support to provide quality supplementary education for the rural Government school Students in Tamil Nadu	Promoting Education	Yes	Tamil Nadu	Multiple districts	297,000	No	Vidyarambam Trust, Chennai	CSR00012605
9	Contribution towards support to Virtual Lectures promoting Value education	Promoting Education	Yes	Tamil Nadu	Chennai	100,000	No	Vedanta Institute (Madras)	CSR00011478
10	Provision of a desk to the Government Junior College, Sathyavedu, AP	Promoting Education	No	Andhra Pradesh	Satyavedu, Tirupati	9,979	Yes	NA	-
11	Contribution towards Mobile Medical Unit for providing free treatment for underprivileged at 12 places in North Chennai	Promoting Healthcare	Yes	Tamil Nadu	Chennai	1,000,000	No	Sevabharathi TN, Chennai	CSR00004180
12	Contribution to support the cause of Haemophilia and Cancer treatment for poor Patients (Children)	Promoting Healthcare	Yes	Tamil Nadu	Chennai	600,000	No	Tiara Haemophilia and Cancer Foundation, Chennai	CSR00000448
13	Security and Housekeeping Maintenance of Neonatal Step-down wards at GGH, Kakinada, AP	Promoting Healthcare	No	Andhra Pradesh	Kakinada	653,436	Yes	NA	-
14	COVID 19 Vaccination campaign for general Public in Kerala	Promoting Healthcare	No	Kerala	Multiple districts	500,000	Yes	NA	-
15	Provision of insulin to underprivileged children with type -1 diabetes in Tamil Nadu	Promoting Healthcare	Yes	Tamil Nadu	Coimbatore	150,000	No	Idhayangal Charitable Trust, Coimbatore	CSR00003135
16	Road safety awareness campaign for SETC Bus drivers and conductors in Tamil Nadu	Road Safety awareness training - vocational skills	Yes	Tamil Nadu	Multiple districts	1,093,624	Yes	NA	-
17	Contribution to Protection of art through lecture demonstration and concerts "Music in Perpetuity" during December Music Festival, 2021 in Chennai	Protection of Art and Culture	Yes	Tamil Nadu	Chennai	200,000	No	R.R Sabha, Chennai	CSR00018696
18	Contribution to Tamil Nadu Disaster Relief Fund - CM Relief Fund	Disaster Relief & Management	Yes	Tamil Nadu	Chennai	10,000,000	Yes	NA	-
19	Contribution towards Ambulance Facility to the Patients at Anandam Home and nearby places	Setting up old age Home and Facilities for Senior Citizens	Yes	Tamil Nadu	Chennai	2,430,200	No	Anandam Trust, Chennai	
20	Contribution towards Infrastructure development – extension of kitchen, construction of toilet at Anandam Home premises	Setting up old age Home and Facilities for Senior Citizens	Yes	Tamil Nadu	Chennai	9,63,000	No	Anandam Trust, Chennai	
Total						53,492,239			

(d) Amount spent in Administrative Overheads: ₹2,900,000

(e) Amount spent on Impact Assessment: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹56,793,529

(g) Excess amount for set off: NIL

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	58,300,034
(ii)	Total amount spent for the Financial Year	56,793,529
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(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)]	NA

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2020-21	18,342,692	12,442,692	NA	NA	NA	5,900,000
2	2019-20	Nil	Nil	NA	NA	NA	Nil
3	2018-19	Nil	Nil	NA	NA	NA	Nil
	TOTAL	18,342,692	12,442,692	NA	NA	NA	5,900,000

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
1	FY31.03.2021_1	Contribution for provision of high grade medical equipment to Coromandel Hospital	2020-21	2020-23	17,500,000	11,600,000	11,600,000	Ongoing
2	FY31.03.2021_2	Contribution towards providing cancer treatment for children from the under privileged background	2020-21	2020-22	1,000,000	842,692	1,000,000	Completed
	TOTAL				18,500,000	12,442,692	12,600,000	

10. Creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

Not Applicable

(Asset- wise details)

- (a) Date of creation or acquisition of the capital asset(s) : NA
 (b) Amount of CSR spent for creation or acquisition of capital asset: NA
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : NA

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). : The Company has unspent amount towards two ongoing projects. The Company has remitted amount towards one project which was not fully utilised as on March 31, 2022. The second project was commenced during the financial year 2021-22 and is yet to be completed.

Managing Director

April 28, 2022
Chennai

Chairman of CSR Committee

Expanding & Strengthening our **Connection**



A growing network
of **10000+** Cashless
Hospitals to meet
healthcare needs.





Management Report

Annexure H

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 2022-23.
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 of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016 read together with other circulars have been maintained during the year ended March 31, 2022.
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, 2022, 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 center 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 2022, March 31, 2021, March 31, 2020, March 31, 2019 and March 31, 2018 is detailed in Annexure 1.
10. As at March 31, 2022, 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 unrealized 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 IRDAI, 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 departure 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 IRDAI regulations) and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of March 31, 2022, and of the profit for the year ended March 31, 2022.
- 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 in the context of the COVID-19 lockdown environment impacting the gross direct premium growth. The Company is awaiting a response.

14. There are no payments made to individuals, firms, companies, and organizations, 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 28, 2022



Building an **Intelligent System** for Claims



Launch of AI-Based Claims estimation system, **CHOLA MS SAHAI**, the first-of-its-kind in the industry for motor claim settlement.

Trend of Claims Settlement for the last five financial years

Annexure 1

Period	No. of Claims									
	Aviation	Engg	Fire	Liability	Marine	Misc	Accident	Health	Travel	Motor
30 days										
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
2017-18	-	327	247	819	18,748	599	1,114	21,476	28	73,203
30 days to 6 months										
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
2017-18	-	362	1,345	284	4,611	931	794	445	64	35,341
6 months to 1 year										
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
2017-18	-	78	354	42	463	44	88	1	7	4,317
1 year to 5 years										
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
2017-18	-	15	165	29	81	14	19	-	6	5,698
5 years and above										
2021-22	-	-	2	1	1	-	-	1	-	529
2020-21	-	-	-	-	-	-	1	-	-	368
2019-20	-	-	1	-	2	-	-	-	-	502
2018-19	-	1	3	1	1	-	5	-	-	478
2017-18	-	2	7	2	3	-	15	-	1	479

(₹ in Lakhs)

Period	Amount Claimed									
	Aviation	Engg	Fire	Liability	Marine	Misc	Accident	Health	Travel	Motor
30 days										
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
2017-18	-	82	228	222	1,490	4,410	2,469	7,992	11	15,579
30 days to 6 months										
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
2017-18	-	341	1,326	191	2,462	3,783	2,444	234	59	43,693
6 months to 1 year										
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
2017-18	-	107	1,643	42	806	578	175	20	43	18,073
1 year to 5 years										
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
2017-18	-	269	8,517	115	452	570	96	6	83	35,087
5 years and above										
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
2017-18	-	0	6	9	62	0	23	-	10	4,329

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, 2022, 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 read with Companies (Accounting Standards) Amendment Rules, 2016 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, 2022;
- 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;
- 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 Companies Act, 2013 ("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.

Sl. 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) and (v) and 2.12 to Schedule 16 Accounting policy for investments, Schedule 8 and 8A on Investments. Also refer note 5 to Schedule 16 on write off / provision for diminution in value of investments. We have considered this area as a Key Audit matter since the carrying value of investments as at March 31, 2022 was INR 125,338,105 Thousand which is approximately 91% of total assets of the Company. The assessment of the value of investments as on the reporting date involves significant judgement by the management of the Company which can materially impact the impairment loss, if any, and the carrying value of investments.</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 for provisioning 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 are significant in magnitude and requires use of judgements and estimates. OC including IBNR/IBNER are estimates for settlement of claims in future which are impacted by number of factors which includes the trends in severity of historical claims, frequency of historical claims 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 small changes in assumptions can materially impact the valuation of these liabilities.</p> <p>Total OC including IBNR and IBNER provisions amounts to ₹70,046,043 Thousand (net of RI recoveries) as on March 31, 2022.</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, 2022 is ₹5,669,895 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 possible outcome of these disputes.</p>	<ul style="list-style-type: none"> ● Reviewed the details of pending tax demands as at March 31, 2022. ● Reviewed Company's correspondences with tax authorities, legal counsels, grounds of appeal filed with various appellate authorities and industry position on various tax disputes. ● 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 Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditors' 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 Companies Act, 2013 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 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 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") 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management 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 28, 2022, 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, read with Companies (Accounting Standards) Amendment Rules, 2016, 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, read with Companies (Accounting Standards) Amendment Rules, 2016, 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, 2022 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2022 from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013;
- 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.
- l. 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 did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (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, 2022 and accordingly reporting on compliance to Section 123 of the Act is not applicable.

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

For Sharp & Tannan
Chartered Accountants
Registration No.003792S

K. Venkatakrisnan
Partner
Membership No. 208591
UDIN: 22208591AJEMGN7795

V. Viswanathan
Partner
Membership No. 215565
UDIN: 22215565AHZBWZ2201

Place : Chennai
Date : April 28, 2022



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 Ltd. ("the Company") as at March 31, 2022 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 authorizations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or



timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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, 2022, 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
Registration No. 002785S

For Sharp & Tannan
Chartered Accountants
Registration No.003792S

K. Venkatakrisnan
Partner
Membership No. 208591
UDIN: 22208591AJEMGN7795

V. Viswanathan
Partner
Membership No. 215565
UDIN: 22215565AHZBWZ2201

Place : Chennai
Date : April 28, 2022



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.
 - 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, 2022 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, 2022. In respect of the investments held by the Company as at March 31, 2022, we have verified confirmations received over email 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.

