

USING TECH TO
INSURE MORE
SERVE MORE
REACH MORE

ANNUAL REPORT 2023-24



VISION AND VALUES

Our Vision

To be the most admired insurance company that enables the continued progress of customers by being responsive to their needs.

Our Values



SENSITIVITY

We will build our business on empathy and an inherent understanding of both our internal and external customers' needs.



ETHICS

We will honour our commitments and be transparent in our dealings with all our stakeholders.



EXCELLENCE

We will always strive to offer innovative products and services and endeavour to set new benchmarks to do things better each time.



DYNAMISM

We will be proactive with a "can do" approach.





The Parliamentary Standing Committee on Finance issued their recommendations for the sector, proposing structural changes and expanding the ambit of insurance to include value added services. These recommendations, along with the reforms announced by IRDAI, are expected to significantly impact the industry dynamics in the coming years.

Ritesh Kumar
MD & CEO

CUSTOMER TESTIMONIALS

“

I have experienced excellent service from your company. No company in the market can settle claims so fast - thank you very much! Your office application staff is also very helpful in responding to us properly at the time of claim process.

*Health Insurance Customer (Optima Restore Insurance)
Policy No. 2805204526716900*

“

Thank you for settling the claim for the full amount in the fastest, hassle-free, and seamless way. The Customer Service representative guided well in terms of navigating the website to register and submit the documents. It was a great experience.

*Health Insurance Customer (Health Suraksha Individual Policy - Classic)
Policy No. 2828100853410200*

“

Doing excellent work HDFC ERGO, keep it up! We are very happy and privileged to be with you since the last six years. Best of luck and thank you for your best services.

*Health Insurance Customer (Optima Restore Insurance)
Policy No. 2805205481362000*

“

Out of the world customer service. All agents that I spoke to were efficient, helpful, and courteous. More importantly they are customer service oriented. Hats off to the reps and their commitment. I will surely recommend you to family and friends.

*Motor Insurance Customer (Private Car Comprehensive Policy)
Policy No. 2311100315659900*

“

Your services are very good. Your team is excellent in answering, guiding, and helping us. I am very happy with your services. Expecting the same in future also. Thank you.

*Motor Insurance Customer (Private Car Liability Only)
Policy No. 2319100828422900*

“

I am thankful of your quick service on my application. The experience with you so far is very good. Thank you.

*Motor Insurance Customer (Two-Wheeler Comprehensive Policy)
Policy No. 2312910122819700*

“

So far, I have had a fast and supportive experience with HDFC ERGO - service is prompt, team is respectful of customers' time, they provide clear and necessary guidelines as well, so that really helps.

*Travel Insurance Customer (Retail Travel Insurance Policy - Platinum)
Policy No. 2919205637980500*

“

No worry as of now, your team is great. I had called the Customer Executive on two occasions. Very helpful, knowledgeable, no escalation delay. Nice support. Keep it up!

*Travel Insurance Customer (Travel Explorer) - Senior Citizen
Policy No. 3367101409793600*

“

The customer experience is commendable.

*Travel Insurance Customer (Retail Travel Insurance Policy - Silver)
Policy No. 2919101390257100*

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CHAIRMAN'S MESSAGE



Keki M. Mistry
Chairman

“

In FY 2023-24, IRDAI continued to undertake various regulatory reforms to strengthen the GI industry and facilitate sectoral growth over the medium term.”

Although global growth remained resilient and inflation levels started receding in FY24, the last mile of disinflation was slow. Therefore, major central banks kept policy rates on hold to ensure inflation levels stay on target. Ongoing geopolitical conflicts, disruptions in trade routes and high public debt burden continue to pose downside risks to the global growth outlook in FY25.

In FY24, India's GDP grew by 8.2%, marking the third consecutive year of 7%+ growth. This was mainly driven by significant uplift in investments. In addition, inflation levels moderated to 5.4% as core inflation (excluding food and fuel) continued on a steady declining path.

Last year, the IRDAI had announced its vision of “Insurance for All by 2047”. I wish to reiterate that your Company is fully committed to and aligned with this vision and the various initiatives of IRDAI.

Foremost among the regulatory developments this year was the Parliamentary Standing Committee on Finance recommending various major reforms in their report, including introduction of composite license, open architecture for individual agents and allowing value-added services ancillary to insurance. IRDAI consolidated various regulations into nine principle-based regulations – the new regulations simplify processes to make them more policyholder-friendly and improve ease of doing business for the insurance industry. IRDAI also extended de-tariffication to all product segments other than Motor Third Party, enabling insurers further freedom in policy wordings and premium pricing.

The broad-based growth of the economy resulted in motor, health and commercial lines insurance segments registering double-digit growth in FY24. The GI industry grew by ~ 13% to ~ ₹ 290,000 crore in FY24. Accident & Health insurance continued to be the fastest growing and largest segment, reflecting the low levels of health insurance penetration.

Your Company achieved a 11% growth in Gross Written Premium to ₹ 18,802 crore, ending the year as the fifth largest General Insurer in India with a 6.4% market share and the third largest General Insurer in the private sector with a 9.9% market share. The Profit After Tax for the year was ₹ 438 crore, as the Company continued to be prudent in reserving in light of recent industry trends.

According to the RBI, the Indian economy is projected to grow by 7.2% in FY25 driven by domestic demand. Likewise, inflation is expected to further ease to 4.5% driven largely by food inflation levels (assuming a normal monsoon). This outlook continues to be dependent on geopolitical developments.

The ongoing regulatory changes are expected to encourage further innovation and support strong growth of the insurance industry in the coming years, especially in the under-penetrated geographies and segments.

I would like to thank IRDAI for introducing various reforms aimed at further development of the insurance industry and improvement in insurance penetration. I would also like to thank our customers, partners, shareholders and employees for their support to the Company and look forward to their continued support in the coming years.

I also want to take this opportunity to thank our MD & CEO, Ritesh Kumar, for his leadership and contribution in transforming this Company into an admired institution. After successfully leading this Company for 16 years, Ritesh would be superannuating in June 2024. I also congratulate Anuj Tyagi for his elevation as the MD & CEO with effect from July 1, 2024. Anuj has been with the Company since 2008, and has been an integral part of the success of the Company. I am confident that he will lead the Company to even greater heights in its next phase of growth.

MD & CEO'S MESSAGE



Ritesh Kumar
MD & CEO

“

The Company achieved a 6.4% market share in FY 2023-24 and is now the fifth largest general insurance company in India and third largest in the private sector.”

The Indian economy achieved a robust growth of 8.2% in FY24. The economy is expected to grow by 7.2% in FY25 on the back of rural demand; however adverse macroeconomic or geopolitical developments may slow down these growth prospects.

The General Insurance industry registered a growth of 12.8% in FY24, growing to Gross Direct Premium of ~ ₹ 290,000 crore. Accident & Health insurance segment grew by 20%, Motor insurance segment by 13%, while Commercial lines registered a growth of 10%. While the number of farmers availing Crop insurance increased, the premiums witnessed a 4% de-growth due to a change in structure of the Crop insurance schemes implemented in few states. Private sector insurers (including standalone health insurers) further improved market share and now have a 65% market share in the industry.

IRDAI announced further regulatory reforms in FY24, with the

prominent ones being de-tariffication of product segments and consolidation of various regulations into nine regulations. The Parliamentary Standing Committee on Finance issued their recommendations for the sector, proposing structural changes and expanding the ambit of insurance to include value added services. These recommendations, along with the reforms announced by IRDAI, are expected to significantly impact the industry dynamics in the coming years.

Your Company further upgraded its offerings this year to meet the evolving customer needs. The key initiatives included launching the next version of the flagship health insurance product Optima Secure, institutionalising an internal ombudsman process for repudiations in health claims, early discharge from hospital for patients undergoing cashless hospitalisation, etc.

As a Digital Insurer operating at scale, your Company continued to leverage digital and artificial intelligence to further elevate customer experience. I am pleased to share that 'here', our ecosystem platform aimed at providing convenience & savings and addressing anxiety, was well received with over 5 million downloads and over 300,000 policy-related transactions. We continued on our journey of migration of core technology system to cloud.

As regards our Diversity and Inclusion journey, our gender diversity ratio improved from 23% in FY23 to 25% this year. As a recognition of our people practices, we were recognised in 'India's Top 25 Best Workplaces in BFSI sector' for the second year in a row.

Your Company registered an 11% growth in premiums to ₹ 18,802 crore in FY24, ending the year with a 6.4% market share and a 9.9% market share in the private sector. We are now the fifth largest general insurance company in the country, and the third largest in the private sector.

Our expense ratio was stable at 24.4% in FY24. In line with our philosophy of prudence, the Company undertook a strengthening of its claim reserves basis recent industry trends. As a result, the Combined Ratio increased from 103.3% in FY23 to 112.1% in FY24. The Profit After Tax was ₹ 438 crore in FY24 vis-à-vis ₹ 653 crore in FY23.

I would like to take this opportunity to congratulate Anuj Tyagi for his elevation as the Managing Director & CEO w.e.f. July 1, 2024. Anuj has been a key member of the management team since joining in 2008, has rich experience across diverse functions and is currently the Joint Managing Director of our company. I am confident that he will lead the Company to greater success and that he will enjoy the continued patronage of all our stakeholders.

I would like to once again thank all our customers, partners, employees and our shareholders for their support in shaping this Company to its present level. Lastly, I would also like to express my gratitude to IRDAI and the fellow members of our Board of Directors for their continued guidance over the years.

BOARD OF DIRECTORS



Keki M. Mistry

Keki M. Mistry (DIN: 00008886) is a qualified Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India.

He was the Vice Chairman & CEO of Housing Development Finance Corporation (HDFC) Limited. With the amalgamation of HDFC Limited with HDFC Bank Limited, he superannuated from HDFC Limited and has been appointed as a Non-Executive Director on the Board of HDFC Bank Limited from June 30, 2023.

He is the Non-Executive Chairman of HDFC ERGO General Insurance Company Limited and HDFC Life Insurance Company Limited. He is also a Director of several Companies. Some of these include Tata Consultancy Services Limited, The Great Eastern Shipping Company Limited and Flipkart Private Limited – Singapore. He is a Senior Advisor to the Ontario Teachers' Pension Plan (OTPP), a Canada-based pension fund. He has been appointed as a Strategic Advisor for Cyrus Poonawalla Group's Financial Services Ventures.

He is a Member of the Primary Market Advisory Committee (PMAC) constituted by the Securities and Exchange Board of India (SEBI).

He is currently a member of the Expert Committee constituted by SEBI for facilitating ease of doing business and harmonisation of the provisions of ICDR and LODR Regulations and is the Chairman of Working Group 1 of the Expert Committee. He is also a member of Standing Committee on Primary Markets, which has been constituted by the International Financial Services Centres Authority (IFSCA).

Renu Sud Karnad (DIN: 00008064) was Managing Director of Housing Development Finance Corporation Limited till June 30, 2023. From July 1, 2023, she is a Non-Executive and Non-Independent Director on the Board of HDFC Bank Ltd.

She is the Chairperson of GlaxoSmithKline Pharmaceuticals Limited and a director on the boards of HDFC Asset Management Company Limited, HDFC ERGO General Insurance Company Limited, HDFC Capital Advisors Limited, Bangalore International Airport Authority Limited and EIH Limited. She is also a director on the board of Nudge Lifeskills Foundation and PayU Payments Private Limited.



Renu Sud Karnad

She holds a Master's degree in Economics from the University of Delhi and a Bachelor's degree in Law from the University of Mumbai. She is a Parvin Fellow – Woodrow Wilson School of Public and International Affairs, Princeton University, USA. She has to her credit, numerous awards, and accolades. Prominent among them being featured in the list of '25 Top Non Banking Women in Finance' by U.S. Banker magazine, listed by Wall Street Journal Asia as among the 'Top Ten Powerful Women to Watch Out for in Asia', 'Outstanding Woman Business Leader' by CNBC TV18, and '25 Most Influential Women Professionals in India' by India Today.



Dr. Oliver Martin Willmes

Dr. Oliver Martin Willmes (DIN: 08876420) is a Non-Executive Director of the Company. He has studied Business Administration at the University of Cologne. He has done his MBA from Eastern Illinois University, USA. He is currently the Chairman of the Board of Management and Chief Operating Officer at ERGO International AG.

Edward Ler (DIN: 10426805) is a Non-Executive Director of the Company. He holds a Bachelor of Arts (with distinction) in Risk Management from the Glasgow Caledonian University in the UK and is a Chartered Insurer from the Chartered Insurance Institute, UK. He is currently the Chief Underwriting Officer and a Member of the Board of Management of ERGO Group AG ("ERGO"), responsible for ERGO Group's Consumer Insurance Portfolios and Commercial Property/Casualty Portfolios, Global Competence Centres for Life, Health, Property/Casualty Product Management, Claims and Reinsurance.



Edward Ler



Bernhard Steinruecke

Bernhard Steinruecke (DIN: 01122939) was the Director General of Indo-German Chamber of Commerce from 2003 till 2021. He studied Law and Economics in Vienna, Bonn, Geneva and Heidelberg and has a Law Degree from the University of Heidelberg in 1980 (Honours Degree) and passed his Bar exam at the High Court of Hamburg in 1983. He was the former Co-CEO of Deutsche Bank India and Co-Owner and Speaker of the Board of ABC Privatkunden-Bank, Berlin. He was appointed as an Independent Director of the Company for a period of five years w.e.f. September 9, 2016 and was re-appointed as an Independent Director for another term of five consecutive years w.e.f. September 9, 2021.

Mehernosh B. Kapadia (DIN: 00046612) holds a Master's degree in Commerce (Honours) and is a Member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India. Most of his corporate career of 36 years has been with GlaxoSmithKline Pharmaceuticals Limited (GSK) where he has worked for over 27 years. He retired as the Senior Executive Director and Chief Financial Officer of GSK w.e.f. December 1, 2014. Over the years, he has been responsible for an extensive range of finance and company secretarial matters. He has also held management responsibility for other functions during his tenure with GSK, including Investor Relations, Legal and Compliance, Corporate Affairs, Corporate Communications, Administration and Information Technology, and held the position of Company Secretary for many years. He was appointed as an Independent Director of the Company for a period of five years w.e.f. September 9, 2016 and was re-appointed as an Independent Director for another term of five consecutive years w.e.f. September 9, 2021.



Mehernosh B. Kapadia



Arvind Mahajan

Arvind Mahajan (DIN: 07553144) is an Independent Director of the Company. He is a graduate (B.Com. Hons) from Shriram College of Commerce, Delhi University and has a Post Graduate Diploma in Management from IIM, Ahmedabad.

He has more than 36 years of experience in management consulting and industry. His management consulting experience includes more than 22 years as partner with AF Ferguson & Co, Price Waterhouse Coopers, IBM Global Business Services and most recently with KPMG. His industry experience was with Procter and Gamble in financial management and management reporting.

In his career at KPMG India, he has led business consulting services and later the Energy, Infrastructure, Government and Healthcare practices of the firm. He also had the privilege of being a member of KPMG's Global Business Consulting and Global Infrastructure Sector Leadership teams. His specialisation is in advising CEOs & Boards in the area of business strategy and helping "make strategy happen" through growth and transformation initiatives. He also has a strong background in corporate finance, enterprise risk management, people and change. He has advised clients in diversified portfolio sectors including consumer, financial services, technology, media, telecom, energy, infrastructure & government.

He was appointed as an Independent Director of the Company for a second term for a period of five years w.e.f. November 14, 2016 and was re-appointed as an Independent Director for another term of five consecutive years w.e.f. November 14, 2021.

Ameet Hariani (DIN: 00087866) has over 35 years of experience advising clients on corporate and commercial law, mergers and acquisitions, real estate and real estate finance transactions. He has represented large organisations in international real estate transactions, arbitrations and prominent litigations. He was a partner at Ambubhai and Diwanji and Andersen Legal India, as well as the founder and managing partner of Hariani & Co. He has now transitioned to practising as a senior legal counsel doing strategic legal advisory work. He also acts as an arbitrator, mediator and as an independent, non-executive director on the boards of several well reputed companies. He holds a Law degree from Government Law College, Mumbai and Masters in Law degree from the University of Mumbai. He is a Solicitor enrolled with the Bombay Incorporated Law Society and the Law Society of England and Wales. He is also a member of the Bar Council of Maharashtra and the Bombay Bar Association. He was appointed as an Independent Director of the Company for a period of five years w.e.f. July 16, 2018 and was re-appointed as an Independent Director for another term of five consecutive years w.e.f. July 16, 2023.



Ameet Hariani



Dr. Rajgopal Thirumalai

Dr. Rajgopal Thirumalai (DIN: 02253615) is a qualified health care professional with more than three decades of experience in preventive medicine, public health, occupational health, and health & hospital administration and in dealing with health insurance products, brokers, and providers.

He has around 30 years of experience with the Unilever Group, the last position being Vice President, Global Medical and Occupational Health of Unilever Plc responsible for providing strategic inputs and leadership in comprehensive health care, including public health and global health insurance for over 155,000 employees worldwide. Dr. Rajgopal represented Unilever as a member of the Leadership Board of the Workplace Wellness Alliance of the World Economic Forum and under his leadership, Unilever won the Global Healthy Workplace Award in 2016.

He was also the Independent Director at Apollo Hospitals Enterprise Limited and Apollo Super Specialty Hospitals Ltd from August 2017 to March 2021. He served as the COO for Breach Candy Hospital, Mumbai from April 2021 to March 2022. He is currently on the Board of Zywie Ventures Ltd., a subsidiary of Hindustan Unilever Ltd. and heads the advisory board of Fitterfly (a digital therapeutics company). Dr. Rajgopal is also an Adjunct Faculty with the Public Health Foundation of India.