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 Ltd. (the 'Company') for the year ended March 31, 2022, we certify that:
 - i. we have reviewed the management report attached to the financial statements for the financial year ended March 31, 2022 and there is no apparent mistake or material inconsistency therein with the financial statements;

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
Registration No. 002785S

For Sharp & Tannan
Chartered Accountants
Registration No.003792S

K. Venkatakrishnan
Partner
Membership No. 208591
UDIN: 22208591AJEMGN7795

V. Viswanathan
Partner
Membership No. 215565
UDIN: 22215565AHZBWZ2201

Place : Chennai
Date : April 28, 2022

Balance Sheet

as at March 31, 2022

FORM B-BS

CIN: U66030TN2001PLC047977

Registration No.123

Date of Registration with the IRDA July 15, 2002

(₹ '000)

Particulars	Schedule	As at March 31, 2022	As at March 31, 2021
SOURCES OF FUNDS			
Share Capital	5	2,988,057	2,988,057
Reserves and Surplus	6	16,627,799	15,857,598
Fair Value Change Account - Share Holders		38,230	28,128
Fair Value Change Account - Policy Holders		258,095	241,088
Borrowings	7	1,000,000	1,000,000
TOTAL		20,912,181	20,114,871
APPLICATION OF FUNDS			
Investments - Share Holders	8	16,170,180	11,614,098
Investments - Policy Holders	8A	109,167,925	98,990,957
Loans	9	-	-
Fixed Assets	10	848,078	726,722
Deferred Tax Asset (Refer Note 16 of Schedule16)		1,792,966	1,978,639
Current Assets			
Cash and Bank Balances	11	358,765	337,058
Advances and Other Assets	12	8,822,189	11,444,387
Sub-Total (A)		9,180,954	11,781,445
Current Liabilities	13	90,787,109	80,928,323
Provisions	14	25,460,813	24,048,667
Sub-Total (B)		116,247,922	104,976,990
Net Current Assets (C) = (A - B)		(107,066,968)	(93,195,545)
Miscellaneous Expenditure	15	-	-
(to the extent not written off or adjusted)			
Debit Balance in Profit and Loss Account (net of reserves)		-	-
TOTAL		20,912,181	20,114,871
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
Registration No. 0027855

For Sharp & Tannan
Chartered Accountants
Registration No.0037925

M M Murugappan
Chairman
DIN: 00170478

V Suryanarayanan
Managing Director
DIN: 01416824

K. Venkatakrisnan
Partner
Membership No. 208591

V. Viswanathan
Partner
Membership No. 215565

Sridharan Rangarajan
Director
DIN: 01814413

Naoki Takeda
Whole time Director
DIN: 09524037

Place : Chennai
Date : April 28, 2022

Suresh Krishnan
Company Secretary
M. No. F3142

S Venugopalan
Chief Financial Officer



Profit and Loss Account

FORM B-PL

Date of Registration with the IRDA July 15, 2002

for the year ended March 31, 2022

Registration No.123

(₹ '000)

Sl. No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
1	OPERATING PROFIT/(LOSS)		
	(a) Fire Insurance	1,096,628	812,143
	(b) Marine Insurance	76,998	47,040
	(c) Miscellaneous Insurance	4,774,391	4,945,215
2	INCOME FROM INVESTMENTS		
	(a) Interest and Dividend – Gross of TDS	923,178	688,383
	(b) Profit/ (Loss) on Sale of Investments	96,963	145,526
3	OTHER INCOME	-	-
	TOTAL (A)	6,968,158	6,638,307
4	PROVISIONS (Other than Taxation)		
	(a) For Diminution in the Value of Investments	(27,174)	9,200
	(b) For Doubtful Debts/Investments (Refer Note 5 of Schedule 16)	(620,102)	(823,438)
	(c) Others	-	-
5	OTHER EXPENSES		
	(a) Expenses other than those related to Insurance Business	99,502	197,040
	(b) Employee's remuneration and welfare benefits	25,606	37,305
	(c) Bad Debts/Investments written off (Refer Note 5 of schedule 16)	463,498	1,859,538
	(d) Interest on Debenture & Debenture issue related expenses	87,500	87,500
	(e) Others - CSR Expenses & Donations (Refer Note 25 of schedule 16)	67,058	58,475
	(f) Contribution to Policyholders Funds towards excess EoM	3,297,950	1,464,850
	(g) Marketing cost absorbed in shareholder's account (P&L account)	2,514,051	-
	TOTAL (B)	5,907,889	2,890,470
	Profit Before Tax	1,060,269	3,747,837
	Provision for Taxation		
	Current Tax	104,395	1,308,000
	Deferred Tax	185,673	(376,882)
	Profit After Tax	770,201	2,816,719
	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	500,000	1,500,000
	(f) Transfer to Debenture Redemption Reserve	-	-
	Balance of Profit Brought Forward from Previous Year	6,377,386	5,060,667
	Balance Carried Forward to Balance Sheet	6,647,587	6,377,386
	Earnings Per Share - Basic & Diluted (₹) (Refer Note 15 of Schedule 16)	2.58	9.43
	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 and on behalf of the Board of Directors

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

For Sharp & Tannan
Chartered Accountants
Registration No.0037925

M M Murugappan
Chairman
DIN: 00170478

V Suryanarayanan
Managing Director
DIN: 01416824

K. Venkatakrisnan
Partner
Membership No. 208591

V. Viswanathan
Partner
Membership No. 215565

Sridharan Rangarajan
Director
DIN: 01814413

Naoki Takeda
Whole time Director
DIN: 09524037

Place : Chennai

Date : April 28, 2022

Suresh Krishnan
Company Secretary
M. No. F3142

S Venugopalan
Chief Financial Officer



Receipts and Payments Statement

For the year ended March 31, 2022
Registration No.123

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flows from Operating Activities		
Receipts from Policyholders, including advance receipts	51,481,495	45,868,666
Other Receipts	5,410	8,750,545
Direct Claims Paid	(24,410,381)	(16,081,411)
Receipts / (Payments) from / to Reinsurers (Net)	(3,218,075)	(3,645,453)
Receipts / (Payments) from / to Co-insurers (Net)	(12,957)	(103,457)
Operating Expenses Paid	(11,771,077)	(10,356,589)
Commission Payments	(4,760,576)	(3,469,781)
Deposits and Advances recovered/(Given) (Net)	444,286	190,745
Income taxes Paid (Net)	(425,073)	(1,282,202)
GST Paid (Net)	(116,549)	(9,047,922)
Net Cash Flows from Operating Activities	7,216,503	10,823,141
Cash Flows from Investing Activities		
Purchase of Fixed Assets	(385,084)	(222,705)
Proceeds on Disposal of Fixed Assets	6,152	3,576
Purchase of Investments	(69,713,217)	(96,808,233)
Sale of Investments	54,658,495	79,681,790
Rents/Interest/ Dividends Received	7,832,621	7,111,908
Investments in money market instruments & mutual fund (net)	523,842	(551,528)
Expenses Related to Investments	(25,868)	(28,539)
Net Cash Flows used in Investing Activities	(7,103,059)	(10,813,731)
Cash Flows from Financing Activities		
Proceeds from Issue of Share Capital	-	-
Proceeds from Issue of NCDs	-	-
Dividend paid including Distribution tax paid	-	-
Interest paid on NCD	(87,500)	(87,621)
Net Cash Flows from Financing Activities	(87,500)	(87,621)
Net Increase in Cash and Cash Equivalents	25,944	(78,211)
Cash and Cash Equivalents at Beginning of the Year	331,021	409,232
Cash and Cash Equivalents at End of the Year	356,965	331,021

This is the Receipts and Payments Account referred to in our Report of even date attached

Note:

1. Reconciliation Between Cash and Cash Equivalents as per Financial Statements and receipts and payments accounts

(₹ '000)

Particulars	Year Ended March 2022	Year Ended March 2021
Cash and cash equivalents as per Financial statements	358,765	337,058
Less: Deposits given on Bank Guarantee	1,800	6,037
Cash and cash equivalents as per Receipts and Payment account	356,965	331,021

For and on behalf of the Board of Directors

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

For Sharp & Tannan
Chartered Accountants
Registration No.0037925

M M Murugappan
Chairman
DIN: 00170478

V Suryanarayanan
Managing Director
DIN: 01416824

K. Venkatakrisnan
Partner
Membership No. 208591

V. Viswanathan
Partner
Membership No. 215565

Sridharan Rangarajan
Director
DIN: 01814413

Naoki Takeda
Whole time Director
DIN: 09524037

Place : Chennai

Date : April 28, 2022

Suresh Krishnan
Company Secretary
M. No. F3142

S Venugopalan
Chief Financial Officer



Revenue Account

for the year ended March 31, 2022
Registration No. 123

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

Particulars	Schedule	Fire Business		Marine Business		Miscellaneous Business		Total	
		Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Premiums Earned (Net)	1	1,485,631	1,231,884	346,321	252,231	32,538,944	30,540,247	34,370,896	32,024,362
Profit / Loss on Sale / Redemption of Investments (Net)		20,457	45,223	2,506	3,181	631,652	1,191,965	654,615	1,240,369
Others									
Administrative Charges		172	3,330	55	767	5,183	257	5,410	4,354
Investment income from pool (Terrorism pool)		71,195	75,999	-	-	15,574	22,379	86,769	98,378
Contribution from Shareholders Funds towards Excess EOM		-	-	-	-	3,297,950	1,464,850	3,297,950	1,464,850
Interest and Dividend (Gross)		194,766	213,918	23,862	15,048	6,013,917	5,638,358	6,232,545	5,867,324
TOTAL (A)		1,772,221	1,570,354	372,744	271,227	42,503,220	38,858,056	44,648,185	40,699,637
Claims Incurred (Net)	2	497,412	416,580	214,270	185,438	23,448,442	22,596,259	24,160,124	23,198,277
Commission (Net)	3	(480,657)	(191,691)	(16,707)	(35,187)	1,718,230	775,523	1,220,866	548,645
Operating Expenses Related to Insurance Business	4	658,838	533,322	98,183	73,936	12,562,157	10,541,059	13,319,178	11,148,317
Premium Deficiency		-	-	-	-	-	-	-	-
TOTAL (B)		675,593	758,211	295,746	224,187	37,728,829	33,912,841	38,700,168	34,895,239
Operating Profit (A - B)		1,096,628	812,143	76,998	47,040	4,774,391	4,945,215	5,948,017	5,804,398
APPROPRIATIONS									
Transfer to Shareholders' Account		1,096,628	812,143	76,998	47,040	4,774,391	4,945,215	5,948,017	5,804,398
Transfer to Catastrophe Reserve		-	-	-	-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-	-	-	-
TOTAL (C)		1,096,628	812,143	76,998	47,040	4,774,391	4,945,215	5,948,017	5,804,398
Notes 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
Registration No. 0027855

For Sharp & Tannan
Chartered Accountants
Registration No.0037925

K. Venkatakrishnan
Partner
Membership No. 208591
Place : Chennai
Date : April 28, 2022

V. Viswanathan
Partner
Membership No. 215565

For and on behalf of the Board of Directors

M M Murugappan
Chairman
DIN: 00170478

V Suryanarayanan
Managing Director
DIN: 01416824

S Venugopalan
Chief Financial Officer

Sridharan Rangarajan
Director
DIN: 01814413

Naoki Takeda
Whole time Director
DIN: 09524037

Suresh Krishnan
Company Secretary
M. No. F3142



Schedules Forming Part of the Financial Statements

Schedule 1 - Premium Earned (Net)

(₹ '000)

Particulars	Fire Business		Marine Business		Miscellaneous Business		Total	
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Premium from Direct Business Written	4,951,102	4,447,107	945,171	785,456	42,344,971	38,649,520	48,241,244	43,882,083
Add: Premium on Reinsurance Accepted	258,784	93,586	30	-	39,246	26,965	298,060	120,551
Less: Premium on Reinsurance Ceded	4,076,102	2,687,615	578,827	493,680	8,159,995	7,245,486	12,814,924	10,426,781
Net Premium	1,133,784	1,853,078	366,374	291,776	34,224,222	31,430,999	35,724,380	33,575,853
Adjustment for Change in Provision for Unexpired Risks	(351,847)	621,194	20,053	39,545	1,685,278	890,752	1,353,484	1,551,491
Total Premium Earned (Net)	1,485,631	1,231,884	346,321	252,231	32,538,944	30,540,247	34,370,896	32,024,362
Note:								
Premium Income from business effected:								
In India	1,485,631	1,231,884	346,321	252,231	32,538,944	30,540,247	34,370,896	32,024,362
Outside India	-	-	-	-	-	-	-	-
Total Premium Earned (Net)	1,485,631	1,231,884	346,321	252,231	32,538,944	30,540,247	34,370,896	32,024,362

Schedule 2 - Claims Incurred (Net)

(₹ '000)

Particulars	Fire Business		Marine Business		Miscellaneous Business		Total	
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Claims Paid								
Direct	1,322,565	479,360	528,550	548,056	22,559,266	14,983,436	24,410,381	16,010,852
Add: Reinsurance Accepted	(5,143)	740	-	-	265	139	(4,878)	879
Less: Reinsurance Ceded	924,638	244,915	324,985	398,098	4,411,655	3,320,499	5,661,278	3,963,512
Net Claims Paid	392,784	235,185	203,565	149,958	18,147,876	11,663,076	18,744,225	12,048,219
Add : Claims Outstanding at the end 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
Less: Claims Outstanding at the beginning of the year (including the estimates of IBNR and IBNER) (Net) **	468,243	286,848	100,467	64,987	64,061,434	53,128,251	64,630,144	53,480,086
Total Claims Incurred (Net)	497,412	416,580	214,270	185,438	23,448,442	22,596,259	24,160,124	23,198,277
Note:								
Claims, less reinsurance, paid to claimants								
in India	392,784	235,185	203,565	149,958	18,147,876	11,663,076	18,744,225	12,048,219
Outside India	-	-	-	-	-	-	-	-
* Estimates of IBNR and IBNER at end of the year	43,030	39,900	19,490	18,070	47,364,941	43,852,446	47,427,461	43,910,416
** Estimates of IBNR and IBNER at beginning of the year	39,900	30,216	18,070	16,311	43,852,446	34,500,694	43,910,416	34,547,221





Schedules Forming Part of the Financial Statements

Schedule 3 - Commission (Net)

(₹ '000)

Particulars	Fire Business		Marine Business		Miscellaneous Business		Total	
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Commission Paid								
Direct	879,211	386,814	98,925	61,649	4,017,179	3,104,512	4,995,315	3,552,975
Add: Reinsurance Accepted	6,395	2,608	-	-	536	416	6,931	3,024
Less: Commission on Reinsurance Ceded	1,366,263	581,113	115,632	96,836	2,299,485	2,329,405	3,781,380	3,007,354
Net Commission	(480,657)	(191,691)	(16,707)	(35,187)	1,718,230	775,523	1,220,866	548,645
Agents	9,640	9,944	3,628	2,859	37,373	35,616	50,641	48,419
Brokers	225,650	135,021	70,944	39,181	1,441,811	1,042,142	1,738,405	1,216,344
Corporate Agency & Others	643,921	241,849	24,353	19,609	2,537,995	2,026,754	3,206,269	2,288,212
Total	879,211	386,814	98,925	61,649	4,017,179	3,104,512	4,995,315	3,552,975



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, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
1	Employees' Remuneration and Welfare Benefits*	154,313	228,982	49,232	38,884	3,732,744	3,674,005	3,936,289	3,941,871
2	Travel, Conveyance and Vehicle Running Expenses	3,694	1,126	1,177	329	105,305	30,728	110,176	32,183
3	Training Expenses	206	725	66	114	6,632	12,295	6,904	13,134
4	Rent, Rates and Taxes	5,546	9,016	1,953	1,420	132,838	119,846	140,337	130,282
5	Repairs	1,044	2,385	337	375	31,550	40,448	32,931	43,208
6	Printing and Stationery	6,669	2,748	277	148	34,615	24,940	41,561	27,836
7	Communication	2,868	3,153	927	497	86,656	53,488	90,451	57,138
8	Legal and Professional Charges	2,533	2,943	818	463	76,534	49,915	79,885	53,321
9	Auditors' Fees and Expenses								
	As Auditors	95	146	31	23	2,881	2,471	3,007	2,640
	As advisors or in any other capacity in respect of								
	- Taxation matters	13	20	4	3	409	347	426	370
	- Other services	77	85	25	13	2,328	1,447	2,430	1,545
	Out of Pocket Expenses	2	3	1	-	55	47	58	50
10	Advertisement and Publicity	73,929	111,829	16,408	3,106	4,320,402	2,203,696	4,410,739	2,318,631
11	Interest and Bank Charges	5,837	6,254	1,886	985	176,388	106,077	184,111	113,316
12	Others								
	Power and Electricity	858	1,243	277	196	25,914	21,091	27,049	22,530
	Information Technology Expenses	15,027	23,057	4,856	3,630	454,103	391,087	473,986	417,774
	Marketing Expenses	341,602	102,455	13,389	19,358	2,760,576	3,333,503	3,115,567	3,455,316
	Operating Lease Charges	7,206	8,240	2,328	1,297	217,744	139,758	227,278	149,295
	IRDA Registration renewal fees	696	1,214	225	191	21,021	20,588	21,942	21,993
	Service Tax/GST Expense	-	-	-	-	478	500	478	500
	Net Exchange (Gain) / Loss	5	-	1	-	140	1	146	1
	Co-insurance Administrative Charges	345	451	112	71	10,431	7,656	10,888	8,178
	Terrorism Pool - Management Expenses	24,350	9,255	-	-	2,109	1,951	26,459	11,206
	Miscellaneous Expenses (Net)	3,697	5,992	1,195	943	111,717	101,629	116,609	108,564
13	Depreciation	8,226	12,000	2,658	1,890	248,587	203,545	259,471	217,435
	Total	658,838	533,322	98,183	73,936	12,562,157	10,541,059	13,319,178	11,148,317

*Employees' Remuneration and Welfare Benefits include manpower cost paid to other entities of ₹2,304,383 Thousands (Previous year- ₹2,540,821 Thousands)

Schedules Forming Part of the Financial Statements

Schedule 5 - Share Capital

(₹ '000)

Sl. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Authorized 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
4	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
	Less: Calls Unpaid	-	-
	Add: Equity Shares Forfeited (Amount originally paid up)	-	-
	Less: Par Value of Equity Shares bought back	-	-
	Less: Preliminary Expenses	-	-
	Expenses including Commission or Brokerage on Underwriting or Subscription of Shares		
	Total	2,988,057	2,988,057
	Note: Number of Shares held by Cholamandalam Financial Holdings Limited (previously known as TI Financial Holdings Limited), the Holding Company	179,282,861	179,282,861

Schedule 5A - Shareholding Pattern [As certified by the Management]

(₹ '000)

Particulars	As at March 31, 2022		As at March 31, 2021	
	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, 2022	As at March 31, 2021
1	Capital Reserve		-	-
2	Capital Redemption Reserve		-	-
3	Share Premium		1,432,645	1,432,645
4	General Reserve	7,847,567		
	Add: (a) Transfer from Contingency Reserve for Unexpired Risks			
	(b) Transfer from Profit and Loss Account	500,000	8,347,567	7,847,567
5	Catastrophe Reserve		-	-
6	Contingency Reserve for Unexpired Risks		-	-
7	Balance of Profit in Profit & Loss Account		6,647,587	6,377,386
8	Debenture Redemption Reserve (Refer Note 4 of Schedule 16)		200,000	200,000
	Total		16,627,799	15,857,598

Schedule 7 - Borrowings

(₹ '000)