Dr. Rajgopal was awarded the Dr. B. C. Roy National Award (Medical field), which was bestowed by the President of India in 2016.

Sanjib Chaudhuri (DIN: 09565962) has over 40 years of experience in the Indian non-life insurance and reinsurance market. As a Cost & Management Accountant and trained in Systems Analysis from the UK, he started off in heavy engineering companies viz., Guest Keen & Williams Ltd. and Garden Reach Shipbuilders & Engineers Ltd. and then as an Associate of the Insurance Institute of India switched to insurance in 1979. He served National Insurance Co. Ltd. (NICL) for 19 years in a diverse set of roles including addressing the challenge of introducing computerised data processing across the industry. He left NICL as Assistant General Manager in 1997 and joined Munich Reinsurance Company, Munich, Germany as the Chief Representative for India. Besides setting up a permanent office of Munich Re in India in the restricted PSU regime, he was also responsible for reinsurance business development in India, Sri Lanka, Bangladesh and Nepal. He set up Munich Re's India Representative Office in 1999 as one of the first foreign reinsurers' permanent presence in the Indian market and his superannuation in 2014 coincided with the opening of the Munich Re India Branch. He served the General Insurance Council of India as a member of the Executive Committee during 2015-18. He was nominated by IRDAI as the Policyholders' Representative and has also served in various committees of IRDAI including Health Insurance Forum and Committee to Recommend Amendments to the Regulations regarding Foreign Reinsurers' Branches.



Sanjib Chaudhuri



Vinay Sanghi (DIN: 00309085) has been the driving force of CarTrade Tech since its inception in 2009 and he recently took the company public.

With more than three decades of experience, he is a leading figure in the Indian auto industry. He has a demonstrated track record of excellence in the industry and has been responsible for conceptualising and executing numerous successful business ventures.

In his current role, he has been instrumental in CarTrade Tech establishing market leadership and effecting consolidation in the space by acquiring CarWale, BikeWale, Adroit Auto, Shriram Automall and OLX India. CarTrade Tech Ltd. is a multi-channel auto platform with a presence across all vehicle types and value-added services. The platform gets 70 million average monthly unique visitors, facilitates over 32 million listings annually, engages with approximately 30,000 dealers and has 1.2 million listings for auction. The platform operates under several brands: CarWale, CarTrade, Shriram Automall, BikeWale, CarTrade Exchange, Adroit Auto and OLX India. These platforms enable new and used automobile customers, vehicle dealerships, vehicle OEMs, and other businesses to buy and sell vehicles in a simple and efficient manner.

Before starting CarTrade Tech, he was the CEO of Mahindra First Choice Wheels Ltd.

Samir H. Shah (DIN: 08114828) is a Fellow member of The Institute of Chartered Accountants of India (FCA), an Associate member of The Institute of Company Secretaries of India (ACS) and The Institute of Cost Accountants of India (ACMA). He joined the Company in 2006 and has about 33 years of work experience, of which over 17 years is in the general insurance sector. He was re-appointed for another term of five years as Executive Director & CFO w.e.f. June 1, 2023 and currently oversees/mentors various functions including finance, accounts, tax, secretarial, legal, compliance, risk management and internal audit.



Samir H. Shah

**Ritesh Kumar**

Ritesh Kumar (DIN: 02213019) is the Managing Director and CEO of the Company since 2008. He has about 32 years of experience in the financial services sector, of which the first 10 years were in Banking and the last 22 years in Insurance. He is a commerce graduate from Shriram College of Commerce, Delhi and holds an MBA degree from Faculty of Management Studies (FMS), Delhi. Considering the applicable IRDAI requirements, he would be required to superannuate by close of business hours on June 30, 2024.

Anuj Tyagi (DIN: 07505313) is a Post Graduate Diploma in Business Management and a Chemistry (H) graduate. He has worked in banking and insurance services for over 26 years with leading financial institutions and insurance groups in the country and has held various leadership positions during his tenure. He has been associated with the Company since 2008 and was appointed as a Whole-time Director (designated as Executive Director & CBO) of the Company for a period of 5 years w.e.f. May 1, 2016. On November 13, 2020, he was re-appointed as Executive Director and he was later designated as the Deputy Managing Director w.e.f. April 20, 2021 and as Joint Managing Director w.e.f. April 27, 2023. He is appointed as the Managing Director & CEO of the Company w.e.f. July 1, 2024.

**Anuj Tyagi**

KEY MANAGEMENT PERSONNEL



AUDITORS

G. M. Kapadia & Co.
Chartered Accountants

B S R & Co. LLP.
Chartered Accountants

BANKERS

HDFC Bank Ltd.

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited
Universal Insurance Building, Ground Floor,
Sir P.M.Road, Fort, Mumbai – 400 001
Tel. No: +91 22 40807008/0
Fax No: +91 22 66311776

REGISTERED & CORPORATE OFFICE

HDFC House, 1st Floor, 165-166, Backbay Reclamation,
H. T. Parekh Marg, Churchgate, Mumbai- 400 020
Website: www.hdfcergo.com
E-mail: care@hdfcergo.com
Tel. No: +91 22 6638 3600
CIN: U66030MH2007PLC177117
IRDAI Reg. No. 146

CUSTOMER SERVICE ADDRESS

D-301, 3rd Floor, Eastern Business District
(Magnet Mall), LBS Marg, Bhandup (West),
Mumbai 400078.
Customer Service No.:022-6234 6234/0120-6234 6234
care@hdfcergo.com | www.hdfcergo.com

COMPANY HIGHLIGHTS

3rd largest private general insurer 

11.6 million policies issued, 

5.32 million claims serviced 

With a Gross Written Premium of **₹ 18,802 crore**  **6.4%** market share basis GDP

with **90% +** policies issued digitally 

 Effective turnaround time. Our score card in/under a minute:

Customer queries serviced: **22**


Queries resolved by digital bots: **17**

here app downloads: **11**

Customer visits to self-help customer portal: **8**

No. of health claims settled: **2**

No. of motor claims settled: **1**

Net Promoter Score (NPS) of **55** 

Large agency and geographical presence

~ 1.1 Lac multi-line agents, including Point of Sales Personnel (PoSPs)

266 497 branches digital offices

Spread across **509** districts of the country



13,000 + empanelled hospitals and diagnostic centres across **590+** districts of the country



ISO certified processes for: Claims Services, Operations, Customer Services, Business Continuity Management System and Information Security Management System

High degree of safety with **86%** of assets in Sovereign and AAA or equivalent rated assets



CRISIL/AAA, ICRA/AAA, Credit Rating
Stable outlook for Non-Convertible Debentures (Subordinated Debt)

Solvency ratio of **1.68 times** vis-a-vis IRDAI's required solvency ratio of **1.50 times**

INSURE MORE, SERVE MORE, REACH MORE

Leveraging its strengths in building robust digital capabilities, HDFC ERGO has established itself as a 'Digital Insurer at Scale' today. In FY 2023-24, the Company continued its path of facilitating seamless customer journeys, introducing diverse product offerings, and enabling faster claims processing via a host of digital platforms.

In the larger background of the transformation that is occurring within India's Digital Public Infrastructure (DPI), HDFC ERGO is well poised to harness technology to insure more, serve more, and reach more. Here is a quick snapshot of how the Company's digital platforms are at the forefront of customer interaction and how the Company ensures it 'reaches the last mile'.

Insure More

The Company has significantly expanded its digital business by optimising digital marketing and sales, fostering collaborations with digital partners and aggregators, and leveraging robust integration capabilities.

IMPACT



Digital Business Group has contributed ~ **13%** to the Company's retail GWP

Digital Offices (DO) – **497** have helped increase the Company's presence in upcountry locations, contributing ~ **6%** of the Company's retail business

Serve More



Rolled out HDFC ERGO 3.0, a tech modernisation initiative to enable better service to stakeholders. At the heart of HDFC ERGO 3.0 lies a profound understanding of customer needs, driving meticulous issue resolution and proactive engagement through timely interventions across all phases of the consumer lifecycle.

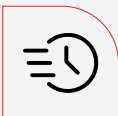
IMPACT



AI-led break-in pre-inspection has reduced time from **2 hours to 5 minutes**



90% of health policies and **98%** of motor policies are issued digitally



~ **80%** of motor and ~ **70%** of health claims are now intimated digitally, aiding faster claim processing



~ **75%** of service requests are self-served of which 16% are AI-led



Launched India's unique insurer-led ecosystem — the 'here' app. It hosts updated and verified requirements of customers' healthcare & mobility needs, thus being 'Seriously Helpful' in times of need.

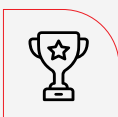
IMPACT



Over **5 million** downloads



Over **300,000** policy-related transactions



Innovative Mobile App of the Year at the ET DigiPlus Awards

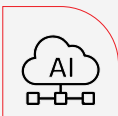


Best Customer Experience Initiative and Best Digital Transformation Initiative at InsureNext Conference & Awards

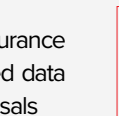


Introduced HEIQ, an AI-powered SME insurance platform designed to simplify SMEs' complex insurance requirements.

IMPACT



Leveraging AI algorithms, HEIQ generates insurance quotes by analysing vast amounts of unstructured data received via emails, PDFs, or document file proposals



Quote generation has reduced from days to seconds

Reach More

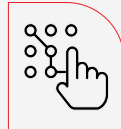


Introduced “1UP”, an AI-driven application that provides advisors with AI-powered contextual prompts for sales, retention, and daily planning, optimising their workflow.

IMPACT



Personalised pitches for each customer, shareable by advisors in their preferred language



Seamless customer journeys across the lifecycle



As the ‘Lead Insurer’ for the states of Tamil Nadu and Puducherry under IRDAI’s State Insurance Awareness initiative, rolled out medical camps and rural outreach programmes to enhance insurance awareness in these regions. Additionally, launched a first-of-its-kind state-level quiz in vernacular language.

IMPACT



A 360-degree insurance awareness drive spanning across **392 villages** and **40 towns** in Tamil Nadu and Puducherry



Launched a first-of-its-kind ‘Kapitu Varaam’ or ‘Insurance Week’ initiative, involving 30 non-life insurers to promote insurance awareness at the grassroots level



State Level: **211 teams** from **124 Government schools** of **42 districts** of Tamil Nadu and Puducherry participated



Rolled out the eight edition of the immensely popular Insurance Awareness Awards - Junior Quiz.



IMPACT



National Level: The programme reached out to over **550,000 students**; **4,410 students** in the 8th and 9th grades from **2,205 schools** across **150 cities** in India participated

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present the Seventeenth Annual Report of your Company together with the audited financial statements for the financial year ended March 31, 2024.

Financial Results:

The Company's financial performance for the financial year ended March 31, 2024 is summarised below:

(₹ in crore)

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Gross Written Premium	18,801.7	16,873.1
Net Written Premium	10,438.6	8,880.8
Net Earned Premium	9,573.6	8,035.0
Other Income/Liabilities written back	1.6	5.4
Net Incurred Claims	8,396.4	6,423.0
Net Commission (Income)/ Expenses	915.3	(238.5)
Expenses of Management	1,738.17	2,406.1
Investment Income – Policyholders	1,656.5	1,129.0
General Insurance Result	181.8	578.9
Investment Income – Shareholders	384.9	272.1
Profit before Tax - Before providing for diminution in value of investments & write-off of Bad and Doubtful Investments	566.7	851.0
Provision towards diminution in value of investments & write-off of Bad and Doubtful Investments	(11.69)	(17.5)
Profit before Tax - After providing for diminution in value of investments & write-off of Bad and Doubtful Investments	578.4	868.4
Provision for Tax	140.7	215.8
Profit after Tax	437.7	652.7
Interim Dividend	250.2	249.5
Profit carried to Balance Sheet	187.5	403.2
Credit balance in P & L account at the year end	1,637.6	1,450.1

Performance

The Gross Written Premium (GWP) of the Company increased to ₹ 18,801.7 crore (PY: ₹ 16,873.1 crore). The Net Earned Premium increased to ₹ 9,573.6 crore (PY: ₹ 8,035.0 crore). The Company achieved a Profit before Tax of ₹ 578.4 crore (PY: ₹ 868.4 crore). The Profit after Tax for the year is ₹ 437.7 crore (PY: ₹ 652.7 crore).

Transfer to reserve

The Board of Directors of the Company have not transferred any amount to the Reserves for the financial year.

Dividend

During the year, the Board of Directors had approved the payment of interim dividend @25% and @10%, (previous year total 35% per equity share); the said dividend was declared and paid in September, 2023 and December, 2023, respectively, and paid to the concerned shareholders.

The Board of Directors have not recommended any final dividend for FY24.

Merger of HDFC Limited with and into HDFC Bank Limited

The Board of Directors of erstwhile Housing Development Finance Corporation Limited (HDFC Limited) had approved a composite scheme of amalgamation (Scheme) which inter-alia approved the amalgamation of HDFC Limited with and into HDFC Bank Limited (HDFC Bank) under Sections 230 to 232 of the Companies Act, 2013 (the "Act") and the Rules made thereunder, subject to receipt of requisite approvals. Consequently, HDFC Limited / HDFC Bank were required to increase its shareholding in the Company to more than 50% prior to the effective date of the Scheme, as per the direction of the Reserve Bank of India.

On June 30, 2023, pursuant to receipt of approval from the Insurance Regulatory and Development Authority of India (IRDAI), erstwhile HDFC Limited had acquired shares totalling 0.5097% of the paid-up share capital of the Company from ERGO and consequently, the Company became the subsidiary of erstwhile HDFC Limited as on the said date.

Consequent to the amalgamation of HDFC Limited with and into HDFC Bank effective from July 1, 2023, HDFC Bank became the holding company and the Indian Promoter of the Company.

Increase in Paid-up Share Capital

During the year, the Company allotted 21,88,229 equity

As at March 31, 2024, the Company's outstanding Unsecured, Subordinated, Fully Paid-up, Listed, Redeemable NCDs stood at ₹ 1,075.00 crore consisting of:

Date of Allotment	No. of NCDs	Face Value (₹ per NCD)	Total value of NCDs (₹ in crore)	Coupon Rate	Date of Redemption	Credit Ratings
November 9, 2021	3,750	10,00,000	375	7.10% p.a.	November 9, 2031	CRISIL AAA/Stable and ICRA AAA/Stable
September 19, 2022	800	10,00,000	80	7.72% p.a.	September 19, 2032	CRISIL AAA/Stable and ICRA AAA/Stable
February 20, 2023	30,000	1,00,000	300	8.15% p.a.	February 20, 2033	CRISIL AAA/Stable and ICRA AAA/Stable
September 26, 2023	32,000	1,00,000	320	8.15% p.a.	September 26, 2033	CRISIL AAA/Stable and ICRA AAA/Stable
Total			1,075			

shares of ₹ 10 each pursuant to exercise of stock options under the Employees Stock Option Plan-2009 (ESOP-2009).

The Paid-up equity share capital and Share Premium Account of the Company stood at ₹ 714.97 crore and ₹ 1,463.8 crore, respectively, as on March 31, 2024. HDFC Bank Limited (HDFC Bank), Indian Promoter, holds 50.48% of the paid-up share capital of the Company, ERGO International AG (ERGO), Foreign Promoter holds 49.08% and balance 0.44% are holders of shares issued pursuant to the Company's Employee Stock Option Plan.

Non-Convertible Debentures

On September 18, 2023, in terms of IRDAI (Other Forms of Capital) Regulations, 2015 ('OFC Regulations'), the Company exercised the call option on 740 Unsecured, Subordinated, Fully Paid-up, Listed, Redeemable, Non-Convertible Debentures ('NCDs') of the face value of ₹ 10,00,000 each, aggregating to ₹ 74 crore bearing interest of 10.25% per annum, issued on September 18, 2018. All the NCD holders holding the said NCDs as on the Record Date were paid the redemption amount along with the interest accrued thereon.

On September 26, 2023 the Company issued and allotted 32,000 Unsecured, Subordinated, Fully Paid-up, Listed, Redeemable, Non-Convertible Debentures of the face value of ₹ 1,00,000 each, at par, aggregating to ₹ 320 crore, on a private placement basis, with a coupon of 8.15% per annum, in accordance with OFC Regulations and SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

The aforementioned NCDs are redeemable at the end of 10 years from the date of allotment, for cash at par, with a call option at the end of five years from the date of allotment and annually thereafter. The said NCDs are rated by CRISIL and ICRA and were assigned the highest ratings of CRISIL AAA/ Stable and ICRA AAA/ Stable, respectively.

All the above NCDs are listed on the Whole Sale Debt Market Segment of BSE Limited.

The Company has been regular in servicing its interest obligation towards the aforementioned NCDs.

Debenture Redemption Reserve

As required under Section 71(4) of the Act read with Rule 18(7) (b)(iv)(B) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Company is required to create a Debenture Redemption Reserve (DRR) out of the profits available for payment of dividend. As at March 31, 2024, the balance in DRR stands at ₹ 35.6 crore.

Annual Return

The Annual Return in prescribed Form MGT- 7 for FY24 can be accessed on the website of the Company (at <https://www.hdfcergo.com/docs/default-source/default-document-library/hdfc-ergo---2023-24--mgt-7.pdf>).

Report on Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations) and the Guidelines on Corporate Governance for the Insurance Sector issued by IRDAI (CG Guidelines), a report on which forms part of the Annual Report. Further, IRDAI vide its notification dated March 20, 2024 notified IRDAI (Corporate Governance for Insurers) Regulations, 2024, effective from April 1, 2024. Further, IRDAI had on March 20, 2024 notified IRDAI (Corporate Governance for Insurers) Regulations, 2024, which are effective from April 1, 2024. Updates about relevant aspects, as applicable and available, on the date of this report have been incorporated in the relevant sections of this Report.