Sl. No.	Particulars		As at March 31, 2022	As at March 31, 2021
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, 2022	As at March 31, 2021
Long Term Investments		
Government Securities and Government Guaranteed Bonds including Treasury Bills	10,647,868	8,046,233
Other Approved Securities	-	-
Approved Investments		
- Debentures/Bonds	1,410,113	914,099
- Fixed Deposits with Banks	2,567	22,986
- Equity Shares (Net of Fair Value Change)	206,379	103,328
- Investment Properties - REIT	3,059	1,777
- Investment Properties - Real Estate	37,188	30,268
Investments in Infrastructure and Social Sector	1,779,181	626,267
Investments in Alternate Investment funds	17,882	12,192
Other than Approved Investments		
- Debentures/Bonds	25,768	155,700
Less : Provision for Impairment	(10,354)	(43,951)
- Debentures/Bonds (Net of Impairment)	15,414	111,749
- Equity Shares (Net of Fair Value Change)	25,905	5,485
Total (A)	14,145,556	9,874,384
Short Term Investments		
Government Securities and Government Guaranteed Bonds including Treasury Bills	47,605	-
Other Approved Securities	-	-
Approved Investments		
- Debentures/Bonds	237,016	503,976
- Fixed Deposits with Banks	1,406,533	877,034
- Money market instruments (TREPS)	118,659	-
- Mutual Funds (Liquid Schemes)	-	148,630
Investments in Infrastructure and Social Sector	182,557	183,642
Investment Property	-	-
Other Than Approved Investments - Debentures/Bond	58,048	77,052
Less : Provision for Impairment	(25,794)	(50,620)
- Debentures/Bonds (Net of Impairment)	32,254	26,432
Total (B)	2,024,624	1,739,714
Total (A) + (B)	16,170,180	11,614,098

Notes:

- (1) All investments are performing investments except investments referred in Note 5 of schedule 16 and are in India.
- (2) 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.
- (3) Fair Value of Investment Property has been done by independent valuer
- (4) Details of Cost and Market Value (₹'000):

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

(₹ '000)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Cost	Market Value	Cost	Market Value
a) Equity Shares listed	194,468	232,284	87,050	108,813
b) Mutual Funds	-	-	148,566	148,630
c) Government and other securities	10,695,473	10,610,515	8,046,233	8,093,506
d) Fixed Deposit with Banks	1,409,100	1,409,100	900,020	900,020
e) Corporate Bonds	3,656,534	3,667,075	2,760,724	2,350,240
f) Investments Property - REIT	2,645	3,059	2,189	1,777
g) Investment Properties - Real Estate	37,188	37,188	30,268	26,146
h) Investment in AIF	17,882	17,882	12,192	12,192
Total	16,013,290	15,977,103	11,987,242	11,641,324

Schedules Forming Part of the Financial Statements

Schedule 8A - Investments - Policyholders

(₹ '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Long Term Investments		
Government Securities and Government Guaranteed Bonds including Treasury Bills	71,885,757	68,580,810
Other Approved Securities	-	-
Approved Investments		
- Debentures/Bonds	9,519,937	7,791,182
- Fixed Deposits with Banks	17,333	195,914
- Equity Shares (Net of Fair Value Change)	1,393,300	880,697
- Investment Properties - REIT	20,651	15,142
- Investment Properties - Real Estate	251,063	257,983
Investments in Infrastructure and Social Sector	12,011,586	5,337,886
Investments in Alternate Investment funds	120,728	103,916
Other than Approved Investments		
- Debentures/Bonds	173,964	1,327,088
Less : Provision for Impairment	(69,901)	(374,607)
- Debentures/Bonds (Net of Impairment)	104,063	952,481
- Equity Shares (Net of Fair Value Change)	174,890	46,750
Total (A)	95,499,308	84,162,761
Short Term Investments		
Government Securities and Government Guaranteed Bonds including Treasury Bills	321,393	-
Other Approved Securities	-	-
Approved Investments		
- Debentures/Bonds	1,600,143	4,295,564
- Fixed Deposits with Banks	9,495,767	7,475,266
- Money market instruments (TREPS)	801,086	-
- Mutual Funds (Liquid Schemes)	-	1,266,828
Investments in Infrastructure and Social Sector	1,232,474	1,565,249
Other Than Approved Investments - Debentures/Bond	391,893	656,743
Less : Provision for Impairment	(174,139)	(431,454)
- Debentures/Bonds (Net of Impairment)	217,754	225,289
Total (B)	13,668,617	14,828,196
Total (A) + (B)	109,167,925	98,990,957

Notes:

- All Investments are performing investments except Investments referred in Note 5 of schedule 16 and are in India.
- 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.
- Fair Value of Investment Property has been done by Independent valuer
- Details of Cost and Market Value (₹ '000) :

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

(₹ '000)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Cost	Market Value	Cost	Market Value
a) Equity Shares listed	1,312,892	1,568,190	741,953	927,447
b) Mutual Funds	-	-	1,266,283	1,266,828
c) Government and other securities	72,207,149	71,633,580	68,580,810	68,983,740
d) Fixed Deposit with Banks	9,513,100	9,513,100	7,671,180	7,671,180
e) Corporate Bonds	24,685,950	24,757,112	23,530,604	20,031,900
f) Investments Property - REIT	17,854	20,651	18,656	15,143
g) Investment Properties - Real Estate	251,063	251,063	257,983	222,854
h) Investment in AIF	120,728	120,728	103,916	103,916
Total	108,108,736	107,864,424	102,171,385	99,223,008



Schedules Forming Part of the Financial Statements

Schedule 9 - Loans

(₹ '000)

Sl. No.	Particulars	As at March 31, 2022	As at March 31, 2021
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	-	-
	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			
	As at April 1, 2021	Additions	Deductions	As at March 31, 2022	As at April 1, 2021	For The Year	On Sales/ Adjustments	Upto March 31, 2022	As at March 31, 2022	As at March 31, 2021
Land (Undivided Share)	58,718	-	-	58,718	-	-	-	-	58,718	58,718
Buildings	372,457	48,618	-	421,075	57,632	6,486	-	64,118	356,957	314,825
Furniture and Fittings	59,448	4,247	369	63,326	54,806	3,038	214	57,630	5,696	4,642
Information Technology Equipment	560,915	115,954	30,794	646,075	483,413	66,705	30,765	519,353	126,722	77,502
Computer Software (Intangibles)	1,125,520	149,448	-	1,274,968	927,635	149,889	-	1,077,524	197,444	197,885
Vehicles	36,337	33,216	14,818	54,735	18,762	10,977	12,305	17,434	37,301	17,575
Office Equipment	41,225	3,198	352	44,071	36,177	3,794	361	39,610	4,461	5,048
Electrical Fittings	60,199	9,623	3,267	66,555	51,948	4,544	1,698	54,794	11,761	8,251
Improvement to Premises	171,748	6,508	3,090	175,166	146,246	14,038	3,090	157,194	17,972	25,502
TOTAL	2,486,567	370,812	52,690	2,804,689	1,776,619	259,471	48,433	1,987,657	817,032	709,948
Capital Work in Progress (Including Capital Advances) (Refer Note 6 (i) of Schedule 16)	-	-	-	-	-	-	-	-	31,046	16,774
GRAND TOTAL	2,486,567	370,812	52,690	2,804,689	1,776,619	259,471	48,433	1,987,657	848,078	
Previous year	2,282,708	224,805	20,946	2,486,567	1,577,968	217,435	18,784	1,776,619		726,722



Schedules Forming Part of the Financial Statements

Schedule 11 - Cash and Bank Balances

(₹ '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash (including Cheques, Drafts and Stamps)	53,180	64,535
Bank Balances on Current Accounts (with Scheduled Banks)	303,785	236,079
Money at Call and Short Notice	-	-
Others (incl. Bank Deposits under Lien - Note 7 (i) of schedule 16)	1,800	36,444
Total	358,765	337,058
Cash Balance includes:		
Drafts/Cheques on Hand	43,417	61,404
Remittances in transit		

Schedules Forming Part of the Financial Statements

Schedule 12 - Advances and Other Assets

(₹ '000)

Sl. No.	Particulars	As at March 31, 2022	As at March 31, 2021
	Advances		
1	Reserve Deposits with Ceding Companies	-	-
2	Application Money for Investments	-	-
3	Prepayments	39,183	3,289,729
4	Advances to Directors / Officers	-	-
5	Advance Tax Paid and Taxes Deducted at Source (Net of Provision for Taxation of ₹8,636,579 Thousands) (Previous year ₹8,539,184 Thousands)	1,999,785	1,679,107
6	Others:		
	Advances to Employees	559	385
	Advances to Vendors	8,337	5,841
	GST/ST Unutilised Credit / paid in advance	701,557	512,910
	Service tax paid under protest (Note 3 of Schedule 16)	44,118	57,912
	Other Advances / Deposits	552,891	587,715
	Total (A)	3,346,430	6,133,599
	Other Assets		
1	Income Accrued on Investments	2,321,059	2,260,599
2	Outstanding Premium (includes ₹292,250 Thousands (Previous year ₹331,175 Thousands) from Central & State Governments under Rashtriya Swasthya Bima Yojana Scheme)	429,727	541,503
3	Agents' Balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from Other Entities Carrying on Insurance Business (Refer Note 17 of Schedule 16)	554,171	630,329
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 IMTPIP Members	-	-
	Receivable from Terrorism Pool (including investment income)	1,883,062	1,601,547
	Less: Provision for doubtful debts	-	-
	Net Receivable from Terrorism Pool	1,883,062	1,601,547
	Unclaimed Amount of Policy holders Deposits (Refer Note 21 of Schedule 16)	29,400	48,300
	Add: Interest income on unclaimed Amount of Policyholders Deposit	12,305	10,200
		41,705	58,500
	Receivable from Nuclear Pool (including investment income)	70,228	51,181
	Deposits for Premises and Advance Rent	175,807	167,129
	Total (B)	5,475,759	5,310,788
	Total (A + B)	8,822,189	11,444,387

Schedules Forming Part of the Financial Statements

Schedule 13 - Current Liabilities

(₹ '000)