Number of meetings of the Board

During the year, the Board met five (5) times on April 27, 2023, July 25, 2023, October 12, 2023, January 13, 2024 and March 1, 2024.

The details of attendance of the Directors at the Board and Committee meetings are provided in the Report of the Directors on Corporate Governance, which forms part of this Annual report.

Policy on Director's appointment and remuneration

The Company has in place a Board approved Policy on Appointment of Directors, Key Management Personnel and Members of Senior Management (Appointment Policy) and Remuneration Policy for the Directors, Key Managerial

Personnel and Senior Management and other Employees (Remuneration Policy).

The objective of the Appointment Policy is to inter-alia provide a framework and set standards for the appointment of Directors, Key Managerial Personnel (KMP) and Senior Management (SMP) who should have the capacity and ability to lead the Company towards achieving its stated goals and strategic objectives, taking into account the interest of all stakeholders including shareholders, policyholders, channel partners and employees. The Policy also aims to achieve an appropriate balance of skills, experience, knowledge and expertise among its Directors.

The objective of the Remuneration Policy is inter-alia to ensure that (i) the level and composition of remuneration is in line with other companies in the industry, sufficient to attract and retain right talent at all levels and keep them motivated enough to meet the organisation's objectives; (ii) a reasonable balance is maintained in the composition of remuneration (fixed and variable component); and (iii) performance measurement parameters are in place to assess the overall performance of Directors, KMPs, Members of Senior Management and other employees.

During the year the Board had approved amendment to the Remuneration Policy of the Company to align the same to the requirements prescribed in the IRDAI Guidelines on Remuneration of Directors and Key Managerial Persons of Insurers and the same is hosted on the website of the Company at <https://www.hdfcergo.com/docs/default-source/policies/policy-on-remuneration-of-directors.pdf>

Comments on Auditor's Report

Neither the Secretarial Auditor nor the Joint Statutory Auditors have made any qualification, reservation or adverse remark or disclaimer in their reports. The reports of the Secretarial Auditor and the Joint Statutory Auditors are appended to this Report.

Further, during the year under review, the Joint Statutory Auditors have not reported any incidents of fraud to the Audit and Compliance Committee of Directors.

Particulars of Loans, Guarantees or Investments

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

The investments of the Company are made in accordance with the IRDAI (Investment) Regulations 2016, as amended, and circulars issued by IRDAI, from time to time and the Investment Policy of the Company. The particulars of Investment Assets are provided in the Management Discussion and Analysis Report section, which forms part of this Annual report.

Related Party Transactions

Transactions/ arrangements entered into by the Company with its related parties are in the ordinary course of business and primarily includes sale of various insurance policies, selling of insurance policies by related parties appointed as Corporate Agents, receipt of premium and payment of claim thereon, banking arrangements, purchase/sale of securities directly or indirectly through a related party, payment of premium, reinsurance ceded, receipt of commission on reinsurance ceded, etc.

The Audit and Compliance Committee of Directors has granted omnibus approval to enter into related party transactions which are recurring in nature and in the ordinary course of business.

The Related Party transactions entered into during the year were in the ordinary course of business and on an arm's length basis. The details of transactions with related parties were placed before the Audit and Compliance Committee of Directors at its quarterly meetings. The Company had not entered into any contract / arrangement / transaction with related parties which is required to be reported in Form No. AOC-2 in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Policy on related party transactions of the Company is hosted on the Company's website at <https://www.hdfcergo.com/docs/default-source/policies/policy-on-related-party-transaction-policy.pdf>

During the year, there were no material, financial or commercial transactions by the Senior Management having personal interest and that had a potential conflict with the interest of the Company at large.

Pursuant to provisions of Regulation 23 of LODR Regulations, the Company has taken requisite approval of Members for entering into material related party transactions with HDFC Bank and Munich Re. during FY24.

As required under Regulation 53(f) read with Para A of Schedule V of LODR Regulations and Accounting Standard (AS) 18 on Related Party Disclosures, the details of related party transactions entered into by the Company during the year are included in the Notes to Accounts.

Material Changes and Commitments affecting the Financial Position

There were no material changes or commitments, affecting the financial position of the Company between

the end of the financial year and the date of this Report.

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

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

During the year, the Company incurred an expenditure of ₹ 254.44 crore in foreign exchange (PY: ₹ 226.13 crore) mainly on account of reinsurance premium and claims payment. Premium paid, claims and commission received on reinsurance ceded in foreign exchange during the year was ₹ 106.51 crore (PY: ₹ 244.37 crore).

Risk Management Framework

The Company recognises that risk is an integral element of insurance business and realises the criticality of institutionalised risk management practices to meet its objectives. The Company has therefore established an effective and robust enterprise wide Risk Management Framework (RMF), which addresses all relevant risks including strategic risk, operational risks, investment risks, insurance risks and information & cyber security risks. The material aspects with regard to Environmental, Social and Governance (ESG) are mapped into and integrated with the RMF.

The Risk Management Committee of Directors (RMC) has laid down the risk management philosophy and policy of the Company. The RMC oversees the functioning of the RMF which has been designed in line with the aforesaid philosophy and policy. The Chief Risk Officer (CRO) is responsible for the consistent implementation of the RMF. The CRO reports to the RMC. The CRO inter-alia presents the key and top risks to the RMC at its quarterly meetings.

The RMC is further assisted by a Sub-Committee comprising the Managing Director & CEO, Executive Directors, CRO and Heads of various business units which ensures the implementation of the Company's Risk Management Philosophy, Strategies, Policies and Procedures.

Under RMF, the Company has entrusted designated Risk Owners to periodically identify, assess, manage and mitigate the risks pertaining to their respective areas of responsibility.

The material risks identified by the Company and the mitigation measures are as under:

Underwriting and Reserving Risks

Underwriting Risk is the risk of change in value due to a deviation of the actual claims payment from the expected amount of claims payment. Underwriting Risk encompasses risk of concentration and insufficient diversification.

Reserving Risk is the risk of eventual cost of claims diverging from the booked reserves due to under-reserving which can make certain classes of business look profitable than they really are. Conversely, over-reserving tends to lock in unnecessary capital and could result in portfolio steering in the wrong direction.

The following controls and mitigation measures have been established to effectively mitigate aforesaid risks:

- The Underwriting Guidelines are used as a basis for underwriting of risks and basis for pricing charged to the proposer;
- Prudent margins are built in reserves and a regular monitoring of its adequacy is done;
- Adequate protection is ensured through a well-designed Reinsurance Programme with financially sound reinsurers;
- Catastrophe (CAT) protection has also been ensured to mitigate the risks of large losses arising from probable catastrophic events;
- Detailed Reserving Guidelines are documented for all classes of business which define the procedures to be adhered to; and
- The default reserve values are reviewed on a periodic basis to identify any significant changes in loss development patterns/IBNR utilisation trends and formulas are adjusted if deemed necessary and agreed by all stakeholders.
- Reserves are also peer reviewed annually by Independent Actuary.

Credit and Market Risk

Adverse change in financial situation due to fluctuation in the market price of investment assets, its liquidity and credit quality are some of the material risks faced by the General Insurers.

The Company's Investment Function is overseen by the Investment Committee, duly assisted by the Chief Investment Officer (CIO). The investments of the Company are made as per the Board approved Investment Policy, Investment Strategy Document and the Standard Operating Guidelines and are compliant with the provisions of IRDAI (Investment) Regulations, 2016 and circulars issued thereunder.

The Investment Policy and the Standard Operating

Guidelines have been designed to be more conservative than regulatory provisions relating to investment in debt and equity instruments.

Market risk is managed by maintaining exposure in equity within the limits set out in the Investment Policy and guidelines thereunder. Exposure to debt is managed by maintaining a modified duration of the debt portfolio within the limits set by the Investment Policy.

Liquidity risk is managed by maintaining investments in money market instruments upto the desired level as required.

Credit risk or risk of default of counter parties is managed by investing a substantial portion of the investible corpus in securities with prescribed Credit Rating (Sovereign and AAA rated securities).

The aforementioned risks are reviewed and monitored on a regular basis by the Management, Investment Committee and the Risk Management Committee.

Credit risk also arises on the reinsurance protection taken by the Company. The Company ensures that it enters into reinsurance agreements with reinsurers who comply with the prescribed minimum Financial Strength Rating (FSR). This minimises its credit risk exposures in reinsurance protection arrangements.

Operational Risks

The Company faces varied operational risks in the various processes it operates in the course of its day-to-day business such as Premium, Claims, Commission, Investments, Reinsurance, HR & Payroll, Customer Experience, etc. Operational risks majorly arise from breakdowns in internal processes, people and systems.

Operational risks are mitigated by developing comprehensive policies and processes and by implementing both automated and manual controls across various activities performed by various departments.

Business Continuity risks are managed by implementing a robust Business Continuity Policy and Processes to ensure safety of human resources and continuity of key services and offering from bouquet of products at minimum acceptable level of business. The Company has an alternate Disaster Recovery (DR) site and the identified critical business processes are tested periodically at the DR site to assess its operational preparedness in case of any eventuality. The Company has been certified under ISO 22301:2019 standard for its Business Continuity practices.

Information & Cyber Security

The Company assigns critical importance to information and cyber security risks. Insurance business is highly information driven where information is recognised as a critical business asset. Due to emerging information and cyber security threats in the Insurance Industry, it is imperative that business information is protected adequately through appropriate controls and proactive measures.

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

- Board approved Information and Cyber Security Policy;
- Board approved Information and Cyber Security Crisis Management Plan;
- ISO 27001:2013 Certified Information Security Management System;
- Awareness programme for employees such as awareness mailers, simulation and tabletop exercises, etc; and
- Vulnerability Assessment and Penetration Testing exercise on a periodic basis.

Further, the Company constantly endeavours towards improvement of the Information & Cyber Security posture given the dynamic and complex cyber security threat landscape.

Corporate Social Responsibility (CSR)

The CSR Committee comprises seven members – four Independent Directors, two Non-Executive Directors and one Executive Director. The Chairman of the Committee is an Independent Director. The composition of the Committee is in conformity with the provisions of Section 135 of the Act.

The Company's CSR Policy is hosted on its website <https://www.hdfcergo.com/docs/default-source/about-us/legal-and-compliance/csrpolicy.pdf>. The Policy inter-alia specifies the broad areas of CSR activities that could be undertaken by the Company, the approach and process for undertaking CSR projects and the monitoring mechanism.

During the year, the Company has completely spent the mandated amount of ₹ 15.29 crore on various CSR activities.

The Annual Report on CSR activities including summary of Impact Assessment Report is annexed and marked as "Annexure I" to this Report.

The Company is committed to serving society and has aligned its CSR interventions under four major pillars for FY 2023-24 which are as given below:

Vidya - Education

- Through its flagship programme of Government school

reconstruction – 'GAON MERA', the Company has undertaken the revamp of two new Government schools and completed two schools in FY24, cumulatively impacting more than 1,200 students.

- The Company has also contributed towards improving the infrastructure facilities of all educational institutions, expecting to benefit 800 students.

Niramaya - Healthcare

- In FY24, the Company has commenced reconstruction and upgradation of one Government hospital in addition to two completed in FY23, aiming to serve ~ 3.7 lakh people with improved healthcare facilities.
- The Company has funded 2,084 critical surgeries for the underprivileged in FY24, towards treatment of cataract, bone marrow and cochlear transplant, facial deformities and congenital heart diseases.
- Further, interventions towards cancer care were undertaken in rural areas by setting up cancer diagnostic labs and upgradation of facilities in cancer hospital, expected to benefit over 7,000 patients.
- Mobile Medical Vans and Health camps were deployed in rural and tribal areas to extend medical facilities, benefitting ~ 70,000 people.

Roshini - Women's Welfare

- Over 1,000 destitute women were supported with sustainable livelihood solutions and capacity building in remote areas of West Bengal.
- The Company has also supported 2,000 women in North East and Tamil Nadu through livelihoods interventions in entrepreneurship development and climate resilient farm practices.
- Additionally, 35 women collectives were provided solar powered equipments for running their enterprises, impacting 320 women.
- The Company also upgraded skills of 373 ASHA (Accredited Social Health Activist) workers to enable them to graduate to nursing assistants.
- Supplementary education through learning centres was provided to 1,100 girls, with an aim to get them back to formal education system.

Supath - Road Safety

- The Company has adopted two high-fatality blackspots on Karnataka Silk Board Highway to transform them to 'Zero Fatality Corridors' through tactical urbanism, benefitting ~ 2.6 lakh commuters.
- The Company has also set up a training centre at Indore RTO to provide road safety training to new license applicants through a physical training and two-wheeler

simulator learning experience and this has benefitted over 9,000 prospective motorists.

The Company's CSR initiatives are expected to reach out to more than 7 lakh lives.

Employee volunteering

In its endeavour to establish a culture of volunteering within the organisation and increase its social footprint, the Company furthered its volunteering programme – 'SAATHI'. Under this programme, during the year, the employees have volunteered for over 40,000 hours through various activities in areas like environment, inclusiveness, women welfare, healthcare, elderly care, children's welfare, animal welfare and road safety. The Company dedicated the week of September 21 to 27, 2023, as Volunteering Week, during which employees across the country came together to clock over 23,000 volunteering hours.

The other details about the CSR Committee are provided in the Report of the Directors on Corporate Governance which forms part of this Annual Report.

Board Evaluation

The evaluation of the Board and the Board Committees was carried out on the basis of various parameters like optimum mix, quality and experience of Board members, regularity and frequency of meetings, cohesion in the Board/Committee meetings, constitution and terms of reference of various Board Committees, contribution in shaping the Company's strategy, protecting legitimate interest of various stakeholders, implement best corporate governance practices, follow up on implementation of decisions taken at Board/Committee meetings, Board Committee's promptness and efficacy to report issues requiring Board's attention, quality, quantity and timeliness of flow of information, etc.

The evaluation of Directors (including Independent Directors) was carried out based on parameters like attendance, active participation, exercise of independent judgement, knowledge and competency, commitment, initiative, high levels of integrity, understanding and fulfillment of functions assigned by the Board and the law, awareness and observance of governance, etc.

The Independent Directors at its separate meeting evaluated the performance of the Non-Independent Directors, Whole-time Directors, Chairman, Board as whole and the Board Committees and the views were shared with the Chairman of the Board.

The evaluation was shared with the Chairman of the Board. The overall performance evaluation exercise was completed to the satisfaction of the Board.

Particulars of Employees and other related disclosures

The total employee strength of the Company as on March 31, 2024 stood at 11,181.

During the year, 26 employees, including Whole-time Directors, employed throughout the year were in receipt of remuneration of ₹ 1.02 crore or more per annum or ₹ 8.50 lakh or more per month. In accordance with the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of such employees including the names of the top ten employees in terms of remuneration drawn are set out in the annexure to the Directors' Report. In terms of the provisions of the Act read with the said Rule, the Directors' Report is being sent to the shareholders excluding the annexure. Any shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary of the Company. Further, the Managing Director of the Company did not receive any remuneration from the holding company.

Further, the disclosures on managerial remuneration as required under Rule 5(1) of the said Rules are provided in "Annexure II" appended to this Report.

Disclosures on remuneration of Managing Director and Key Managerial Persons as mandated under IRDAI Guidelines on Remuneration of Directors and Key Managerial Persons of Insurers dated June 30, 2023 (IRDAI Remuneration Guidelines)

(i) Qualitative Disclosures:

(a) Information relating to the composition and mandate of the Nomination and Remuneration Committee (NRC):

The details about the composition and mandate of the Committee are provided in the Report of the Directors on Corporate Governance which forms part of the Annual Report.

(b) Information relating to the design and structure of remuneration policy and Key Features and Objectives of the Remuneration Policy:

NRC reviews the principles and practices of the Company with respect to salary increase, promotions, performance management and bonus to all employees of the Company. The Remuneration Policy provides that the level and composition of remuneration is in line

with other companies in the industry, sufficient to attract and retain the right talent at all levels and keep them motivated enough to meet the organisational objectives and a reasonable balance is maintained in the composition of remuneration (fixed and variable component). The performance measurement parameters are in place to assess the overall performance of Directors, KMPs, Members of Senior Management and other Employees. NRC, whilst recommending remuneration of the Managing Director and CEO and other Whole-time Directors to the Board, considers the above factors, which are subject to the approval of IRDAI.

- (c) Description of the ways in which current and future risks are taken into account in the remuneration policy which include the nature and type of the key measures used to take into account of these risks:

The remuneration fixing process of Whole-time Directors including that of the Managing Director and CEO, includes evaluation of performance against performance objectives defined by NRC which includes performance criteria covering the enterprise wide Risk Management Framework.

- (d) 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 Whole-time Directors including Managing Director and CEO for any financial year is inter-alia linked to the following performance objectives set by NRC:

- a. Top line and bottom line targets of the Company including portfolio steering;
- b. Overall financial position of the Company including adherence to IRDAI stipulations on Minimum Solvency Margin and Expenses of Management Limits;
- c. Key strategic and operational deliverables for the year and progress on the mid-term deliverables;
- d. Satisfactory claim settlement and repudiation performance;
- e. Effectiveness of the Grievance Redressal Mechanism; and
- f. Overall compliance to applicable laws including CG Guidelines and other statutory bodies.

The remuneration payable to the Whole-time Directors including Managing Director and CEO is subject to approval from the IRDAI.