Sl. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Agents' Balances (including intermediaries)	477,803	243,064
2	Balances Due to Other Insurance Companies (Refer Note 17 of Schedule 16)	1,180,718	1,411,649
3	Deposits Held on Reinsurance Ceded	2,707,090	2,089,348
4	Premiums Received in Advance / Deposits Received	11,983,367	8,915,117
5	Unallocated Premium	1,208,342	1,148,085
6	Sundry Creditors		
	- Dues to Micro Small & Medium Enterprises (Refer Note 23 of schedule 16)	1,783	356
	- Dues to Others	228,055	409,409
7	Due to subsidiaries / Holding Company	-	-
8	Claims Outstanding (including the estimates of IBNR & IBNER)	70,046,043	64,630,144
9	Due to Officers/ Directors	-	
10	Others		
	Book Overdraft	594,761	678
	Tax and Other Withholdings	62,373	107,238
	Environment Relief Fund	142	175
	Provision for Expenses	1,464,716	1,204,221
	Other Liabilities	29,415	22,212
	GST Payable	730,752	658,654
	Unclaimed Amounts of Policy Holders (Refer Note 21 of Schedule 16)	28,999	47,328
	Add: Interest Income on Unclaimed Amount of Policyholders	12,305	10,200
		41,304	57,528
11	Interest Accrued but not due on Borrowings	30,445	30,445
	Total	90,787,109	80,928,323

Schedule 14 - Provisions

(₹ '000)

Sl. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Provision for Unexpired Risk	24,963,198	23,609,713
2	For Taxation	-	-
3	For Proposed Dividends	-	-
4	For Dividend Distribution Tax	-	-
5	Other Provisions		
	Premium Deficiency	-	-
	Leave and other Employee Benefits (Refer Note 12 of Schedule 16)	497,615	438,954
	Total	25,460,813	24,048,667

Schedule 15 - Miscellaneous Expenditure

(To the extent not written off or adjusted)

(₹ '000)

Sl. No.	Particulars	As at March 31, 2022	As at March 31, 2021
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 Ltd. ("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 recognized 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 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 recognized 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 01, 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 has considered appropriate depending upon the availability of past data as well as appropriateness of the different the methods to 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 Ltd. (NSE). In case the equity shares are not listed on the NSE, then they are valued on the last quoted closing price on BSE Ltd. 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 eligible 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/ Amortization

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)
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

For these 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 & impairment loss is recognized in Profit & Loss a/c. 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 & 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/realizations 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 realized.

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 :-

- a) Premium Inwards - Premium on Reinsurance Accepted
- b) Claims - under Claims Paid and Claims Outstanding
- c) Management Expenses - under Operating Expenses Related to Insurance Business
- d) 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 :-

- a) Premium Inwards - Premium on Reinsurance Accepted
- b) Claims - under Claims Paid and Claims Outstanding
- c) Management Expenses - under Operating Expenses Related to Insurance Business
- d) 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, 2022	As at March 31, 2021
Partly paid investments	-	-
Underwriting commitments outstanding	-	-
Guarantees given by or on behalf of the Company	-	-
Claims, other than those under policies, not acknowledged as debts		
Contested liabilities not provided for in respect of Tax matters pending before Appellate Authorities	1,031,773	1,031,773
(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)		
(ii) In respect of disallowance of expenses related to Motor dealer payments (Note (b) below)	625,490	625,490
(iii) Others including UPR disallowance on IMTPIP, IBNR disallowance	3,264,124	3,296,059
	4,921,387	4,953,322
(II) Service 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 NRRIs (Note (d) Below)	573,921	-
(iii) Others (including appeals against levy of penalty only and reversal of credit on certain Input services)	31,808	15,983
Total	748,507	158,761

Income Tax Appeals: The contested Income Tax liabilities have been ascertained taking into consideration the orders of Madras High Court and Income Tax Appellate Tribunal and relief allowed by Commissioner of Income Tax (Appeals) 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 ₹1,602,764 Thousands (Previous Year – ₹1,602,764 Thousands) for all the assessment years in respect of the above disallowances.

- The Company has appealed before appellate forums against the disallowance of the reinsurance remittances to foreign reinsurers domiciled in countries outside India. Considering the prevailing industry practice over several decades and the view taken by the Income Tax Department elsewhere in India on the same matters, the Company is of the opinion that the above demands are not sustainable.
- 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 AY 2008 -09. Considering that the Motor Dealers were providing various services to all insurance companies in accordance with the guidelines for outsourcing activities prescribed by IRDA, and the expenses were wholly and exclusively incurred for business purposes and also the said issue was allowed by appellate forums in favour of another

General Insurance company, the Company is of the opinion that the demands are not sustainable. The service tax appeal on the issue has now been settled in favour of the Company by CESTAT and the Company is of the view that the disallowance under income tax is not sustainable.

- 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 favor of assesseees in such cases of revenue neutral status to the Government, the Company is confident of getting the appeals allowed in favour.
- Commissioner of Service Tax has levied Service tax under Reverse Charge in respect of Re-insurance relating to weather premium paid to NRRIs 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, not for reinsurance. The Company is in the process of preferring appeal before the CESTAT and confident of getting the appeals allowed in favour.

4 Borrowings

During the financial year 2017-18, the company issued 1000 Nos. 8.75% 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 issue. Accordingly the Company is entitled to exercise the option on May 25, 2022. As authorized by the Board of Directors in January 2022 and approved by IRDAI vide its communication dated April 13, 2022 in this regard, the Company will exercise such call option to redeem the above Debentures.

The Company has been creating Debenture Redemption Reserve (DRR) on a straight line basis. Pursuant to amendment vide Ministry of Corporate Affairs notification No. G.S.R. 574 (E) dated August 16, 2019 of Companies (Share Capital and Debentures) Rules, 2014 the Company is not required to create any additional DRR. Accordingly, the Company continues to hold the existing DRR of ₹200,000 Thousands as at March 31, 2022.

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 Ltd.
2	CIN	U66030TN2001PLC047977
3	Outstanding borrowing of Company as on March 31, 2022 (₹'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 2022)

- Name of the Company : Cholamandalam MS General Insurance Company Limited.
- CIN : U66030TN2001PLC047977
- Report filed for FY : FY 2022
- 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 2022 (a)	-
3	Mandatory borrowing to be done through debt securities in FY 2022 (b) = (25% of a)	-
4	Actual borrowing done through debt securities in FY 2022 (c)	-
5	Shortfall in the borrowing through debt securities, if any, for FY 2021 carried forward to FY 2022 (d)	-
6	Quantum of (d), which has been met from (c) (e)	-
7	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2022	-

- Details of penalty to be paid, if any, in respect to previous block (all figures in ₹ Cr.):

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

5 Stressed Investment Assets

The Company's net carrying value of Non-Performing Assets (NPA) as at March 31, 2022 is at ₹120,000 Thousands. The incremental provisions/ write off made during the year ended March 31, 2022 towards such investments amounts to ₹221,969 Thousands. During the year, based on resolution plan approved by National Company Law Tribunal, such Non Performing Investments in DHFL bonds was resolved after considering the new bonds issued by amalgamated entity (M/s Piramal Capital and Housing Finance Ltd.) along with the cash realization and net credit to the Profit & loss account was ₹156,604 Thousands.

6 Commitments

- Commitments made and outstanding for fixed assets are ₹91,707 Thousands, Net of Capital advance paid – ₹31,046 Thousands (Previous Year - ₹144,647 Thousands, Net of Capital advance paid – ₹16,774 Thousands).
- Commitments made and outstanding in respect of investments

(₹ '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Commitments made and outstanding in respect of investments		
Bharti Airtel (Rights issue)	731	-
Alternate Investment Fund	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 - ₹6,344 Thousands)
- Garnishee orders by Motor Accident Claims Tribunal (MACT) on bank balances amounting to ₹449 Thousands (Previous Year – ₹262 Thousands) in respect of Motor Third Party Claims. These amounts duly provided for are 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 5, 2012, the Company has made a provision for Free Look period amounting to ₹1,182 Thousands (previous year - ₹868 Thousands).

9 Claims

(₹ '000)

Particulars	As at / for the year ended March 31, 2022	As at / for the year ended March 31, 2021
Claims, less reinsurance, paid to claimants:		
- In India	18,744,225	12,048,219
- Outside India	-	-
Ageing of claims (Gross) - including third party motor claims and reported IMTPIP claims:		
- Outstanding for more than six months	21,457,522	19,851,340
- Other Claims	6,798,098	5,822,694
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

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

(₹ '000)

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
	Amount of Business Written (Direct)	% of Business Written (Direct)	Amount of Business Written (Direct)	% of Business Written (Direct)
Risk Retained	35,482,074	73.55	33,472,494	76.28
Risk Reinsured	12,759,170	26.45	10,409,589	23.72
Total	48,241,244	100.00	43,882,083	100.00

The above includes Excess of Loss reinsurance premium of ₹342,381 Thousands (Previous Year ₹323,484 Thousands)

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

iii. As per Insurance Regulatory and Development Authority (General Insurance – 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, 2022		Year Ended March 31, 2021	
	Amount of Business Written (Direct)	% of Business Written (Direct)	Amount of Business Written (Direct)	% of Business Written (Direct)
Rural Sector	12,875,807	26.69	10,972,063	25.00
Other Business	35,365,437	73.31	32,910,020	75.00
Total	48,241,244	100.00	43,882,083	100.00
Social Sector (No. of Lives)	1,631,953	-	1,299,755	-
Rural & Social Sector (No. of Policies)	2,368,096	-	1,510,101	-

12 Employee Benefits:

i. Defined Contribution Plan:

(₹ '000)

Expenses on defined contribution plan	Year Ended March 31, 2022	Year Ended March 31, 2021
Contribution to Staff Provident Fund / Family Pension Fund	66,154	56,306
Contribution to Superannuation Fund	69,753	59,321
Total	135,907	115,627

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, 2022 as required under Accounting Standard 15 (Revised) – Employee Benefits.