- (ii) Quantitative Disclosures:

The details of elements of remuneration paid to Managing Director & Chief Executive Officer and Whole-time Directors are disclosed under 'Managerial Remuneration' section of the Notes to Accounts forming part of the financial statements.

Secretarial Audit

In accordance with the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed Messrs. Bhandari & Associates, Practicing Company Secretaries for conducting Secretarial Audit for FY 2023-24.

The Secretarial Audit Report is appended to this Report as "Annexure III" and does not contain any qualifications.

Employees Stock Option Plan (ESOP)

During the year, the Company granted 22,73,970 stock options at an exercise price of ₹ 539 per option under ESOP (Options) to eligible employees. The total number of options that have been exercised by the grantee was 21,88,229 having exercise price in the range of ₹ 50 to ₹ 536 per option. Further, ₹ 49.42 crore was realised by way of exercise of options.

The Options granted vest in tranches - 25% on completion of two years from grant date, 25% at the end of three years from the grant date and the balance 50% on completion of four years from the grant date and are exercisable within a period of five years from the date of respective vesting. During the year, Options vested aggregated to 11,92,399.

During the year, 2,66,352 Options lapsed and the Options in force as on March 31, 2024 were 66,17,495.

There has been no variation in the terms of the Options granted.

The diluted Earnings Per Share (EPS) is ₹ 6.11 against a basic EPS of ₹ 6.12.

Two employees, being the key managerial personnel of the Company, were granted Options aggregating to more than 5% of the total Options granted during the year.

Further, no employee was granted Options in excess of 1% of

the issued share capital of the Company at the time of grant.

During the year, the Company has granted 1,90,000, 1,45,000, 95,000, and 8,400 number of Stock Options to Ritesh Kumar, Anuj Tyagi, Samir H. Shah and Vyoma Manek, being the key managerial personnel of the Company, respectively.

Public Deposits

The Company did not accept any deposits from the public during the year.

Change in the nature of business

During the year under review, there has been no change in the nature of business of the Company.

Maintenance of Cost Records

Being an Insurance Company, the cost records as specified by the Central Government under Section 148(1) of the Act, are not required to be maintained by the Company.

Auditors

At the fifteenth Annual General Meeting (AGM) held on July 21, 2022, the Members had re-appointed Messrs. G. M. Kapadia & Co., Chartered Accountants (Registration No. of the firm with ICAI: FRN 104767W) and appointed Messrs. B S R & Co. LLP, Chartered Accountants (Registration No. of the firm with ICAI: 101248W/W-100022), as the Joint Statutory Auditors of the Company to audit the accounts of the Company upto FY 2026-27 and hold office as such upto the conclusion of the twentieth AGM of the Company.

Subsidiary, Joint Ventures and Associate Companies

The Company has no subsidiary, joint venture or associate companies.

Directors and Key Managerial Personnel

Superannuation of Ritesh Kumar as Managing Director and Chief Executive Officer (CEO)

In terms of the IRDAI Remuneration Guidelines dated June 30, 2023, the position of Whole-time Director can be held for a continuous period of upto 15 years and if a Director(s) has already completed a period of 15 years on the date of issue of the said Guidelines, the Company shall appoint the

new incumbent in place of such Director(s) within a period of one year from the date of issue of these Guidelines.

Ritesh Kumar (DIN: 02213019) was appointed as the Managing Director & CEO of the Company w.e.f. June 10, 2008 and his current term is till June 9, 2025.

However, consequent to the aforementioned Guidelines, since Kumar has already served as a Whole-time Director of the Company for fifteen years on the date of these Guidelines, and pursuant to the provisions of these Guidelines he would superannuate by close of business hours on June 30, 2024.

The Board acknowledges and places on record its gratitude and appreciation for the invaluable contributions, vision and unwavering commitment made by Kumar during his tenure towards the growth and success of the Company.

Appointment of Anuj Tyagi as Managing Director and Chief Executive Officer

In view of the above IRDAI Remuneration Guidelines and in accordance with the succession plan of the Company, the Board pursuant to the provisions of the Act and based on the recommendation of NRC, appointed Anuj Tyagi, who currently serves as the Joint Managing Director, as the Managing Director & CEO of the Company, for a period of five years, with effect from July 1, 2024, subject to the approval of Members and IRDAI.

Tyagi has been with the Company since 2008 and has held various positions over his tenure and was elevated as the Joint Managing Director in April 2023.

Further, the Members at its Extraordinary General Meeting held on March 15, 2024 approved the aforesaid appointment of Tyagi, with effect from July 1, 2024.

Appointment / Cessation of Non-Executive Director(s)

Dr. Clemens Matthias Muth (DIN: 07824451) resigned as a Director of the Company, w.e.f. the closing of business hours of December 31, 2023, for the reasons of his other commitments.

The Board pursuant to the recommendation of NRC, approved the appointment of Edward Ler (DIN: 10426805) as an Additional Non-Executive Director of the Company, w.e.f. January 1, 2024 for a term upto the next AGM.

Further, the Members at its Extraordinary General Meeting

held on March 15, 2024 approved the appointment of Ler as a Non-Executive Director of the Company, liable to retire by rotation, with effect from January 1, 2024.

The Board acknowledges and places on record its appreciation for the invaluable contribution and commitment made by Dr. Clemens during his tenure as a Director of the Company.

Re-appointment of Directors retiring by rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Dr. Oliver Willmes (DIN: 08876420), Non-Executive Director and Samir H. Shah (DIN: 08114828), Executive Director & CFO, would retire by rotation at the ensuing AGM and being eligible, have offered themselves for re-appointment and the same is included in the Notice of the seventeenth AGM circulated to the Members for their approval.

Changes in Key Management Persons (KMP) as per Companies Act, 2013 and IRDAI CG Guidelines

The Board, pursuant to the recommendation of NRC, approved the appointment of Hiten Kothari as the Chief Underwriting Officer and Anshul Mittal as the Appointed Actuary of the Company, subject to approval of IRDAI. On receipt of IRDAI's approval, Kothari and Mittal assumed the role of Chief Underwriting Officer and Appointed Actuary, respectively, effective November 23, 2023. Consequently, Sanjay Kaw ceases to be the Chief Underwriting Officer of the Company with effect from the said date; further, he superannuated on January 31, 2024.

Directors & Officers Liability Insurance

The Company has in place Directors & Officers Liability Insurance (D&O) for all its Directors (including Independent Directors) and members of the Senior Management Team in line with Regulation 25(12) of the LODR Regulations.

Declaration by Directors

The Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as provided under sub-section 6 of Section 149 of the Act read with Regulation 16(1)(b) of the LODR Regulations.

As required under Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have confirmed that their names are available in the data bank maintained by the Indian Institute of Corporate Affairs and they have either

undertaken the online proficiency self-assessment test or are exempted therefrom.

The Board is of the opinion that the Independent Directors of the Company are eminent persons with the highest standard of integrity and have necessary expertise and experience to continue to discharge their responsibilities as Directors of the Company.

The Company has also received declarations from all Directors confirming that they are not disqualified from being appointed as Directors under the provisions of Section 164 of the Act and also, they are not debarred from holding the office of a Director, by virtue of any SEBI order or any other such authority.

Further, all the Directors have confirmed that they comply with the 'fit and proper' criteria prescribed under the CG Guidelines.

Significant and Material Orders passed by the Regulators or Courts or Tribunals

There are no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations.

Internal control over Financial Reporting

The internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable accounting principles and includes those policies and procedures that:

- i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the Company;
- ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
- iii. Provide reasonable assurance regarding prevention and timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The Company has established adequate internal control

procedures, commensurate with the nature of its business and size of its operations and the same are periodically monitored and reviewed by the Management for its adequacy and appropriateness. Standard Operating Procedures are in place largely for all areas of operations and the same are reviewed periodically. The Management has assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2024. As a result of the evaluation, the Management has concluded that the Company's internal control over financial reporting was effective as of March 31, 2024 with no significant deficiency.

Audit and Compliance Committee

The Audit and Compliance Committee comprises six members – four Independent Directors and two Non-Executive Directors. The Chairman of the Committee is an Independent Director and a qualified Chartered Accountant. The composition of the Committee is in conformity with the provisions of Section 177 of the Act, LODR Regulations and the CG Guidelines.

All the Committee members possess adequate qualifications to fulfill their duties as stipulated under the Act, the CG Guidelines and LODR Regulations. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

The other details about the Committee are provided in the Report of the Directors on Corporate Governance, which forms part of this Annual report.

Whistleblower Policy

The Company promotes ethical behaviour in all its dealings, business or otherwise and has put in place a Whistleblower Policy (Policy) for reporting of any illegal or unethical behavior. The Policy is hosted on the website of the Company at www.hdfcergo.com.

The other details about the policy are provided in the Report of the Directors on Corporate Governance, which forms part of this Annual report.

Indian Accounting Standards (Ind AS)

The Ministry of Corporate Affairs (MCA) had notified the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), applicable for Ind AS implementation for all Companies in India excluding Banks and Insurance Companies.

The International Accounting Standards Board (IASB) has issued IFRS 17: Insurance Contracts (replacing IFRS 4: Insurance Contracts), which was globally effective from

annual reporting periods beginning on or after January 1, 2023. The Institute of Chartered Accountants of India (ICAI) has issued an exposure draft of amendments to Ind AS 117 corresponding to aforesaid amendments in IFRS 17 issued by IASB.

Further in August 2022, IRDAI has constituted an Expert Committee involving members from ICAI, Institute of Actuaries of India (IAI) and Insurance Industry to address implementation issues of Ind AS in insurance sector.

As advised by IRDAI vide their Circular No. 100/2/Ind AS-Mission Mode/2022-23/1 dated July 14, 2022, the Company has set up a Steering Committee under the aegis of the Executive Director & CFO. The Committee comprises members from cross-functional areas such as Finance & Accounts, Actuarial, Information Technology and Project Management Group. The Company has appointed a knowledge partner to understand the nuances and carry out the initial impact analysis for few select Portfolio Segments and the said activity is in advanced stage of conclusion. Further, the Audit and Compliance Committee and Board is updated on a quarterly basis of the progress made on the implementation activity.

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

The Company has framed a Policy on Prohibition of Sexual Harassment at the workplace (POSH Policy) based on the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) with an objective to promote a safe and secure work environment for all employees and to provide protection against sexual harassment of employees and prevention thereof and redressal of complaints.

In accordance with the provisions relating to the constitution of Internal Complaints Committee under the POSH Act, the Company has constituted an Internal Complaints Committee (ICC). Presently, ICC comprises six (6) members, of which four (4) are women including a member from a non-governmental organisation, who is an expert on the subject matter. One of the women members is the presiding officer of ICC.

The role of ICC is to monitor complaints and redressal of grievances under the POSH Policy. An online POSH module was enabled for all employees (including study material followed by compulsory test). Also, during the year, mandatory online modules on POSH were conducted to create awareness about the Policy amongst the employees.

During the year under review, seven cases were reported.

Secretarial Standards

The Company has complied with the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Act and based on the confirmation provided by the Management, your Directors state that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed and there were no material departures;
- b. Accounting policies selected were applied consistently. Reasonable and prudent judgements and estimates were made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act and Rules made thereunder, Insurance Act, 1938, as amended, Insurance Rules, 1939 and IRDAI Regulations, Orders, Circulars and Guidelines for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- d. The annual accounts of the Company have been prepared on a going concern basis;
- e. Internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- f. Proper systems are in place to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

The Board wishes to express its sincere gratitude to the Insurance Regulatory and Development Authority of India, General Insurance Council, Securities and Exchange Board of India, Competition Commission of India, Reserve Bank of India, Ministry of Corporate Affairs and other Ministries of the Government of India, Depositories and the Stock Exchanges for their continued co-operation and support.

The Board appreciates and acknowledges the role of all stakeholders viz. Policyholders, Channel Partners, Health Service Providers, Surveyors, Intermediaries and reinsurers for their continued support, trust and co-operation.

The Board thanks and appreciates the Promoters – HDFC Bank Limited and ERGO International AG for providing their guidance and support.

The Board also places on record its appreciation for the hard work, loyalty and commitment, of employees at all levels, enabling the Company's continued growth.

Mumbai
April 16, 2024

On behalf of the Board of Directors

KEKI M. MISTRY
Chairman
(DIN: 00008886)

ANNEXURE I TO DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company

A. CSR Policy

The CSR Policy of the Company, inter-alia, specifies the key focus areas for CSR activities/projects that could be undertaken by the Company; approach and process for undertaking CSR projects and the monitoring mechanism.

The Policy is available on the website of the Company - <https://www.hdfcergo.com/docs/default-source/about-us/legal-and-compliance/csr-policy.pdf>

B. Organisation setup

The CSR projects are implemented under the guidance of the CSR Committee of Directors, which presently comprises seven (7) Directors. The Company also has a Sub-Committee of CSR (SC-CSR) comprising the Senior Management team including the Executive Directors.

The terms of reference of the CSR Committee, inter-alia, includes:

- i. Formulate and review the CSR Policy and recommend the same to the Board for its approval;
- ii. Formulate and recommend to the Board an Annual Action Plan on CSR activities;
- iii. Recommend the amount of expenditure to be incurred on the CSR activities;
- iv. Review the CSR projects/ programmes from time to time;
- v. Ensure overall governance and compliance for CSR; and
- vi. Annually report to the Board, the details of the CSR activities.

C. Scope of activities

The CSR activities of the Company are as per the provisions of Schedule VII of the Companies Act, 2013 ('Act').

i. Geographical Span of CSR Projects

The CSR activities are taken up across the country and attempt is made to cover maximum geography.

ii. Planning

The identification of CSR activities is done using one or more of the following methods:

- (i) In-house planned projects;
- (ii) Proposals from District Administration/ Local Govt. body/ Public representatives etc; and
- (iii) Proposals/requests from a registered and specialized body for providing financial assistance for carrying out specific CSR initiatives subject to the condition that it fulfils the criteria as prescribed in the statute in this regard.

iii. Implementation Methodology

The CSR activities/ projects are implemented using internal resources (in- house manpower) or through collaborating with NGOs/ specialized agencies/ trusts/ institutions/ foundations/ societies/ Government bodies etc. in accordance with the provisions of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The details of major CSR initiatives undertaken by the Company during the financial year 2023-24 are given below:-

I. Vidya - Education

The Company has deployed various projects towards improving quality of education and has benefitted over 2,000 students in FY24.

A. Gaon Mera Government School Reconstruction & Development Project -

The focal area for the Company's CSR intervention is a dedicated "My Village" Programme called '**GAON MERA**'. The programme is aimed at improving the current status of Education in selected village(s). The main objective of Gaon Mera program is to address the need for sustainable educational infrastructure, support system for rural development and holistic advancement of education in the communities through its Government School Reconstruction Programme.

Preliminary evaluation of the applications is done as per internal guidelines and a detailed study is done by

the Implementation Partners in the form of rapid need assessment and development of project proposal. Government School Construction Project is adopted using BaLA (Building as Learning Aid), an innovative concept for qualitative improvement in education, through developing child-friendly, learning and fun based physical environment. Vinoba Sewa Ashram, Haritika and Anchalik Jana Seva Anusthan have worked as Implementation Partners for above activities of FY24. Through its flagship programme of Government school reconstruction – ‘GAON MERA’, the Company has undertaken revamp of two new Government schools and also completed two schools in FY24, cumulatively impacting more than 1,200 students.

B. Other Education Initiatives –

Besides the above, the Company has also contributed towards improving the infrastructure facilities of educational institutions, expecting to benefit over 800 students.

II. Niramaya - Healthcare

Considering Healthcare as one of the important pillars, the Company has worked towards providing solutions in the area, aiming to serve over 4.5 lakh lives through its interventions during FY24.

A. Government Hospital Upgradation Project -

The Company undertakes the upgradation of select Government Hospitals/ Health centres in rural areas, following a detailed study of the identified Health Centres, done by the Implementation Partners. Basis the requirement identified, the Company aims to improve the healthcare facilities through construction of new wards/ buildings, refurbishment of existing structures, installation of additional medical equipments, etc.

In FY24, Vinoba Sewa Ashram has started working as an Implementation Partner for one Government Hospital in Tamil Nadu. Doctors For You has worked as an Implementation Partner for two Hospital projects in Maharashtra and Karnataka, completed and handed over in FY23, cumulatively aiming to serve ~ 3.7 lakh people with improved healthcare facilities.

B. Other Healthcare Initiatives -

The Company has funded 2,084 critical surgeries for the underprivileged in FY24, towards treatment of cataract, bone marrow and cochlear transplant, facial deformities and

congenital heart diseases.

To extend medical facility access in rural and tribal areas, Mobile Medical Vans were deployed and Health camps were conducted, benefitting ~ 70,000 people.

Further, interventions in the area of cancer care were undertaken in rural areas by setting up cancer diagnostic labs and upgradation of facilities in cancer hospital, expected to benefit over 7,000 patients.

III. Roshini - Women Welfare

Through Women welfare initiatives, the Company has benefitted over 4,700 women in FY24.

Over 1,000 destitute women were supported with sustainable livelihood solutions and capacity building in remote areas of West Bengal.

The Company has also supported 2,000 women in North East and Tamil Nadu through livelihood enhancement interventions in entrepreneurship development and climate resilient farm practices.

Additionally, 35 Women Collectives were provided solar-powered equipments for running their enterprises, impacting 320 women.

The Company also upgraded skills of 373 Asha Workers to help them become Nursing Assistants.

Further, 1,100 girls were provided supplementary education through learning centres, with an aim to get them back to the formal education system.

IV. Supath - Road Safety

Through Road Safety initiatives, the Company has benefitted over 2.6 Lakh lives in FY24.