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

(₹ '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Obligations at beginning of the year	148,560	135,081
Service Cost	27,925	16,399
Interest Cost	9,593	8,228
Actuarial (gain) / loss	11,381	1,864
Benefits paid	16,209	13,012
Obligations at end of the year	181,250	148,560
Change in Plan Assets		
Plan assets at fair value at beginning of the year	127,390	115,846
Expected return on plan assets	7,941	9,052
Actuarial (gain) / loss	(8,064)	4,216
Contributions	21,559	19,720
Benefits paid	16,209	13,012
Plan assets at fair value at end of the year	148,745	127,390

Reconciliation of present value of the obligation and the fair value of the plan assets

(₹ '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the end of the year	148,745	127,390
Present value of defined benefit obligations at the end of the year	181,250	148,560
Asset / (Liability) *	(32,505)	(21,170)
* Recognized as (liability) / asset in Balance Sheet respectively		
Gratuity cost for the year		
Service Cost	27,925	16,399
Interest Cost	9,593	8,228
Expected return on plan assets	7,941	9,052
Actuarial (gain) / loss	3,317	6,080
Net Gratuity Cost	32,894	21,655
Assumptions		
Interest rate	6.68%	6.13%
Estimated rate of return on plan assets	7.43%	7.34%
Salary Escalation Rate	8.00%	7.00%
Attrition Rate		
From Age 18 to Age 20	33%	15%
From Age 21 to Age 30	33%	
From Age 31 to Age 45	15%	
From Age 46 to Age 58	12%	

Other Disclosures:

(₹ '000)

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Present Value of defined benefit obligation	181,250	148,560	135,081	118,861	103,447
Fair Value of Plan assets	148,745	127,390	115,846	95,278	58,735
Surplus / (Deficit)	(32,505)	(21,170)	(19,235)	(23,583)	(44,712)

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 2021-22 amounts to ₹32,505 Thousands (Previous year – ₹21,170 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 (vi). 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, 2022

(₹ '000)

Particulars	Fire	Marine	Miscellaneous	Unallocated	Total
Claims Outstanding	572,871	111,172	69,362,000	-	70,046,043
	(468,243)	(100,467)	(64,061,434)	-	(64,630,144)
Reserve for Unexpired Risk	4,008,388	137,137	20,817,673	-	24,963,198
	(4,360,235)	(117,084)	(19,132,394)	-	(23,609,713)
Investments	3,411,486	417,954	105,338,486	16,170,180	125,338,106
	(3,609,133)	(253,877)	(95,127,947)	(11,614,098)	(110,605,055)

(Previous year's figures are in brackets)

14 Operating Leases

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 ₹354,798 Thousands (previous year ₹274,930 Thousands)

(₹ '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Minimum Lease Payments		
- Not later than one year	276,225	312,496
- Later than one year but not later than five years	336,937	539,659
- Later than five year	64,819	99,103

15 Earnings Per Share

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Profit After Tax (₹ '000)	770,201	2,816,719
Weighted Average Number of Equity Shares	298,805,700	298,805,700
Earnings per Share – Basic and Diluted (₹)	2.58	9.43
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, 2022	As at March 31, 2021
Deferred Tax Assets/(Liabilities) arising on		
Provision for compensated absences	49,748	43,040
Provision for diminution in investments - Equity	9,881	16,757
Provision for diminution in investments - Debt Instruments	70,462	226,617
Unexpired Risk Reserve - Rule 6E Differences	1,672,115	1,687,421
Written down value of Fixed & Intangible assets	(9,240)	4,804
Deferred Tax Assets (net)	1,792,966	1,978,639

17 Balances with other companies carrying on insurance business

- 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.
- 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 certain reinsurers for the balance as at February 2022. Most of the 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** 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 at a segment level in respect of fire, marine and miscellaneous segments during the year ended March 31, 2022 (Previous Year NIL)

19 Related Party Disclosure

(A) List of Related Parties (Pursuant to Accounting Standard 18):

Name of the related party	Relationship
Cholamandalam Financial Holdings Limited	Holding Company
Cholamandalam Health Insurance Limited (Company applied for striking off on December 30, 2020).	Fellow Subsidiary
Cholamandalam MS Risk Services Limited	Company under common control
Mitsui Sumitomo Insurance Company Limited	Company holding substantial interest in voting rights

Key Management Personnel (KMP)	Relationship
V Suryanarayanan (wef July 1, 2020)	Managing Director
S S Gopalarathnam (up to June 30, 2020)	Managing Director
Naoki Takeda (wef April 1, 2022)	Whole time Director
Takashi Kishi (up to March 31, 2022)	Whole time Director
S Venugopalan	Chief Financial Officer
Suresh Krishnan	Company Secretary

(B) Details of Related Party Transactions (Pursuant to Accounting Standard 18):

(₹ '000)

Particulars	Year	Cholamandalam Financial Holdings Ltd.	Mitsui Sumitomo Insurance Company Ltd.	Cholaman dalam MS Risk Services Ltd.	KMP & their relatives
Profit and Loss					
Premium Income	2021-22	-	-	457	-
	2020-21	-	-	394	19
Gross Incurred Claims	2021-22	-	-	384	141
	2020-21	-	-	475	11
Management Expenses Recovered	2021-22	-	11,291	-	-
	2020-21	-	7,476	-	-
Branding Fee/Secondment Charges/Sitting Fees/Directors Commission	2021-22	79,502	13,500	927	-
	2020-21	79,540	13,479	925	-
Fees Incurred for Risk Inspection and advisory services	2021-22	-	-	24,337	-
	2020-21	-	-	15,965	-
Rent Recovery	2021-22	-	14,696	1,900	-
	2020-21	-	13,659	2,150	-
Reinsurance ceded (Net)	2021-22	-	594,744	-	-
	2020-21	-	546,945	-	-
Reinsurance Commission Income Received (Net)	2021-22	-	113,831	-	-
	2020-21	-	129,056	-	-
Reinsurance Claims Recovered	2021-22	-	1,157,126	-	-
	2020-21	-	335,025	-	-
Remuneration to KMP	2021-22	-	-	-	68,495
	2020-21	-	-	-	75,143
Sale of Car, mobile & Ipad	2021-22	-	-	-	-
	2020-21	-	-	-	682

(₹ '000)

Particulars	Year	Cholamandalam Financial Holdings Ltd.	Mitsui Sumitomo Insurance Company Ltd.	Cholaman dalam MS Risk Services Ltd.	KMP & their relatives
Balance Sheet					
Advance given	2021-22	-	32,082	-	-
	2020-21	-	43,401	-	-
Advance repaid	2021-22	-	32,082	-	-
	2020-21	-	43,401	-	-
Premium received in advance	2021-22	-	-	-	-
	2020-21	-	-	5	-
Unallocated premium	2021-22	-	-	18	-
	2020-21	-	-	-	-
Provision outstanding	2021-22	-	13,000	-	-
	2020-21	-	12,054	-	-
Receivable / (payable) (net) - Due from other entities carrying on insurance business	2021-22	-	(916,455)	-	-
	2020-21	-	17,033	-	-
Receivable (net) - Management expenses and rent	2021-22	-	25	102	-
	2020-21	-	411	625	-

20 Directors' Remuneration

i. Remuneration to Managing Director

(₹ '000)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries and Allowances*	37,496	48,568
Contribution to Provident and Other Funds*	2,390	2,615
Perquisites	720	1,121
Total	40,606	52,304**

*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.

**Upto June 30, 2020- SS Gopalarathnam; Since July 1, 2020- V Suryanarayanan

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 (IRDAI).

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

- ii. As per the terms of appointment approved by the Board of Directors, the Shareholders and IRDAI, there is no remuneration payable in respect of the Whole time Director, except for Secondment Charges reimbursable to Mitsui Sumitomo Insurance Company Limited, Japan (MS) amounting to NIL (Previous Year - ₹ NIL) and the same has been charged to Profit and Loss Account in accordance with IRDAI directive.

- iii. Remuneration to Non-Executive Directors

(₹ '000)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Commission	6,000	6,000
Sitting Fees	4,310	4,810

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, 2022 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 / beneficiaries 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	11,436 (33,422)	-	2,468 (5,266)	3,976 (10,402)	3,080 (8,387)	205 (4,978)	237 (1,992)	1,386 (2,397)	84 -
Cheques issued but not encashed by the policyholders / beneficiaries	29,868 (24,106)	-	6,323 (5,907)	2,125 (4,980)	4,458 (1,943)	4,445 (5,281)	3,366 (5,679)	9,082 (316)	69 -
Total	41,304 (57,528)	-	8,791 (11,173)	6,101 (15,382)	7,538 (10,330)	4,650 (10,259)	3,603 (7,671)	10,468 (2,713)	153 -

(Previous year's figures are in brackets)

Details of unclaimed amount and investment income

(₹ '000)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Policy Dues	Interest Accrued	Policy Dues	Interest Accrued
Opening Balance	47,328	10,200	21,030	1,770
Add: Amount transferred to Unclaimed Fund	51,437	-	64,081	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (Stale)	-	-	-	-
Add: Investment Income on Unclaimed Fund	-	2,524	-	8,436
Less: Amount of claims paid during the year	69,677	394	37,752	-
Less: Amount transferred to SCWF	89	25	31	6
Closing Balance of Unclaimed Amount Fund	28,999	12,305	47,328	10,200

22 Details of Outsourcing, Business development and Marketing expenses

(₹ '000)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Business development expenses	4,410,739	2,318,631
Marketing expenses	3,115,567	3,455,316

- 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	Year Ended March 31, 2022	Year Ended March 31, 2021
Principal amount due to suppliers under MSMED Act	1,783	356
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** a. The Company has received a letter 486/F&A(NL)/Analysis/Chola/2019 -20/110 dated July 23, 2021 from IRDAI directing the Company to absorb the amount outstanding as on March 31, 2021 under the head "prepayments" pertaining to costs incurred for acquiring long term policies in four quarters, starting from April 1, 2021, on a straight line basis and also with effect from April 1, 2021, expense such acquisition costs on long term policies in the period in which they are incurred.
- b. ₹3,265,173 Thousands has been absorbed during the financial year ended March 31, 2022, which related to the prepayments as at March 31, 2021 and ₹2,268,903 Thousands has been expensed in the Profit & Loss Account during the financial year ended March 31, 2022.
- c. The net impact to Profit and Loss Account was that the profit before tax for the twelve months ended March 31, 2022 is lower by ₹4,763,853 Thousands consequent to the aforesaid directive from IRDAI.
- d. IRDAI has also directed the Company to disclose the absorption of the marketing cost component of such "prepayments" outstanding as on March 31, 2021 in the Shareholder's Account. Accordingly, ₹2,514,051 Thousands has been reflected in the Profit & Loss Account for the financial year ended March 31, 2022.