The Company has redesigned two high-fatality blackspots on Karnataka Silk Board Highway towards transforming them to ‘Zero Fatality Corridors’ through tactical urbanism, benefitting ~ 2.6 lakh commuters.

Additionally, the Company has set up a training centre at Indore- Regional Transport Office (RTO) to provide road safety training to new licence applicants through a physical training and two-wheeler simulator experience, benefitting over 9,000 prospective motorists.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ameet Hariani	Chairman-Independent Director	4	4
2.	Mehernosh B. Kapadia	Independent Director	4	4
3.	Vinay Sanghi	Independent Director	4	4
4.	Dr. Rajgopal Thirumalai	Independent Director	4	4
5.	Renu Sud Karnad	Non-Executive Director	4	4
6.	Dr. Oliver Martin Willmes	Non-Executive Director	4	4
7.	Anuj Tyagi	Joint Managing Director	4	4

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

<https://www.hdfcergo.com/corporate-social-responsibility>

4. Provide the executive summary along with web link of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable:

In compliance with the robust governance protocols overseeing decision-making and CSR portfolio management of the Company in FY24, Deloitte Touche Tohmatsu India LLP (Deloitte) was tasked with the responsibility of conducting third party impact assessment for the following two CSR Projects:

- i. Government school reconstruction in Dombramattur, Haveri, Karnataka
- ii. Infrastructure and equipment support to Primary Health Centre, Hattimattur, Haveri, in rural Karnataka

Below is the link and a brief summary of mandatory impact assessment reports:

Niramaya - https://www.hdfcergo.com/docs/default-source/about-us/legal-and-compliance/csr-activities/impact-assessment-report_niramaya_building-and-infrastructure-to-a-govt-phc-hattimattur-karnataka_fy24.pdf

Vidya - Gaon Mera - https://www.hdfcergo.com/docs/default-source/about-us/legal-and-compliance/csr-activities/impact-assessment-report_gaon-mera_building-and-infrastructure-to-a-public-school-domramattur-karnataka_fy24.pdf

i. Gaon Mera Programme - Government school reconstruction in Dombramattur, Haveri, Karnataka

This initiative encompassed the construction of a new school block, library, sanitation and drinking water facilities. Moreover, it integrated innovative qualitative education through BaLA (Building as a Learning Aid). The project was effectively implemented by NGO Partner Yuva Unstoppable. This initiative aligns with the United Nations Sustainable Development Goal 4 (SDG4) on quality education. By enhancing educational infrastructure, providing access to qualitative education, and addressing basic amenities, the Gaon Mera program contributes to the broader global efforts towards ensuring inclusive and equitable education, as outlined in SDG 4.

Summary of findings:

Key parameters	Findings
Relevance/need for project	<ul style="list-style-type: none"> According to the Census of India 2011, people in the age group 0 to 14 years constitutes around 39.5%, while people in the age group 0-4 constitutes 9.7% of the total population. Providing equitable access to education for almost 40% of the population is not an easy task for any policy maker since the population belongs to middle-income and poor families.¹ The national policy on education, Right to Education (RTE), and Sarva Shiksha Abhiyan (SSA) play pivotal roles in enhancing the quality of education in government schools. Reason for poor enrolment at the secondary level is the lack of attention of National Policy on Education, Right to Education, and Sarva Shiksha Abhiyan on the quality of education at government schools. While addressing concerns about poor secondary-level enrolment, these initiatives focus on universalizing elementary education, emphasising improvements in infrastructures, teacher qualifications, and curriculum design.²
Usage and uptake	<ul style="list-style-type: none"> The newly constructed classrooms with Building as Learning Aid (BaLA) tools, charts and graphs have enhanced students' learning outcome and thereby increased attendance from 40 -100%. The teachers have reported a 50% increase in the number of female students enrolled in school, rising from 48 to 96 due to the upgradation of the school infrastructure facilities. 60% of grade 4th to 7th students have full access to the computer lab, as students from lower primary sections do not engage in computer-related work. This accounts for the percentage of students with lab complete access falling below the 90-100% range. 100% of the students accessing to clean drinking water. 30% of students have access to playing materials and sports equipment. The playground is equipped with items such as swings, slides, and climbers designed for small children, leading to reduced engagement from students in higher sections. As reported by the teachers the use of BaLA tools have helped students who have been promoted from 6th to 7th grade score higher on math and science tests as compared to their previous grades.
Impact created	<ul style="list-style-type: none"> As reported by the teachers and other school staff the attendance of students has increased by 100%. The teachers have reported that the total strength of the students has increased by 50-55%, rising from an average strength of 100-110 to 224. According to the teachers, the boys' hostel is now at full capacity with a 100% occupancy, indicating an increase in number of residential students. Prior construction of new infrastructure, the occupancy was low, as parents were hesitant to admit their children. The dropout rates have been reduced to 0% as reported by the teachers. The BRC has emphasized that the number of students clearing the competitive examination for high school enrolment in reputed schools has increased from 0% to 30%. The teachers have emphasized a notable 50% increase in the enrolment of girl students.
Sustainability	<ul style="list-style-type: none"> The Gaon Mera Program has demonstrated sustainability by engaging all stakeholders to a collective mechanism. Quality infrastructure and uninterrupted power supply have been crucial components enhancing the well-being of the students, teachers, and community members. This ensures the long-term sustainability of the project.
Overall Rating	<ul style="list-style-type: none"> The project has successfully met its expectations by significantly enhancing students' learning outcomes, boosting enrolment rates, and improving overall well-being of students through comprehensive upgrades and infrastructure development in the school.

¹ <https://www.frontiersin.org/articles/10.3389/feduc.2022.871043/full#B32>

² Mehrotra, S. (2012). *The cost and financing of the right to education in India: can we fill the financing gap?* *Int. J. Educ. Develop.* 32, 65–71. doi: 10.1016/j.ijedudev.2011.02.001

ii. Infrastructure and equipment support to one Primary Health Centre, Hattimattur, Haveri, in rural Karnataka

This is an effort towards upgradation of the above-mentioned Primary Health Centre and is focused to improve the healthcare services and access for the people of Haveri. The hospital building was upgraded through new construction and wards were created along with provisions of

additional equipment in the Operation Theatre. Also, uninterrupted power supply was ensured by installation of Solar Panels.

By enhancing the facilities at the health centre, thereby providing access to enhanced healthcare facilities, this project contributes to the broader global efforts towards ensuring good health and wellbeing, as outlined in SDG 3. The project was effectively implemented by NGO, Doctors For You.

Summary of findings:

Key parameters	Findings
Relevance/need for the project	<ul style="list-style-type: none"> PHCs often serve as the first point of contact for local communities within the nation's health. The National Health Policy, 2017 recommended strengthening the delivery of primary health care, through the establishment of "Ayushman Bharat-Health and Wellness Centres" as the platform to deliver comprehensive primary health care to help these centres better serve people's healthcare needs throughout their lifetime. Upgradation efforts enhance reproductive, maternal, and neonatal health service readiness.¹ Ayushman Bharat or "Healthy India" national initiative was launched as recommended by the National Health Policy 2017, to achieve the vision of Universal Health Coverage (UHC). This initiative has been designed along the lines of meeting SDG 3- Good health and wellbeing and its underlining commitment, which is "leave no one behind".²
Usage and uptake	<ul style="list-style-type: none"> Delivering quality health services to the targeted population of approximately 33,900 people in Hattimattur village of Savanaur block in Haveri district of Karnataka. Extending outreach to 65 villages in the entire Savanaur block covering 1.6 lakh+ population size as compared to a previous outreach of up to 10 villages. The upgraded facility is now providing quality primary healthcare services to 150 daily OPD patients on average.
Impact created	<ul style="list-style-type: none"> PHC building prior to intervention was a ten bedded, older structure which was due for upgrade of structure for the past 10-12 years. The PHC, in addition to the upgradation of equipment and infrastructure, needed inputs in terms of deployment of human resources, provision of support equipment in the OT and handholding for expansion of services at the hospital. The building was upgraded, and wards were created for expanded provision of services such as delivery and family planning surgeries, however, effort towards staffing of additional medical officers at the PHC is still warranted. This will enable the expansion of services (especially labour room facilities, Sick-new-born care unit (SNCU) and Family planning services at the facility. Currently, the PHC houses a single bedded labour room with attached sanitation services, a recovery room and a 5-bedded ward for women in the premises. The PHC has been taking up 10-12 uncomplicated deliveries per month owing to the availability of upgraded labour room in the facility. The PHC has also reported increased patient footfalls, convenient access to primary health services and reduction in the need for extensive travel for seeking treatment. The PHC is currently not able to handle emergency cases due to lack of available medical staff round the clock. The state (Karnataka) has been reporting a reduction in maternal and neonatal mortality rates over the past 3-4 years. The newly constructed maternal and child wing at the PHC premises contributes to this by providing a safe and efficient environment for childbirth and neonatal care. Efforts have been made by the PHC staff towards enhancing awareness among pregnant women and lactating mothers regarding various central/state government schemes post-delivery. This helps the women to seek and utilize the support provided, contributing to their well-being and that of their new-borns. The installation of eco-friendly sources like solar panels or backup generators, has improved the electricity availability in the healthcare facility.
Sustainability	<ul style="list-style-type: none"> The successful enhancement of healthcare infrastructure through the provision of advanced equipment and high-quality services, provides a platform to the PHC to improve its service provision. Increase in patient footfall, trust from the community in the new PHC structure and the uptick in the in-patient services has been noted owing to the PHC. Thereby, there is potential for reduced dependency on public and private hospitals at district level, which are an extensive distance from the current facility (>17 km). However, a system-strengthening approach towards upgradation of the PHC is important to ensure sustained impact on rural health services.
Overall Rating	<ul style="list-style-type: none"> The project expectations are met by providing quality healthcare services to the population, especially women and children, resulting in significant improvement in MCH service delivery including antenatal care, deliveries, and childcare services in the entire Savanaur block.

1 <https://main.mohfw.gov.in/sites/default/files/9147562941489753121.pdf>

2 <https://ab-hwc.nhp.gov.in/>

5. (a) Average net profit of the Company as per section 135(5) of the Act: ₹ 764,36,50,203
 (b) Two percent of average net profit of the Company as per section 135(5) of the Act: ₹ 15,29,13,188
 (c) Surplus arising out of the CSR projects or programmes or activities for the previous financial years: NIL
 (d) Amount required to be set-off for the financial year, if any: NIL
 (e) Total CSR obligation for the financial year (5b+5c-5d): ₹ 15,29,13,188
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 14,42,86,709
 (b) Amount spent on Administrative Overheads: ₹ 76,43,650
 (c) Amount spent on Impact Assessment, if applicable: ₹ 9,82,829
 (d) Total amount spent for the Financial Year (6a+6b+6c): ₹ 15,29,13,188
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
15,29,13,188	NIL	NA	NA	NIL	NA

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

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5) of the Act	15,28,73,004
(ii)	Total amount spent for the financial year	15,29,13,188
(iii)	Excess amount spent for the financial year [(ii)-(i)]	40,184
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
NIL								

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

If Yes, enter the number of Capital assets created/ acquired: 2

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					1	2	3
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
1	<p>Reconstruction of Govt. School in Kutba, District Muzaffarnagar, Uttar Pradesh under Gaon Mera Program and handed over to School Management Committee of the School in FY24. Project completed and inaugurated in May 2023. A brief overview of facilities provided by us in project is as follows -</p> <ul style="list-style-type: none"> • Re-Construction - 4 new rooms with corridor – total area 2580 sq. ft. built up area • Repair and refurbishment of boundary wall and other existing structure including demolition 	261318	May 22, 2023	<p>Total Outlay - ₹ 62,30,400 Amount spent in FY23: ₹ 56,07,360 Amount spent in FY24: ₹ 3,11,520 Amount to be spent in FY25: ₹ 3,11,520</p>	NA	School Management Committee, Kutba, District Muzaffarnagar, Uttar Pradesh	Primary School, Kutba, Block Baghra, District Muzaffarnagar, Uttar Pradesh
2	<p>Reconstruction project of Government School in Kutbi, District Muzaffarnagar, Uttar Pradesh under Gaon Mera Program and handed over to School Management Committee of the School in FY24.</p> <p>Project completed and inaugurated in May 2023. A brief overview of facilities provided by us in project is as follows -</p> <ul style="list-style-type: none"> • Re-Construction - Area 757 sq. ft. built up area • 1 Toilet Area with 2 partition - 112 Sq Ft • 1 new room - 645 Sq Ft • Repair and refurbishment of boundary wall and other existing structure including demolition • Furnishing and smart class setup 	251318	May 21, 2023	<p>Total Outlay - ₹ 44,13,200 Amount spent in FY23: ₹ 39,71,880 Amount spent in FY24: ₹ 2,20,660 Amount to be spent in FY25: ₹ 2,20,660</p>	NA	School Management Committee, Kutbi, District Muzaffarnagar, Uttar Pradesh	Composite School, Kutbi, Block Baghra, District Muzaffarnagar, Uttar Pradesh

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Act: NIL

<p>Ritesh Kumar (DIN: 02213019) (Managing Director & CEO)</p>	<p>Ameet Hariani (DIN: 00087866) (Chairman - CSR Committee)</p>
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ANNEXURE II TO DIRECTORS' REPORT

DISCLOSURES ON MANAGERIAL REMUNERATION

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided below:

Ratio of remuneration of each director to the median remuneration of the employees of the Company for FY 2023-24:

Name	Designation	Ratio of remuneration of each Director to the median remuneration of the employees
Keki M. Mistry	Chairman (Non-Executive)	5:1
Renu Sud Karnad	Non-Executive Director	4:1
Dr. Oliver Willmes	Non-Executive Director	-
Edward Ler	Non-Executive Director	-
Bernhard Steinruecke	Independent Director	4:1
Mehernosh B. Kapadia	Independent Director	5:1
Arvind Mahajan	Independent Director	5:1
Ameet Hariani	Independent Director	6:1
Sanjib Chaudhuri	Independent Director	3:1
Dr. Rajgopal Thirumalai	Independent Director	3:1
Vinay Sanghi	Independent Director	3:1
Samir H. Shah	Executive Director and CFO	65:1
Anuj Tyagi	Joint Managing Director	96:1
Ritesh Kumar	Managing Director and CEO	214:1

Percentage increase in remuneration of each Director and Key Managerial Personnel in FY 2023-24:

Name	Designation	Increase in Remuneration
Ritesh Kumar	Managing Director and CEO	12.5%
Anuj Tyagi	Joint Managing Director	35.0%
Samir H. Shah	Executive Director and CFO	11.5%
Vyoma Manek	Company Secretary & Chief Compliance Officer	21.4%

The Company did not pay any commission to Non-Executive Directors. It is proposed to pay commission of ₹ 10 lakh each to the Independent Directors for FY 2022-23, which is the same as paid for FY 2021-22. Further details are provided in Form MGT-7, available on the website of the Company (www.hdfcergo.com).

Percentage increase in the median remuneration of employees in FY 2023-24: 6.0%

Number of permanent employees on the rolls of the Company as on March 31, 2024: 11,181

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in the remuneration of all employees in FY 2023-24 was 6.8%. The average increase in the remuneration of managerial personnel (i.e. Whole-time Directors) stood at 19.7% and of non-managerial personnel was 6.7%.

The average increase in remuneration of both the managerial and non-managerial personnel was determined based on the overall performance of the Company. Further, the criteria for remuneration of non-managerial personnel is based on an internal evaluation of key result areas, while the remuneration of the managerial personnel is based on the remuneration policy as recommended by the NRC and approved by the Board of Directors and Guidelines on Remuneration of Non-Executive Directors, Managing Director/Chief Executive Officer/Whole-time Directors of Insurers issued by IRDAI.

The Company confirms that there were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company.

The remuneration of Key Managerial Personnel is based on the overall performance of the Company.

ANNEXURE III TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
HDFC ERGO General Insurance Company Limited
CIN: U66030MH2007PLC177117

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HDFC ERGO General Insurance Company Limited** (hereinafter called 'the Company'). 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024** complied with the statutory provisions listed hereunder and also that the 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, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 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. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. The Company does not have any Overseas Direct Investment and External Commercial Borrowings during the financial year;
- v. The following Regulations and Guidelines prescribed

under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011[#];
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018[#];
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and sweat Equity) Regulations, 2021[#];
- e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021[#]; and
- h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018[#];

The Regulations or Guidelines, as the case may be were not applicable to the Company for the period under review.

The list of Acts, Laws and Regulations specifically applicable to the Company are given below:

- vi. The Insurance Act, 1938, as amended;
- vii. The Insurance Regulatory and Development Authority Act, 1999, as amended and Regulations framed thereunder as amended from time to time.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. Further 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 provision of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance for meetings, 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.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

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

We further report that during the audit period, the Company has undertaken following events/actions:

- i. Pursuant to approval of Board of Directors, 36,42,290 equity shares of Rs. 10/- each held by ERGO International AG were transferred to Housing Development Finance Corporation Limited ('HDFC Limited') on June 30, 2023 and the Company became subsidiary of HDFC Limited.

Further, consequent to the composite Scheme of Amalgamation of (i) HDFC Investments Limited and HDFC Holdings Limited with and into HDFC Limited; and (ii) HDFC Limited with and into HDFC Bank Limited

('HDFC Bank') approved by Hon'ble National Company Law Tribunal, Mumbai bench vide its order dated March 17, 2023, the Company became subsidiary of HDFC Bank w.e.f. July 1, 2023 (effective date of the Scheme).

- ii. Members approval was obtained at the Extraordinary General Meeting held on June 30, 2023 to –
 - a. amend and replace the existing Articles of Association ('AOA') of the Company with the revised and restated AOA;
 - b. amend the relevant clauses of HDFC ERGO Employee Stock Option Plan - 2009.
- iii. On September 18, 2023, the Company has exercised call option and redeemed 740 Unsecured, Subordinated, Fully paid up, Listed, Redeemable, Non - Convertible Debentures ('NCDs') of face value of Rs. 10 Lakh each, aggregating to Rs. 74 Crore having ISIN INE092VO8028, issued on September 18, 2018.
- iv. On September 26, 2023, the Company has issued and allotted 32,000 Unsecured, Listed, Redeemable, Fully paid up, Non-Convertible Debentures ('NCDs'), in the nature of subordinated debt of the face value of Rs. 1 lakh each, aggregating to Rs. 320 Crore on a private placement basis having ISIN INE225R08048.

**For Bhandari & Associates
Company Secretaries**

Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 611/2019

**Manisha Maheshwari
Partner**

ACS No: 30224; C P No: 11031
Mumbai April 16, 2024
ICSI UDIN: A030224F000137870

This report is 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'

To,

The Members,
HDFC ERGO General Insurance Company Limited
CIN: U66030MH2007PLC177117

Our Secretarial Audit Report for the financial year ended on March 31, 2024 of even date is to be read along with this letter.

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

For **Bhandari & Associates**

Company Secretaries

Unique Identification No.: P1981MH043700

Peer Review Certificate No.: 611/2019

Manisha Maheshwari

Partner

ACS No: 30224; C P No: 11031

Mumbai April 16, 2024

ICSI UDIN: A030224F000137870

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

[Pursuant to the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines on Corporate Governance for the Insurance Sector issued by IRDAI and forming a part of the report of the Board of Directors]

Good Governance is a fundamental aspect of the Company's operations. Corporate Governance involves the art of directing and controlling the organisation while balancing the needs and interests of various stakeholders. It entails the application of exemplary management practices and a commitment to conducting business in a fair, transparent, and ethical manner, in compliance with applicable laws. Corporate Governance establishes a framework of rules, practices, and procedures that dictate how a Company operates and aligns the interests of all stakeholders. It fosters a corporate culture of transparency, accountability, and disclosure, thereby enhancing organisational performance, enterprise valuation, and risk management while instilling accountability.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

HDFC ERGO General Insurance Company Limited (the "**Company**"), has over the years followed the best practices of Corporate Governance by adhering to practices of the Promoters of the Company, i.e. HDFC Bank Limited (HDFC Bank) and ERGO International AG (ERGO). Corporate Governance is intrinsic to the Management of the Company affairs. Good Governance aids effective management and control of the business. Your Company believes that sound Corporate Governance plays a crucial role in enhancing and retaining the trust of the stakeholders. It enables the Company to maintain high level of business ethics and optimise the value for all its stakeholders and also to meet societal expectations.

The Company believes that Corporate Governance is a continuous journey towards sustainable value creation for all the stakeholders and is driven by its values of Sensitivity, Excellence, Ethics and Dynamism (SEED). The Company endeavours to provide fair, transparent and equitable treatment to all stakeholders.

The Company also endeavours to abide by its value system guided by the principles of accountability, transparency and timely disclosure of matters of interest to the stakeholders and ensuring compliance with the applicable laws and conducting business in an ethical manner.

The Company is not only committed to following the good corporate governance practices embodied in various regulatory provisions, but also constantly strives to adopt and adhere to the emerging best practices and benchmarking itself against such practices.

The Board of Directors have taken cognisance of various statutory and regulatory requirements in the overall governance framework and remains committed to imbibe the spirit of governance in all spheres of the Company's business and has complied with various provisions of the Companies Act, 2013 (the "**Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") and the Guidelines on Corporate Governance for the Insurance Sector ("**CG Guidelines**") issued by the Insurance Regulatory and Development Authority of India ("**IRDAI**"). Further, IRDAI had on March 20, 2024 notified IRDAI (Corporate Governance for Insurers) Regulations, 2024, which are effective from April 1, 2024. Updates about relevant aspects, as applicable and available, on the date of this report have been incorporated in the relevant sections of this Report.

BOARD OF DIRECTORS

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

The Company has a multi-tier management structure, comprising the Board of Directors and its Committees at the apex, followed by management committees and the officials of the Company. Through this, it is ensured that

strategic supervision is provided by the Board; control and implementation of the Company's strategy are achieved effectively, operational management remains focused on implementation; information regarding the Company's operations and financial performance is made available promptly; delegation of decision making with accountability is achieved; financial and operating control and integrity are maintained at an optimal level; and risks are suitably evaluated and dealt with.

COMPOSITION

The Board has an optimum combination of Executive, Non-Executive and Independent Directors. The Board comprises competent and qualified Directors to drive the strategies in a manner that would sustain the growth of the Company and protect the interest of various stakeholders in general and policyholders in particular.

The composition of the Board is governed by the provisions of the Act, LODR Regulations, CG Guidelines and regulations prescribed by IRDAI. As at March 31, 2024, the Board comprised fourteen members, of which three are Whole-time Directors and eleven are Non-Executive Directors. The three Whole-time Directors include the Managing Director & CEO, Joint Managing Director and Executive Director & Chief Financial Officer. Of the eleven Non-Executive Directors, two are nominated by HDFC Bank, which includes one Woman Director, two are nominated by ERGO and seven are Independent Directors.

The roles of the Chairman and the Managing Director & CEO are distinct and separate.

Details of the Board of Directors in terms of their directorships/ memberships in committees of public companies as on March 31, 2024 are set out in the table below:

Sr. No.	Directors	Category	No. of Directorships as on March 31, 2024 [#]	Of which Number of Committees ^{##}		Directorships in other listed entities (category of directorship)
				Member	Chairperson	
1.	Keki M. Mistry	Non-Executive Director, Chairman	8	7	3	<ol style="list-style-type: none"> HDFC Life Insurance Company Ltd (Non-Executive Director) Tata Consultancy Services Ltd (Non-Executive - Independent Director) HDFC Bank Limited (Additional Non-Executive Director) The Great Eastern Shipping Company Ltd. (Additional and Independent Director) Torrent Power Limited (Independent Director)
2.	Renu Sud Karnad	Non-Executive Director	8	7	2	<ol style="list-style-type: none"> Glaxosmithkline Pharmaceuticals Ltd (Non-Executive - Non-Independent Director) HDFC Bank Ltd (Additional Non-Executive - Non-Independent Director) HDFC Asset Management Company Limited (Non-Executive Director) EIH Limited (Additional Director-Independent Director)
3.	Dr. Oliver Martin Willmes	Non-Executive Director	1	1	0	Nil
4.	Edward Ler*	Non-Executive Director	1	1	0	Nil
5.	Bernhard Steinruecke	Independent Director	3	1	0	<ol style="list-style-type: none"> Zodiac Clothing Company Limited (Independent Director)

Sr. No.	Directors	Category	No. of Directorships as on March 31, 2024 [#]	Of which Number of Committees ^{##}		Directorships in other listed entities (category of directorship)
				Member	Chairperson	
6.	Mehernosh B. Kapadia	Independent Director	3	5	2	1. Tata Capital Housing Finance Ltd (Independent Director)
7.	Arvind Mahajan	Independent Director	4	3	0	1. Force Motors Limited (Independent Director)
8.	Ameet Hariani	Independent Director	11	9	3	1. Mahindra Lifespace Developers Limited (Independent Non-Executive Director) 2. Mahindra Logistics Limited (Independent Non-Executive Director) 3. Batliboi Ltd. (Independent Non-Executive Director) 4. Ras Resorts & Apart Hotels Ltd (Independent Non-Executive Director) 5. Strides Pharma Science Limited (Independent Non-Executive Director) 6. Aptech Limited (Independent Non-Executive Director)
9.	Sanjib Chaudhuri	Independent Director	1	0	0	Nil
10.	Vinay Sanghi	Independent Director	4	2	0	1. Cartrade Tech Ltd (Chairman & Managing Director)
11.	Dr. Rajgopal Thirumalai	Independent Director	2	0	0	Nil
12.	Samir H. Shah	Executive Director & CFO	1	0	0	Nil
13.	Anuj Tyagi	Joint Managing Director	1	0	0	Nil
14.	Ritesh Kumar	Managing Director & CEO	1	1	0	Nil

^{*}Appointed as a Non-Executive Director w.e.f. January 1, 2024.

[#] excluding Directorship(s) in foreign companies and Section 8 companies under the Companies Act, 2013.

^{##} For the purpose of considering the limit of the committee memberships and chairpersonship, the Audit Committee and Stakeholders Relationship Committee of all public limited companies (including the Company), whether listed or not, are included and all other companies including private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 are excluded.

The number of directorships held by all Directors, as well as their membership/chairmanship in committees is within the limits prescribed under the Act and LODR Regulations, as per disclosure(s) received from them. None of the Directors are related to each other.

BOARD EXPERTISE AND ATTRIBUTES

The Board of Directors have a wide range of skills, expertise and experience in the areas which enhances the overall Board's effectiveness. The Directors have expertise in insurance, banking, finance, healthcare, accountancy, economics, law and human resources.

The details of the Directors of the Company, as at March 31, 2024, with their qualifications, field of specialisation/core skills/expertise are as set out in the table below:

Name of the Director	Qualification	Field of specialisation/core skills/ expertise					
		Governance	Corporate Strategy and Planning	Insurance & Risk Management	Business Management and Marketing	Accountancy and Finance	Health Care
Keki M. Mistry	Fellow Member of The Institute of Chartered Accountants of India	✓	✓	✓	✓	✓	-
Renu Sud Karnad	Law Graduate from The University of Mumbai and Master's degree in Economics from Delhi University and Parvin Fellow – Woodrow Wilson School of International Affairs, Princeton University, USA	✓	✓	✓	✓	-	-
Dr. Oliver Martin Willmes	Business Administration from The University of Cologne and MBA from The Eastern Illinois University, USA	✓	✓	✓	✓	✓	-
Edward Ler	Bachelor of Arts in Risk Management from the Glasgow Caledonian University in UK and holds the Chartered Insurer designation from The Chartered Insurance Institute, UK.	✓	✓	✓	✓	✓	-
Bernhard Steinruecke	Law and Economics in Vienna, Bonn, Geneva and Heidelberg and Law Degree from The University of Heidelberg & passed the Bar exam at the High Court of Hamburg	-	✓	✓	✓	-	-
Mehernosh B. Kapadia	Master's degree in Commerce (Honours) and Member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India	✓	✓	✓	✓	✓	-
Arvind Mahajan	Graduate (B.Com. Hons) from Shriram College of Commerce, Delhi University and Post Graduate Diploma in Management from IIM, Ahmedabad.	-	✓	-	✓	✓	-

Name of the Director	Qualification	Field of specialisation/core skills/ expertise					
		Governance	Corporate Strategy and Planning	Insurance & Risk Management	Business Management and Marketing	Accountancy and Finance	Health Care
Ameet Hariani	Law degree from Government Law College, Mumbai and Masters in Law degree from the University of Mumbai	✓	✓	-	-	-	-
Sanjib Chaudhuri	B.SC, CMA, AIII	-	-	✓	✓	-	-
Vinay Sanghi	B.Com	-	✓	-	✓	-	-
Dr. Rajgopal Thirumalai	Post Graduate in Preventive Medicine (MD), Public Health (DPH), Occupational Health (DIH) and Health & Hospital Administration (DNB).	✓	✓	✓	✓	-	✓
Samir H. Shah	Fellow Member of The Institute of Chartered Accountants of India and an Associate Member of The Institute of Company Secretaries of India and The Institute of Cost Accountants of India	✓	✓	✓	-	✓	-
Anuj Tyagi	Chemistry (H) graduate and Post Graduate Diploma in Business Management	✓	✓	✓	✓	-	-
Ritesh Kumar	Commerce Graduate from Shriram College of Commerce, Delhi and MBA degree from Faculty of Management Studies, Delhi	✓	✓	✓	✓	✓	-

RESPONSIBILITIES

The Board of Directors consider the interest of the Company's shareholders in optimising long-term value by providing the Management guidance and strategic direction. The Board's mandate is to oversee the Company's strategic direction, review financial, operational and investment performance, review risks pertaining to the business, to approve the annual business plan/budget, to ensure compliance and safeguard the interests of all stakeholders. The Board plays a pivotal role in ensuring good governance and creating value for all stakeholders.

The Directors acknowledge their duties as prescribed under the Act, the rules framed thereunder, LODR Regulations and the CG Guidelines.

INDEPENDENT DIRECTORS

The Independent Directors bring an independent judgment to the Board's deliberation and objectivity in the Board's decision-making process. The Independent Directors also participate constructively and actively in the Committees of the Board. They represent and safeguard the interest of the stakeholders.

All Independent Directors of the Company have furnished declarations to the Company confirming that they:

- I. meet the criteria of independence as prescribed under the Act and LODR Regulations; and
- II. have registered their names in the Independent Directors' Databank.

The Board of Directors are of the opinion that Independent Directors are independent of the management of the Company and possess the requisite qualification, experience and expertise and uphold the highest standards of integrity.

None of the Independent Directors of the Company have resigned before the expiry of their respective tenure(s) during the FY 2023-24.

FIT & PROPER CRITERIA

All the Directors of the Company have confirmed that they satisfy the "Fit and Proper" criteria as prescribed under the CG Guidelines.

FAMILIARISATION PROGRAMME

The Company familiarises new and all its existing Directors. The Directors are briefed through presentations on the economy and industry overview, business overview, key regulatory developments, governance, strategy, investment, human resources and operating performance which are made to the Directors from time to time. The familiarisation programme enables the Non-Executive Directors to make better-informed decisions in the interest of the Company and its stakeholders.

A familiarisation programme is arranged to familiarise the newly inducted Directors with their roles, rights and responsibilities in the Company, as well as with the nature of the industry and the business model of the Company.

An overview of the familiarisation programme during the year has been hosted on the Company's website at <https://www.hdfcergo.com/docs/default-source/policies/hdfc-ergo---board-familiarisation-programme.pdf>

BOARD MEETINGS AND PROCEDURES

All Directors participate in discussing the strategies, business performance, financials, investment performance and key risks pertaining to the business of the Company. The Board follows a set of appropriate standard procedures in the conduct of Board meetings which are summarised below.

The meetings of the Board of Directors are generally held at the Company's registered office in Mumbai. The schedule of meetings to be held in a calendar year is planned and communicated to the Directors. The notice of each Board and Committee meeting is given to each Director, Appointed Actuary and Statutory and Internal Auditors, wherever required. The Company also facilitates participation of Directors in the meeting through Video-Conferencing (VC), if for any reason they are unable to participate in the meeting in person or the meeting could not be held in physical form.

The Company Secretary in consultation with the Executive Directors prepares a detailed agenda for the meetings. All departments communicate with the secretarial team regarding matters requiring approval of the Board to enable inclusion of the same in the agenda for the respective meetings. With the objective of transparent flow of information from the Management, detailed agenda notes are shared digitally. In case of matters requiring urgent consideration by the Board and arising post circulation of the agenda, the same is taken up for discussion by the Board as part of any other business.

The Members of the Board have access to all relevant information of the Company. The Appointed Actuary is a permanent invitee at the Meetings of the Board, Audit and Compliance Committee, Policyholder Protection and Grievance Redressal Committee and Risk Management Committee. Urgent matters are also considered and approved by passing resolution through circulation, which are noted at the subsequent meeting. At the Board Meetings, the Whole-time Directors and Senior Management deliver presentations covering market developments, updates on industry performance, key regulatory changes, Company's performance covering the financial results, operations, risk management, liquidity, asset liability management, customer grievance redressal mechanisms and any other matters which the Board needs to be apprised of. The Company Secretary generally attends all the Committee meetings. The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. The draft minutes of each Board and Committee meetings are circulated to the members of the Board / Committee within 15 days from the date of the meeting and the comments, if any on the draft minutes are received within seven days of its circulation. The minutes are finalised within 30 days and thereafter recorded in the Minutes Book.

During FY 2023-24, the Board met five (5) times on April 27, 2023, July 25, 2023, October 12, 2023, January 13, 2024, and March 1, 2024. The time gap between any two meetings did not exceed 120 days.

The attendance of the Directors at the said meetings is listed below:

Name of Director	Nature of Directorship	Meeting dated					Whether attended last AGM held on July 25, 2023
		April 27, 2023	July 25, 2023	October 12, 2023	January 13, 2024	March 1, 2024	
Keki M. Mistry	Non-Executive Chairman	✓	✓	✓	✓	✓	Yes
Renu Sud Karnad	Non-Executive Director	✓	✓	✓	✓	x	Yes
Dr. Oliver Martin Willmes	Non-Executive Director	✓	✓	✓	✓	✓	No
Dr. Clemens Matthias Muth*	Non-Executive Director	✓	✓	✓	-	-	Yes
Edward Ler#	Non-Executive Director	-	-	-	✓	✓	No
Bernhard Steinruecke	Independent Director	✓	✓	✓	✓	✓	Yes
Mehernosh B. Kapadia	Independent Director	✓	✓	✓	✓	x	Yes
Arvind Mahajan	Independent Director	✓	✓	✓	✓	✓	Yes
Ameet Hariani	Independent Director	✓	✓	✓	✓	✓	Yes
Vinay Sanghi	Independent Director	✓	✓	✓	✓	✓	Yes
Dr. Rajgopal Thirumalai	Independent Director	✓	✓	✓	✓	✓	Yes
Sanjib Chaudhuri	Independent Director	✓	✓	✓	✓	✓	Yes
Samir H. Shah	Executive Director & CFO	✓	✓	✓	✓	✓	Yes
Anuj Tyagi	Joint Managing Director	✓	✓	✓	✓	✓	Yes
Ritesh Kumar	Managing Director & CEO	✓	✓	✓	✓	✓	Yes

* Demitted office as a Director with effect from the close of business hours of December 31, 2023.