25 Corporate Social Responsibility

- i. Gross Amount required to be spent by the Company during the year is ₹58,302 Thousands (Previous year – ₹58,420 Thousands)
- ii. Activity wise amount paid:

(₹ '000)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Education	35,902	28,992
Art and Culture & Sports	10,866	-
Health Care	2,903	19,106
Senior Citizen Health Care	3,393	-
Road safety awareness training	1,094	-
Disaster Relief Fund	10,000	1,937
CSR Corpus Fund	-	7,800
CSR Expenses	2,900	640
Total	67,058	58,475

Out of above, the Company had spent ₹10,265 Thousands which has not been utilized by the implementing agencies as at March 31, 2022. The above amount has been deposited into separate bank account in April 2022 in accordance with Sec. 135 of the Companies Act, 2013.

- 26** 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 :

Sl. No.	Authority	Non-Compliance / Violation	Penalty awarded	Penalty paid	Penalty waived / Reduced
1	Insurance Regulatory & Development Authority	Violations of provisions of the guidelines on Motor Insurance Service Provider (MISPG) issued by IRDAI	- (10,000)	- (-)	- (-)
2	Service Tax Authority	- (-)	- (-)	- (-)	- (-)
3	Income Tax Authority	- (-)	- (-)	- (-)	- (-)
4	Any other Tax Authority (Sales Tax)	- (-)	- (-)	- (-)	- (-)
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 within brackets represent previous year's figures

- 27** In light of the COVID – 19 outbreak and the information available up to the date of approval of these financial statements, the Company has assessed the impact of COVID-19 on its operations, and its financial statements. The assessment includes but not limited to valuation of policy related liabilities and solvency position of the Company as at March 31, 2022. The Company continues to closely monitor the implications of the pandemic on its operations and financial statements, which are dependent on emerging uncertain developments.

28 Solvency Margin

(₹ '000)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Required solvency margin under IRDAI Regulations (A)	8,539,540	8,353,440
Available solvency margin (B)	16,611,780	17,354,460
Solvency ratio actual (times) (B/A)	1.95	2.08
Solvency ratio prescribed by Regulation	1.50	1.50

29 Disclosure on other work given to auditors

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

(₹ '000)

Name of the Audit firm	Services rendered	Year Ended March 31, 2022	Year Ended March 31, 2021
R. G. N Price & Co	Limited Review	311	270
R. G. N Price & Co	Other Certifications	431	909
Sharp & Tannan	Limited Review	311	270
Sharp & Tannan	Other Certifications	527	1,007
Sharp & Tannan	Ind AS Certification (for holding Company consolidation)	850	-

30 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."

31 Previous year's figures have been regrouped/reclassified wherever necessary to confirm to the current year's presentation. The summary of the regroupings of the previous year's figures is as follows:

(₹ '000)

S. No.	Sch	Particulars	Previous year figures reported in current year	Reported in previous year(s)	Difference	Reasons
1	4	Employees' Remuneration and Welfare Benefits	3,941,871	1,401,050	2,540,821	As per IRDAI circular dated Sep 30, 2021 expenses paid for various outsourcing activities/arrangements are to be booked under relevant line item on the basis of nature of services availed and not to be shown as "Outsourcing expenses" and accordingly manpower outsourcing expenses and service outsourcing regrouped to Employees Remuneration and Miscellaneous expenses respectively.
2	4	Miscellaneous Expenses (Net)	108,564	97,403	11,161	
3	4	Outsourcing expenses	-	2,551,982	(2,551,982)	

Signature to Schedules 1 to 16

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

Place : Chennai

Date : April 28, 2022



Being a **Beacon** of Inspiration



Inspiring, educating
and motivating on all
things health, through
#SliceofHealth



Road Safety initiative
#LifeonWheels, to ensure
safety on the roads



Pledging to help home owners
& tenants protect their
#HomeSafeHome

Schedule 17 - Segmental Reporting for the year ended March 31, 2022

(₹ '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	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
	2020-21	4,447,107	779,636	5,820	785,456	31,248,820	10,723,050	20,525,770	76,679	103,559	291,960
Add: Premium on Re-insurance Accepted	2021-22	258,784	30	-	30	-	-	-	-	10,350	26,151
	2020-21	93,586	-	-	-	-	-	-	-	10,716	14,394
Less: Premium on Reinsurance Ceded	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
	2020-21	2,687,615	487,867	5,813	493,680	5,402,694	4,338,151	1,064,543	3,834	44,919	178,849
Adjustment for Changes in Reserve for Unexpired Risk	2021-22	(351,847)	20,035	19	20,054	1,168,351	418,392	749,959	20,070	1,342	(6,504)
	2020-21	621,194	39,544	2	39,546	684,538	372,637	311,901	9,591	5,785	(3,965)
Premiums Earned (Net)	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
	2020-21	1,231,884	252,225	5	252,230	25,161,588	6,012,262	19,149,326	63,254	63,571	131,470
Profit / (Loss) on Sale / Redemption of Investments	2021-22	20,457	2,506	-	2,506	579,222	51,542	527,680	879	191	(10)
	2020-21	45,223	3,181	-	3,181	1,109,490	108,965	1,000,525	988	246	187
Other income - Contribution from Shareholders for Excess EoM	2021-22	-	-	-	-	1,883,210	-	-	-	-	-
	2020-21	-	-	-	-	553,760	-	-	-	-	-
Others Administrative Charges	2021-22	172	55	-	55	4,269	1,116	3,153	14	11	18
	2020-21	3,330	767	-	767	50	50	-	-	6	111
Investment income from pool (Terrorism/ Nuclear)	2021-22	71,195	-	-	-	-	-	-	-	-	11,680
	2020-21	75,999	-	-	-	-	-	-	-	-	16,789
Interest and Dividend – Gross	2021-22	194,766	23,858	4	23,862	5,514,734	490,730	5,024,004	8,370	1,820	(92)
	2020-21	213,918	15,047	-	15,047	5,248,229	515,440	4,732,789	4,671	1,165	883
Total Segmental Revenue	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
	2020-21	1,570,354	271,220	5	271,225	32,073,117	6,636,717	24,882,640	68,913	64,988	149,440
Claims Incurred (Net)	2021-22	497,412	214,251	19	214,270	17,568,448	4,845,163	12,723,285	42,163	4,722	36,516
	2020-21	416,580	185,439	-	185,439	18,694,345	3,427,625	15,266,720	11,611	8,662	84,944
Direct Commission Paid	2021-22	879,211	98,925	-	98,925	2,635,592	2,401,055	234,537	8,307	9,218	26,211
	2020-21	386,814	61,649	-	61,649	2,168,356	1,962,158	206,198	7,222	8,018	26,646
Commission on Re-insurance Accepted	2021-22	6,395	-	-	-	-	-	-	-	-	443
	2020-21	2,608	-	-	-	-	-	-	-	-	286
Commission on Re-insurance Ceded	2021-22	1,366,263	106,781	8,851	115,632	1,746,753	1,609,950	136,803	739	7,987	46,962
	2020-21	581,113	95,688	1,148	96,836	1,676,287	1,630,036	46,251	574	4,440	55,527
Operating Expenses Related to Insurance Business	2021-22	658,838	98,179	6	98,185	9,966,503	2,710,415	7,256,088	17,270	20,072	35,696
	2020-21	533,323	73,937	1	73,938	8,197,479	2,141,859	6,055,620	18,450	15,881	35,026
Other Expenditure / (Income)	2021-22	-	-	-	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-	-	-
Premium Deficiency	2021-22	-	-	-	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-	-	-
Total Segmental Expenses	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
	2020-21	758,212	225,337	(1,147)	224,190	27,383,893	5,901,606	21,482,287	36,709	28,121	91,375
Segmental Profit	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
	2020-21	812,142	45,883	1,152	47,035	4,689,224	735,111	3,400,353	32,204	36,867	58,065
Provision For Taxation (net of MAT Credit)	2021-22	-	-	-	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-	-	-
Net Profit for the year	2021-22	-	-	-	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-	-	-
Net incurred Claims / Net Earned Premium (%)	2021-22	33.48%	61.87%	0.00%	61.87%	65.05%	69.78%	63.42%	57.49%	6.47%	28.48%
	2020-21	33.82%	73.52%	0.00%	73.52%	74.30%	57.01%	79.72%	18.36%	13.63%	64.61%

Schedule 17 - Segmental Reporting for the year ended March 31, 2022

(₹ '000)