Appointed as a Non-Executive Director with effect from January 1, 2024.

‘✓’ indicates meeting attended & ‘x’ indicates meeting not attended.

The Board also met on April 16, 2024 inter-alia for consideration and approval of audited financial statements for the year ended March 31, 2024.

COMMITTEES

To enable better and more focused attention on the affairs of the Company and as required under regulatory provisions, the Board has constituted various Committees. These Committees lay down the groundwork for decision-making and the Minutes of these Committees are placed at the subsequent Board meeting. The terms of reference of the Committees are approved by the Board, which inter-alia includes all the statutory and regulatory stipulations. Details about the meetings of all Committees are detailed in this report.

Minutes of the Committee meetings/ report on the activities of the Committee are submitted to the Board at its quarterly meetings. Matters requiring the Board’s attention / approval are generally placed in the form of notes / report to the

Board from the respective Committee.

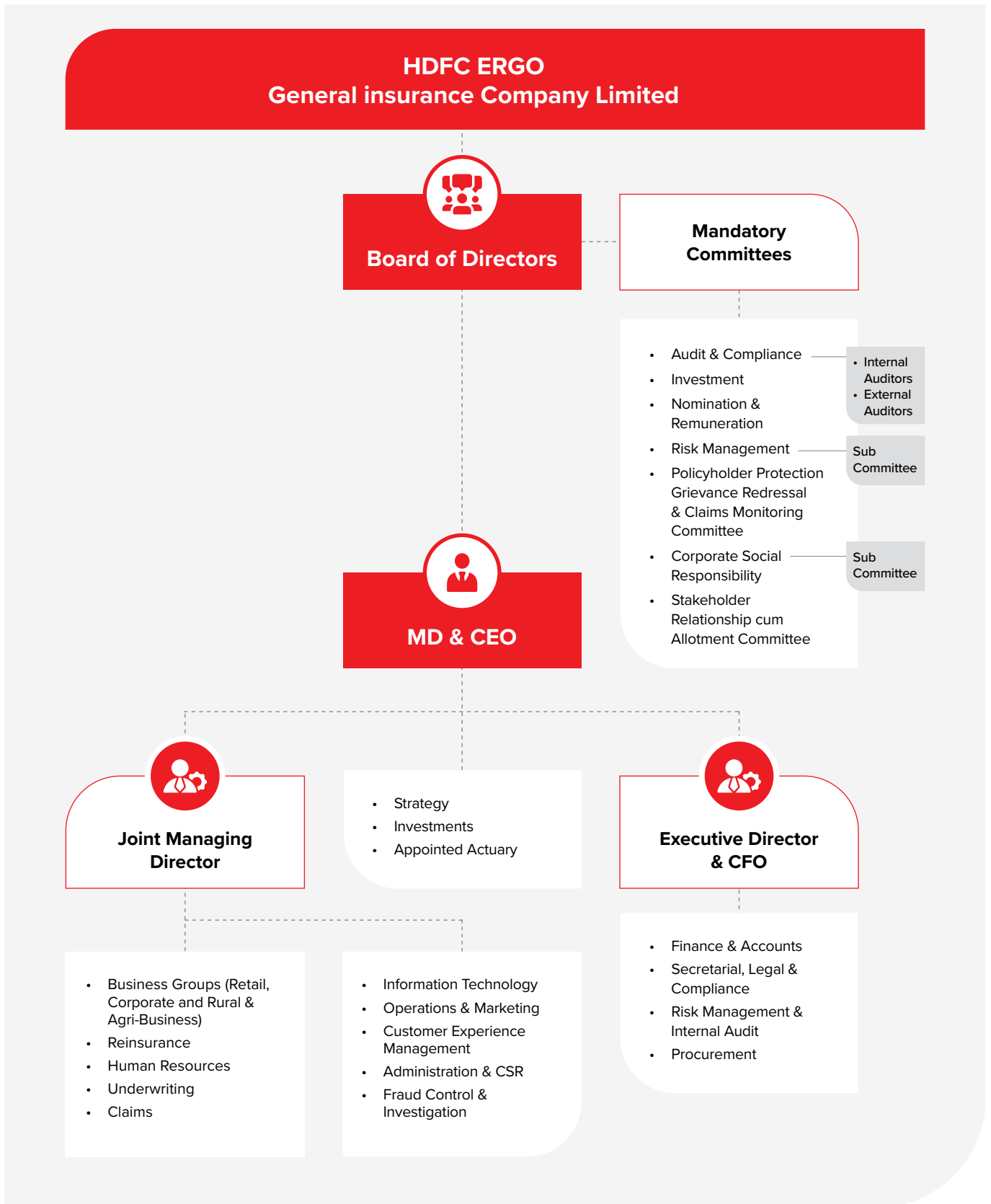
The Board has constituted the following Committees with specific terms of reference:

1. Audit and Compliance Committee (ACC)
2. Investment Committee (IC)
3. Risk Management Committee (RMC)
4. Policyholder Protection, Grievance Redressal and Claims Monitoring Committee (PPGR&CM)
5. Nomination and Remuneration Committee (NRC)
6. Corporate Social Responsibility Committee (CSR)
7. Stakeholders Relationship cum Allotment Committee (SR&AC)

During the year under review, the Board of Directors of the Company have accepted all the recommendations made by these Committee(s), from time to time.

The Company Secretary is the secretary to all the Committees constituted by the Board.

The organisation structure is illustrated below:



The role, composition and brief terms of reference of various Committees, including the number of meetings held during the year and the related attendance of the Committee Members at the said meetings are given below:

Audit and Compliance Committee (ACC)

The Audit and Compliance Committee comprises six (6) members – four Independent Directors and one Non-Executive Director each nominated by HDFC Bank and ERGO. The Chairman of the Committee is an Independent Director and a qualified Chartered Accountant. The composition of the Committee is in conformity with the provisions of Section 177 of the Act, Regulation 18 of the LODR Regulations and the CG Guidelines.

All the Committee Members possess adequate qualifications to fulfill their duties as stipulated under the Act, LODR Regulations and the CG Guidelines.

Brief Description of Terms of Reference:

The brief terms of reference of the Committee inter-alia includes the following:

The Committee oversees the quarterly and annual financial statements before submission to the Board and financial reporting process. The Committee also reviews matters to be included in Directors Responsibility Statement, changes in accounting policies, if any, compliance with listing and other legal requirements, related party transaction and the audit report.

The Committee reviews the internal audit function, compliance function and the performance of the Statutory Auditors and effectiveness of audit process. It also reviews the reports of the Internal Auditors and Statutory Auditors along with the comments and action taken reports of the Management. It approves transactions with related parties, and notes the statement of related party transactions which were carried out pursuant to omnibus/specific

approval provided by the Committee, oversees age-wise analysis of the unclaimed amount of policyholders, progress on the settlement of unclaimed amount and steps taken by the Company to reduce the unclaimed amount, reviews the process and mechanism in place to comply with the provisions of applicable laws. The Committee recommends to the Board the appointment or re-appointment of the Statutory Auditors, Internal Auditors, Secretarial Auditors, Concurrent Auditors, Investment Risk Management Auditors and their remuneration. The Committee and Statutory Auditors discuss the nature and scope of the audit prior to the commencement of the audit and areas of concern, if any, arising post audit. The Committee approves the payment to Statutory Auditors for other services rendered by them. The Committee also oversees the internal financial control and risk management systems of the Company and ensures that adequate procedures and processes have been setup to address all concerns relating to the adequacy of checks and control mechanisms. All the Independent Directors who are Members of the Committee separately meet the Statutory Auditors prior to the approval of financial results on a periodic basis.

Composition, Meetings and Attendance during the year:

During FY 2023-24, the ACC met seven (7) times on April 27, 2023, June 30, 2023, July 25, 2023, October 12, 2023, December 12, 2023, January 13, 2024 and March 20, 2024.

During the year, the credit rating agencies which rate the Company's debt instruments, met the Committee on March 20, 2024.

The Committee also met on April 16, 2024 wherein it recommended the audited Financial Statements for the year ended March 31, 2024 to the Board for approval.

The composition of the ACC and attendance of the Committee Members at the meetings held during FY 2023-24 are listed below:

Name of Director	Nature of Directorship	Designation in Committee	Meeting dated						
			April 27, 2023	June 30, 2023	July 25, 2023	October 12, 2023	December 12, 2023	January 13, 2024	March 20, 2024
Mehernosh B. Kapadia	Independent Director	Chairman	✓	✓	✓	✓	✓	✓	✓
Bernhard Steinruecke	Independent Director	Member	✓	✓	✓	✓	✓	✓	✓
Arvind Mahajan	Independent Director	Member	✓	✓	✓	✓	✓	✓	✓
Ameet Hariani	Independent Director	Member	✓	✓	✓	✓	✓	✓	✓
Keki M. Mistry	Non-Executive Director	Member	✓	✓	✓	✓	✓	✓	✓
Dr. Oliver Martin Willmes	Non-Executive Director	Member	✓	x	✓	✓	✓	✓	✓

'✓' indicates meeting attended & 'x' indicates meeting not attended.

Investment Committee (IC)

The Investment Committee comprises eight (8) members – one Non-Executive Director each nominated by HDFC Bank and ERGO, one Independent Director, the Managing Director & CEO, the Executive Director & Chief Financial Officer, the Appointed Actuary, the Chief Investment Officer and the Chief Risk Officer. The composition of the Committee is in conformity with the provisions of IRDAI (Investment) Regulations, 2016, as amended from time to time.

Brief Description of Terms of Reference:

The brief terms of reference of the Committee inter-alia includes the following:

The Committee reviews the Investment Policy of the Company, its implementation and the operational framework for investment operations, ensuring liquidity for smooth operations, compliance with prudential regulatory norms on investments and risk management / mitigation strategies to ensure adequate return on investment of Policyholder and Shareholder funds. The Committee also reviews the ALM and the investment strategies adopted

from time to time and gives suitable directions as needed.

The Committee at its quarterly meetings inter-alia reviews the report of the concurrent auditors on the audit of investment transactions and related systems, the investments made by the Company during the quarter, ALM position and provides advice and suggestions.

All the Committee Members are fully conversant with various responsibilities casted on them by IRDAI (Investment) Regulations, 2016, as amended from time to time. A report on the performance and analysis of the Company's investment portfolio and strategy is placed before the Board every quarter.

Composition, Meetings and Attendance during the year:

During FY 2023-24, the IC met four (4) times on April 27, 2023, July 25, 2023, October 12, 2023 and January 13, 2024. The IC also met on April 16, 2024.

The composition of the IC and attendance of the Committee Members at the meetings held during FY 2023-24 are listed below:

Name of Director	Nature of Directorship/ Position	Designation in Committee	Meeting dated			
			April 27, 2023	July 25, 2023	October 12, 2023	January 13, 2024
Keki M. Mistry	Non-Executive Director	Chairman	✓	✓	✓	✓
Dr. Clemens Matthias Muth*	Non-Executive Director	Member	✓	✓	✓	-
Edward Ler**	Non-Executive Director	Member	-	-	-	✓
Arvind Mahajan	Independent Director	Member	✓	✓	✓	✓
Ritesh Kumar	Managing Director & CEO	Member	✓	✓	✓	✓
Samir H. Shah	Executive Director & CFO	Member	✓	✓	✓	✓
Hiten B. Kothari#	Appointed Actuary	Member	✓	✓	✓	-
Anshul Mittal#	Appointed Actuary	Member	-	-	-	✓
Sanjay Kulshrestha	Chief Investment Officer	Member	✓	✓	✓	✓
Chirag Sheth	Chief Risk Officer	Member	✓	✓	✓	✓

* Demitted office as a Director with effect from the close of business hours of December 31, 2023.

**Appointed as a Non-Executive Director w.e.f. January 1, 2024.

Anshul Mittal inducted as Member of the Committee, in place of Hiten B. Kothari.

✓¹ indicates meeting attended.

Risk Management Committee (RMC)

The Risk Management Committee comprises ten (10) members – five Independent Directors, two Non-Executive Directors nominated by HDFC Bank, one Non-Executive Director nominated by ERGO, the Managing Director & CEO and the Executive Director & Chief Financial Officer. The Chairman of the Committee is an Independent Director.

The Chief Risk Officer is a permanent invitee to the meetings of the Committee and has attended all the meetings of the Committee.

The Company has a Sub-Committee of the RMC (SC-RMC) comprising senior executives including the Managing Director & CEO and Executive Directors. The SC-RMC inter-alia discusses the Company's Risk Management Framework ("RMF") and its effectiveness, monitors key areas of existing and emerging risks and assists the RMC in fulfilling its objectives of managing various risks associated with the business of the Company.

Brief Description of Terms of Reference:

The brief terms of reference of the Committee inter-alia includes the following:

The Committee overseeing the Company's risk management policy and practices, reviewing various key risks and frauds associated with the business of the Company, evaluation of risk exposure and laying down risk tolerance limits and thereby assisting the Board in effective monitoring of the Risk Management Framework (RMF). The RMC advises the Board with regard to risk management in relation to strategic and operational matters. The RMC also reviews the ALM and the solvency position on a regular basis. The Committee would also review appointment, removal and terms of remuneration of the Chief Risk Officer (CRO).

In accordance with the framework, the RMC provides an assurance that risk exposures are adequately controlled and identified gaps are effectively taken care of by implementing appropriate risk minimisation measures.

Composition, Meetings and Attendance during the year:

During FY 2023-24, the RMC met four (4) times on April 27, 2023, July 25, 2023, October 12, 2023 and January 13, 2024. The RMC also met on April 16, 2024.

The composition of the RMC and attendance of the Committee Members at the meetings held during FY 2023-24 are listed below:

Name of Director	Nature of Directorship	Designation in Committee	Meeting dated			
			April 27, 2023	July 25, 2023	October 12, 2023	January 13, 2024
Bernhard Steinruecke	Independent Director	Chairman	✓	✓	✓	✓
Mehernosh B. Kapadia	Independent Director	Member	✓	✓	✓	✓
Ameet Hariani	Independent Director	Member	✓	✓	✓	✓
Sanjib Chaudhuri	Independent Director	Member	✓	✓	✓	✓
Dr. Rajgopal Thirumalai	Independent Director	Member	✓	✓	✓	✓
Keki M. Mistry	Non-Executive Director	Member	✓	✓	✓	✓
Renu Sud Karnad	Non-Executive Director	Member	✓	✓	✓	✓
Dr. Oliver Martin Willmes	Non-Executive Director	Member	✓	✓	✓	✓
Samir H. Shah	Executive Director & CFO	Member	✓	✓	✓	✓
Ritesh Kumar	Managing Director & CEO	Member	✓	✓	✓	✓

✓ indicates meeting attended.

Policyholder Protection, Grievance Redressal and Claims Monitoring Committee (PPGR&CM)

The Policyholder Protection, Grievance Redressal and Claims Monitoring Committee comprises nine (9) members – four Independent Directors, two Non-Executive Directors nominated by HDFC Bank, one Non-Executive Director nominated by ERGO and two Executive Directors. The Chairman of the Committee is an Independent Director.

The Policy on Protection of Interests of Policyholders (PPHI Policy) is available on the website of the Company viz. <https://www.hdfcergo.com/docs/default-source/policies/pphi-policy.pdf>. The key objective of the PPHI Policy is to provide a mechanism to redress the grievance and complaints of the Policyholders in a time-bound manner and to their satisfaction in accordance with the applicable laws.

Brief Description of Terms of Reference:

The brief terms of reference of the Committee inter-alia includes the following:

The Committee reviews the processes followed in redressal of Policyholder grievances and the grievance redressal mechanism of the Company and suggests mechanism for the speedy redressal of complaints/

grievances from Policyholders. The Committee also reviews the steps taken by the Company to reduce unclaimed amount due to the Policyholders.

The Committee also reviews (i) the awards given by Insurance Ombudsman/Consumer Forums and the root cause of customer complaints; (ii) the claims report including the status of outstanding claims with ageing and repudiated claims with an analysis of the reasons thereof.

The Committee regularly submits its report to the Board inter-alia with regard to complaints/ grievances received and resolved, mechanism in place/ process being followed for resolution of the complaints/ grievances and its observations on the efficacy of the existing mechanism. The report also contains the status of outstanding claims with ageing and repudiated claims with an analysis of the reasons thereof.

Composition, Meetings and Attendance during the year:

During FY 2023-24, the PPGR&CM met four (4) times on April 27, 2023, July 25, 2023, October 12, 2023 and January 13, 2024. The PPGR&CM also met on April 16, 2024.

The composition of the PPGR&CM and the attendance of the Committee Members at the meetings held during FY 2023-24 are listed below:

Name of Director	Nature of Directorship	Designation in Committee	Meeting dated			
			April 27, 2023	July 25, 2023	October 12, 2023	January 13, 2024
Arvind Mahajan	Independent Director	Chairman	✓	✓	✓	✓
Keki M. Mistry	Non-Executive Director	Member	✓	✓	✓	✓
Renu Sud Karnad	Non-Executive Director	Member	✓	✓	✓	✓
Dr. Clemens Matthias Muth*	Non-Executive Director	Member	✓	✓	✓	-
Edward Ler**	Non-Executive Director	Member	-	-	-	✓
Ameet Hariani	Independent Director	Member	✓	✓	✓	✓
Sanjib Chaudhuri	Independent Director	Member	✓	✓	✓	✓
Vinay Sanghi	Independent Director	Member	✓	✓	✓	✓
Anuj Tyagi	Joint Managing Director	Member	✓	✓	✓	✓
Samir H. Shah	Executive Director & CFO	Member	✓	✓	✓	✓

* Demitted office as a Director with effect from the close of business hours of December 31, 2023.