Particulars	Year	Miscellaneous						Investment Income / Other Income	Total
		Aviation	Personal Accident	Health	Weather	Others	Total Misc		
Premium from Direct Business Written	2021-22	-	2,615,574	4,294,598	(1,252)	649,797	42,344,971	-	48,241,244
	2020-21	-	2,478,931	4,143,659	17,186	288,726	38,649,520	-	43,882,083
Add: Premium on Reinsurance Accepted	2021-22	-	-	-	-	2,745	39,246	-	298,060
	2020-21	-	-	-	-	1,855	26,965	-	120,551
Less: Premium on Reinsurance Ceded	2021-22	-	758,403	996,856	(14,430)	60,897	8,159,995	-	12,814,924
	2020-21	-	700,622	835,411	14,890	64,267	7,245,486	-	10,426,781
Adjustment for Changes in Reserve for Unexpired Risk	2021-22	-	37,121	261,436	-	203,461	1,685,277	-	1,353,484
	2020-21	-	(179,341)	431,392	-	(57,249)	890,751	-	1,551,491
Premiums Earned (Net)	2021-22	-	1,820,050	3,036,306	13,178	388,184	32,538,945	-	34,370,896
	2020-21	-	1,957,650	2,876,856	2,296	283,563	30,540,248	-	32,024,362
Profit / (Loss) on Sale / Redemption of Investments	2021-22	-	23,603	22,911	389	4,467	631,652	96,963	751,578
	2020-21	-	43,131	33,673	748	3,502	1,191,965	145,526	1,385,895
Other income - Contribution from Shareholders for Excess EoM	2021-22	-	608,130	788,997	-	17,613	3,297,951	-	3,297,951
	2020-21	-	314,556	591,309	-	5,225	1,464,850	-	1,464,850
Others Administrative Charges	2021-22	-	281	499	-	91	5,183	-	5,410
	2020-21	-	-	62	-	28	257	-	4,354
Investment income from pool (Terrorism/ Nuclear)	2021-22	-	-	-	-	3,894	15,574	-	86,769
	2020-21	-	-	-	-	5,590	22,379	-	98,378
Interest and Dividend – Gross	2021-22	-	224,726	218,131	3,711	42,517	6,013,917	923,178	7,155,723
	2020-21	-	204,021	159,284	3,536	16,570	5,638,359	688,383	6,555,707
Total Segmental Revenue	2021-22	-	2,676,790	4,066,844	17,278	456,766	42,503,222	1,020,141	45,668,327
	2020-21	-	2,519,358	3,661,184	6,580	314,478	38,858,058	833,909	41,533,546
Claims Incurred (Net)	2021-22	-	388,672	5,297,690	2	110,230	23,448,443	-	24,160,125
	2020-21	-	400,813	3,338,590	(25,443)	82,736	22,596,258	-	23,198,277
Direct Commission Paid	2021-22	-	694,648	543,828	35	99,340	4,017,179	-	4,995,315
	2020-21	-	362,857	489,505	(275)	42,183	3,104,512	-	3,552,975
Commission on Reinsurance Accepted	2021-22	-	-	-	-	93	536	-	6,931
	2020-21	-	-	-	-	130	416	-	3,024
Commission on Reinsurance Ceded	2021-22	-	448,487	27,287	5,748	15,522	2,299,485	-	3,781,380
	2020-21	-	480,442	141,174	(55,333)	26,294	2,329,405	-	3,007,354
Operating Expenses Related to Insurance Business	2021-22	-	960,952	1,396,866	1,935	162,862	12,562,155	-	13,319,178
	2020-21	-	950,942	1,201,326	50,075	71,877	10,541,056	-	11,148,317
Other Expenditure / (Income)	2021-22	-	-	-	-	-	-	5,907,889	5,907,889
	2020-21	-	-	-	-	-	-	2,890,470	2,890,470
Premium Deficiency	2021-22	-	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-
Total Segmental Expenses	2021-22	-	1,595,785	7,211,097	(3,776)	357,003	37,728,828	5,907,889	44,608,058
	2020-21	-	1,234,170	4,888,247	79,690	170,632	33,912,837	2,890,470	37,785,709
Segmental Profit	2021-22	-	1,081,005	(3,144,253)	21,054	99,763	4,774,393	(4,887,748)	1,060,268
	2020-21	-	1,285,188	(1,227,063)	(73,110)	143,846	4,945,221	(2,056,561)	3,747,837
Provision For Taxation (net of MAT Credit)	2021-22	-	-	-	-	-	-	-	290,068
	2020-21	-	-	-	-	-	-	-	931,118
Net Profit for the year	2021-22	-	-	-	-	-	-	-	770,200
	2020-21	-	-	-	-	-	-	-	2,816,719
Net incurred Claims / Net Earned Premium (%)	2021-22	0.00%	21.36%	174.48%	0.00%	28.40%	72.06%	-	70.29%
	2020-21	0.00%	20.47%	116.05%	0.00%	29.18%	73.99%	-	72.44%



Summary of Financial Statements

Date of Registration with the IRDA July 15, 2002

Registration No.123

(₹ '000)

Sl. No.	Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
	OPERATING RESULTS					
1	Gross Direct Premium	48,241,244	43,882,083	43,984,933	44,281,599	41,025,679
2	Net Premium Income #	35,724,380	33,575,853	34,091,950	33,523,219	31,912,633
3	Income from Investments (Net) @	6,973,929	7,206,071	6,985,744	4,831,385	4,361,043
4	Other Income	3,303,360	1,469,204	879,634	1,819	1,842
5	Total Income	46,001,669	42,251,128	41,957,328	38,356,423	36,275,518
6	Commissions (Net) (Including Brokerage)	1,220,866	548,645	519,587	127,235	423,291
7	Operating Expenses	13,319,178	11,148,317	10,552,805	9,268,816	8,591,622
8	Net incurred Claims	24,160,124	23,198,277	25,772,815	23,354,995	20,483,627
9	Change in Unexpired Risk Reserve	1,353,484	1,551,491	(278,074)	3,024,277	3,674,217
10	Operating Profit / (Loss)	5,948,017	5,804,398	5,390,195	2,581,100	3,102,761
	NON-OPERATING RESULT					
11	Total Income under Shareholders' Account	(4,887,748)	(2,056,561)	(2,844,195)	(75,214)	363,394
12	Profit / (Loss) before tax	1,060,269	3,747,837	2,546,000	2,505,886	3,466,155
13	Provision for Tax	290,068	931,118	1,051,600	716,514	1,040,098
14	Profit / (Loss) after Tax	770,201	2,816,719	1,494,400	1,789,372	2,426,057
	MISCELLANEOUS					
15	Policyholders' Account					
	Total Funds	109,167,925	98,990,957	83,499,757	68,112,083	56,511,892
	Total Investments	109,167,925	98,990,957	83,499,757	68,112,083	56,511,892
	Yield on Investments	6.84%	7.60%	9.05%	7.92%	8.90%
16	Shareholders' Account					
	Total Funds	19,615,856	18,845,655	15,740,797	14,534,536	12,961,299
	Total Investments	16,170,180	11,614,098	7,284,891	7,848,895	7,114,879
	Yield on Investments	6.84%	7.60%	9.05%	7.92%	8.90%
17	Paid up Equity Capital	2,988,057	2,988,057	2,988,057	2,988,057	2,988,057
18	Net Worth *	19,615,856	18,845,655	15,740,797	14,534,536	12,961,299
19	Total Assets	137,160,103	125,091,861	105,419,245	90,943,099	65,712,218
20	Yield on Total Investments	6.84%	7.60%	9.05%	7.92%	8.90%
21	Earnings per Share (₹)	2.58	9.43	5.00	5.99	8.12
22	Book Value per Share (₹)	65.65	63.07	52.68	48.64	43.38
23	Total Dividend	-	-	-	179,283	179,283
24	Dividend per Share (₹)	-	-	-	0.60	0.60

Notes

Net of Re-insurance

@ Net of Losses

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



Performance Ratios

Date of Registration with the IRDA July 15, 2002

Registration No.123

Sl. No.	Type of Ratio	Method of Computing	2021-22	2020-21
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)	2.46	2.33
3	Growth Rate of Net Worth	Net Worth as at the current balance sheet date / Net Worth as at the previous balance sheet date	4.09%	19.72%
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	37.96%	33.50%
7	Expenses of Management to Net Written Premium Ratio (Note 1)	Expenses of management (operating expenses plus net commission) / Net Written Premium	40.70%	34.84%
8	Net Incurred Claims to Net Earned Premium	Net Incurred Claims / Net Earned Premium	70.29%	72.44%
9	Combined Ratio	Claims paid plus expenses of management plus commission / Net Written Premium	110.99%	107.28%
10	Technical Reserves to Net Premium Ratio	Reserve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims / Net premium	2.66	2.63
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	17.31%	18.12%
13	Liquid Assets to Liabilities Ratio (Note 3)	Liquid assets of the insurer / policy holders' liabilities	0.14	0.17
14	Net Earnings Ratio	Profit after tax / Net premium	2.16%	8.39%
15	Return on Net Worth	Profit after tax / Net worth	3.93%	14.95%
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	1.95	2.08
17	Net NPA Ratio	Net NPA / Investments book value	0.10	0.65

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



Registration No.123 Date of Registration with the IRDA July 15, 2002

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	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%
		2020-21	30.81%	(13.03%)	-	(12.38%)	(3.69%)	(4.99%)	2.97%	(1.77%)	-	(18.58%)	30.72%	-	(18.59%)	(2.62%)	(0.23%)
Schedule 2	Net Retention Ratio (Net Written Premium / Gross Premium + RI Acceptance)	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%
		2020-21	40.81%	37.42%	-	37.15%	82.71%	95.00%	60.69%	41.62%	-	71.74%	79.84%	-	77.88%	81.27%	76.30%
Schedule 3	Net Commission Ratio (Commission Paid Net of Reinsurance / Net Written Premium) Refer Note below	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%
		2020-21	(10.34%)	(11.67%)	-	(12.06%)	1.90%	9.13%	5.16%	(22.43%)	-	(6.61%)	10.53%	-	7.08%	2.47%	1.63%
Schedule 4	Underwriting Balance Ratio (Underwriting Profit / Net Earned Premium)	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)
		2020-21	0.38	0.11	-	0.11	(0.09)	0.42	0.56	0.30	-	0.37	(0.70)	-	0.40	(0.11)	(0.09)

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

The Spirit of the Murugappa Group

The light of

INTEGRITY

that gives us the courage to
always do the right thing

The light of

RESPONSIBILITY

that gives us the humility to
think about the world around us

The light of

PAS2ION

that provides us with
the desire to win

The light of

RESPECT

that inspires people
around us to perform

The light of

QUALITY

which makes us
dream of excellence

These **five lights** guide us as we navigate
through professional and personal decisions.



murugappa



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