**Appointed as a Non-Executive Director w.e.f. January 1, 2024.

✓ indicates meeting attended.

In terms of the CG Guidelines, Ravi Vaidee attends regular meetings of PPGR&CM as an invitee, in the capacity of customer representative / expert and provides valuable advice to the Company in protection of interest of Policyholders.

Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee comprises six (6) members – four Independent Directors, one Non-Executive Director each nominated by HDFC Bank and ERGO. The Chairman of the Committee is an Independent Director.

Brief Description of Terms of Reference:

The brief terms of reference of the Committee inter-alia includes the following:

The Committee formulates the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the appointment and remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company as well as a policy on board diversity. The Committee determines the criteria for evaluation of performance of the Board and its Committees and of individual directors. The Committee's function includes identifying persons who are qualified to become directors of the Company, recommending their appointment or re-appointment of the existing directors to the Board, ensuring that such persons meet the relevant criteria as prescribed under the applicable laws including

qualification, area of expertise and experience, track record and integrity.

The terms of reference of the Committee also includes consideration and determination of the salary and other terms of the compensation package for the Whole-time Directors, recommend to the Board the annual compensation of the Whole-time Directors, subject to approval of IRDAI, recommends to the Board the remuneration payable to the Key Managerial Personnel, Senior Management Personnel and approve overall salary increase across the organisation, administration of the Employee Stock Option Plan (ESOP), recommend grant of stock options to eligible employees, fixing of criteria inter-alia for evaluation of the performance of individual directors, the Board as a whole and the Board Committees.

Composition, Meetings and Attendance during the year:

During FY 2023-24, the NRC met three (3) times on April 27, 2023, July 25, 2023 and January 13, 2024. The NRC also met on April 16, 2024.

The composition of the NRC and the attendance of the Committee Members at the meetings held during FY 2023-24 are listed below:

Name of Director	Nature of Directorship	Designation in Committee	Meeting dated		
			April 27, 2023	July 25, 2023	January 13, 2024
Mehernosh B. Kapadia	Independent Director	Chairman	✓	✓	✓
Bernhard Steinruecke	Independent Director	Member	✓	✓	✓
Arvind Mahajan	Independent Director	Member	✓	✓	✓
Ameet Hariani	Independent Director	Member	✓	✓	✓
Renu Sud Karnad	Non-Executive Director	Member	✓	✓	✓
Dr. Clemens Matthias Muth*	Non-Executive Director	Member	✓	✓	-
Edward Ler**	Non-Executive Director	Member	-	-	✓

* Demitted office as a Director with effect from the close of business hours of December 31, 2023.

**Appointed as a Non-Executive Director w.e.f. January 1, 2024.

✓ indicates meeting attended.

Performance evaluation criteria for independent directors

The performance evaluation criteria for Independent Directors was carried out based on parameters like attendance, active participation, exercise of independent judgement, bringing in objectivity in decision making process, knowledge and competency, commitment, high levels of integrity, leadership, bringing one's own experience to bear on the items for discussion, awareness and observance of governance, value addition to the business and strategic aspects of the Company.

Corporate Social Responsibility Committee (CSR)

The CSR Committee comprises seven (7) members – four Independent Directors, one Non-Executive Director each nominated by HDFC Bank and ERGO and one Executive Director. The Chairman of the Committee is an Independent Director.

The CSR Policy of the Company inter-alia specifies the key focus areas for CSR activities/ projects that could be undertaken by the Company, formulation of the Annual Action Plan, approach and process for undertaking CSR projects and the monitoring mechanism. The CSR Policy is available on the website of the Company <https://www.hdfcergo.com/docs/default-source/about-us/legal-and-compliance/csr-policy.pdf>. The Annual Report on CSR activities, as prescribed under Section 135 of the Act read with Rule 9 of the Companies (Accounts) Rules, 2014, and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2019, as amended is appended to the Board's Report.

The Company has a sub-committee of the CSR Committee (SC-CSR) comprising the Senior Management team including Executive Directors.

The SC-CSR evaluates and identifies CSR projects and includes the same in the Annual Action Plan and assists the CSR Committee / Board of Directors in fulfilling the Company's CSR obligations and ensures timely execution and implementation of CSR projects and monitoring thereof.

Brief Description of Terms of Reference:

The brief terms of reference of the Committee inter-alia includes the following:

The Committee formulates and implements the Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company, recommend the amount of expenditure to be incurred on the activities, monitoring mechanism for the activities/ projects/ programmes undertaken/ proposed to be undertaken.

Composition, Meetings and Attendance during the year:

During FY 2023-24, the Committee met four (4) times on April 27, 2023, July 25, 2023, October 12, 2023 and January 13, 2024. The CSR Committee also met on April 16, 2024.

The composition of the CSR Committee and the attendance of the Committee Members at the meetings held during FY 2023-24 are listed below:

Name of Director	Nature of Directorship	Designation in Committee	Meeting dated			
			April 27, 2023	July 25, 2023	October 12, 2023	January 13, 2024
Ameet Hariani	Independent Director	Chairman	✓	✓	✓	✓
Mehernosh B. Kapadia	Independent Director	Member	✓	✓	✓	✓
Vinay Sanghi	Independent Director	Member	✓	✓	✓	✓
Dr. Rajgopal Thirumalai	Independent Director	Member	✓	✓	✓	✓
Renu Sud Karnad	Non-Executive Director	Member	✓	✓	✓	✓
Dr. Oliver Martin Willmes	Non-Executive Director	Member	✓	✓	✓	✓
Anuj Tyagi	Joint Managing Director	Member	✓	✓	✓	✓

✓ indicates meeting attended.

Stakeholders Relationship cum Allotment Committee of Directors (SR&AC)

The Stakeholders Relationship cum Allotment Committee comprises four (4) members – one Independent Director, one Non-Executive Director each nominated by HDFC Bank and ERGO and the Managing Director & CEO. The Chairman of the Committee is an Independent Director.

Brief Description of Terms of Reference:

The brief terms of reference of the Committee inter-alia includes the following:

The Committee resolves grievances of the shareholders and debenture holders, if any, adhere to the service standards

adopted in respect of various services being rendered by the Registrar & Share Transfer Agent, review various measures and initiatives taken for reducing the quantum of unclaimed dividends, as and when arises and ensure timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders/ debenture holders, as the case may be, of the Company and approval of allotment of shares and other securities.

Composition, Meetings and Attendance during the year:

During FY 2023-24, the Committee met once on January 13, 2024.

The composition of the CSR Committee and the attendance of the Committee Members at the meeting held during FY 2023-24 are listed below:

Name of Director	Nature of Directorship	Designation in Committee	Meeting dated January 13, 2024
Mehernosh B. Kapadia	Independent Director	Chairman	✓
Renu Sud Karnad	Non-Executive Director	Member	✓
Edward Ler*	Non-Executive Director	Member	✓
Ritesh Kumar	Managing Director & CEO	Member	✓

✓ indicates meeting attended.

*Appointed as a Non-Executive Director w.e.f. January 1, 2024.

Investor Grievance Redressal

During the FY 2023-24, the Company has not received any complaints from the investors of the Company.

Meeting of Independent Directors

In terms of Section 149(8) of the Act read with Schedule IV and Regulation 25(3) of LODR Regulations, the Independent Directors met on March 28, 2024 to evaluate the performance of the Whole-time Directors, Non-Independent Directors, Chairman, Board Committees and the Board as a whole and to assess the quality, quantity and timeliness of the flow of information between the Company's Management and the Board.

General Body Meetings

Following are the information on General Body meetings and details of special resolution(s) passed thereat:

a. Annual General Meetings

Details of the last three Annual General Meetings ("AGM") and Special Resolutions passed thereat:

FY	Details of AGM	Date and Time	Venue	Special resolutions passed
2023-24	16 th AGM	July 25, 2023 at 5.00 PM	Board Room, HDFC House, 1 st Floor, 165-166, Backbay Reclamation, H.T. Parekh Marg, Churchgate, Mumbai - 400020	*
2021-22	15 th AGM	July 21, 2022 at 5.00 PM	Board Room, HDFC House, 1 st Floor, 165-166, Backbay Reclamation, H.T. Parekh Marg, Churchgate, Mumbai - 400020	<ul style="list-style-type: none"> To approve payment of commission to Non-Executive Directors
2020-21	14 th AGM	July 21, 2021 at 5.30 PM	Board Room, HDFC House, 1 st Floor, 165-166, Backbay Reclamation, H.T. Parekh Marg, Churchgate, Mumbai - 400020	<ul style="list-style-type: none"> To approve the re-appointment of Bernhard Steinruecke (DIN: 01122939), as an Independent Director To approve the re-appointment of Mehernosh B. Kapadia (DIN: 00046612), as an Independent Director To approve the re-appointment of Arvind Mahajan (DIN: 07553144) as an Independent Director

b. Details of the last three Extraordinary General Meeting and Special Resolutions passed thereat:

FY	Date and Time	Venue	Special resolutions passed
2023-24	March 15, 2024 at 11.00 AM	Board Room, HDFC House, 1 st Floor, 165-166, Backbay Reclamation, H.T. Parekh Marg, Churchgate, Mumbai - 400020	*
2023-24	June 30, 2023 at 5.30 PM	Board Room, HDFC House, 1 st Floor, 165-166, Backbay Reclamation, H.T. Parekh Marg, Churchgate, Mumbai - 400020	• To approve revised and restated Articles of Association of the Company
2022-23	March 23, 2023 at 5.00 PM	HDFC House, 1 st Floor, 165-166, Backbay Reclamation, H.T. Parekh Marg, Churchgate, Mumbai - 400020	• To approve amendments to HDFC ERGO Employees Stock Option Plan – 2009
2021-22	September 2, 2022 at 5.00 PM	HDFC House, 1 st Floor, 165-166, Backbay Reclamation, H.T. Parekh Marg, Churchgate, Mumbai - 400020	*
2021-22	March 29, 2022 at 5.00 PM	HDFC House, 1 st Floor, 165-166, Backbay Reclamation, H.T. Parekh Marg, Churchgate, Mumbai - 400020	*

* No special resolution passed thereat.

c. Postal Ballot

During the FY 2023-24, the Company did not seek any approval of shareholders through postal ballot.

PARTICULARS OF SENIOR MANAGEMENT

The list of Senior Management and Key Management Persons (SMP/KMP) as per Companies Act, 2013 and SEBI LODR, along with the KMP as per IRDAI CG Guidelines, and changes therein since the close of the previous financial year are as below:

Sl. No.	Name of the SMP/KMP	Designation	Date of becoming SMP/ KMP during FY24	Date of Cessation during FY24
1	Parthanil Ghosh	President - Retail Business	-	-
2	Ankur Bahorey	President - Bancassurance	-	-
3	Sriram Naganathan	President & Chief Technology Officer	-	-
4	Sudakshina Bhattacharya	President & Chief Human Resources Officer	-	-
5	Sanjay Kaw	President	-	Superannuated on January 31, 2024
6	R Narasimhan	President	-	Superannuated on April 30, 2023
7	Ashok Kumar Tyagi	Joint President & Deputy CFO	April 1, 2023	-
8	Atul Gujrathi	Joint President – Claims	April 1, 2023	-
9	Vishal Sikand	Joint President - Commercial Lines	April 1, 2023	-
10	Sanjay Mishra	Joint President - Internal Audit, FCU & Sustainability	April 1, 2023	-
11	Arun Kumar Sharma	Joint President - CEM & Operations	April 1, 2023	-
12	Vishal Sharma	Joint President - Bancassurance	April 1, 2023	-
13	Amit Sureka	Joint President - Motor Business	April 1, 2023	-
14	Hiten Bhadrash Kothari*	Chief Underwriting Officer	-	-
15	Sanjay Kulshrestha	Chief Investment Officer	-	-
16	Chirag Sheth	Chief Risk Officer	-	-
17	Vyoma Manek	Company Secretary and Chief Compliance Officer	-	-
18	Anshul Mittal	Appointed Actuary	November 23, 2023	-

*Appointed Actuary until November 22, 2023.

REMUNERATION OF DIRECTORS

Details of Remuneration / Sitting Fees paid to Non-Executive Directors

Criteria for sitting fees / commission / remuneration paid to Non-Executive Directors

The remuneration of Non-Executive Directors (other than Independent Directors) consists of sitting fees and the Independent Directors are paid sitting fees and also profit related commission. The commission payable to Independent Directors is within the overall limits as approved by the shareholders. None of the Non-Executive Directors hold any shares or convertible instruments in the Company nor granted any stock options.

The Non-Executive Directors are covered under Company's Group Medical Insurance Policy, the premium for such Non-Executive Directors, other than Independent Directors, is borne by the Company.

The Independent Directors and the Non-Executive Directors nominated by HDFC Bank are paid sitting fees of ₹ 1,00,000 each for attending Board and Committee Meetings. Independent Directors were also paid commission of ₹ 10,00,000 each for the FY 2022-23, which has been increased to ₹ 20,00,000 each for the FY 2023-24 and onwards, as permitted by the relevant IRDAI Guidelines.

The details of sitting fees paid to Non-Executive Directors and sitting fees and commission paid to Independent Directors during FY 2023-24 is as under:

(Amount in ₹)

Name of Director	Sitting Fees	Commission	Total
Keki M. Mistry	24,00,000	-	24,00,000
Renu Sud Karnad	20,00,000	-	20,00,000
Bernhard Steinruecke	20,00,000	10,00,000	30,00,000
Mehernosh B. Kapadia	24,00,000	10,00,000	34,00,000
Arvind Mahajan	24,00,000	10,00,000	34,00,000
Ameet Hariani	28,00,000	10,00,000	38,00,000
Sanjib Chaudhuri	14,00,000	10,00,000	24,00,000
Vinay Sanghi	14,00,000	10,00,000	24,00,000
Dr. Rajgopal Thirumalai	14,00,000	10,00,000	24,00,000

Except to the extent of transactions in the ordinary course of business, the sitting fees and commission paid as mentioned hereinabove, the Non-Executive Directors (including Independent Directors) do not have any pecuniary relationships or transactions with the Company.

Executive Directors

The remuneration details of Whole-Time Directors as mandated under IRDAI Guidelines on Remuneration of Directors and Key Managerial Persons of Insurers dated June 30, 2023 and SEBI LODR Regulations is disclosed in the Directors report.

The details of elements of remuneration paid to Managing Director & Chief Executive Officer and other Directors and Key Management Persons are disclosed under 'Managerial Remuneration' section of the Notes to Accounts forming part of the financial statements. Additionally, other transactions, if any, with the Executive Directors are disclosed in the Notes to Accounts forming part of the financial statements.

Performance evaluation criteria for Executive Directors

The level of remuneration of Whole-time Directors including Managing Director and CEO for any financial year is inter-alia linked to the following performance objectives set by NRC/Board, and in accordance with the norms prescribed by IRDAI Guidelines.

Service contracts, notice period and severance fees

The service contracts, tenure and the compensation, which includes severance fees, if any, is in accordance with the IRDAI Remuneration Guidelines.

Further, the consolidated fixed remuneration of all the KMPs, for FY2023-24, defined under the CG Guidelines, except the Whole-time Directors, is as under:

Particulars	Amount (in ₹)
Salary including Perquisites, Provident fund & Cash Variable Pay (Refer Notes 1 & 2)	17,25,19,462
Non-Cash Variable Pay – No. of Stock options (Refer Note 3)	2,32,500
Total	17,27,51,962

1. Excludes the value of perquisites, in respect of Company owned car, gratuity, club membership, and benefit of medical, life and personal accident insurance and perquisites arising out of exercise of employee stock options, if any.
2. Cash component of the variable pay is actual payment made pertaining to FY'23
3. Non-cash variable component has been granted in the form of Stock Options (ESOPs) exercisable at the prevailing fair market value.

Further the Company has aligned the remuneration for all KMPs in accordance with IRDAI CG Regulations.

RELATED PARTY TRANSACTIONS

During FY 2023-24, the Company has not entered into any materially significant transactions with its related parties, which could lead to a potential conflict of interest of the Company at large. Further, all the contracts / arrangements / transactions entered by the Company during the financial year with its related parties were in its ordinary course of business and on an arm's length basis.

The Company has put in place a policy on related party transactions and the same has been uploaded on the Company's website at <https://www.hdfcergo.com/docs/default-source/policies/policy-on-related-party-transaction-policy.pdf>

Details of related party transactions entered into by the Company during the FY 2023-24 are covered in Notes forming part of the financial statements.

STRICTURES AND PENALTIES FOR CAPITAL MARKET TRANSACTIONS

There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years, and hence, no penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any other statutory authority.

WHISTLEBLOWER POLICY

The Company promotes ethical behaviour in all its dealings, business or otherwise and has put in place a Whistleblower Policy (Policy) for reporting of any illegal or unethical behaviour. The Policy is hosted on the website of the Company at <https://www.hdfcergo.com/docs/default-source/policies/whistleblower-policy.pdf>. In terms of the Policy, any person including employees, customers and vendors may report malpractice, actual or suspected fraud, violations of the Company's Code of Conduct, abuse of power or authority by any official of the Company or any other Act with an intention of unethical personal gain or cause damage to the Company or its employees to the Whistleblower Complaints Committee (WBCC) constituted for the purpose. The Policy provides for maintaining the confidentiality of such reporting and ensures that the Whistleblowers are protected and not subjected to any discriminatory practices.

In terms of the Policy, whistleblowing complaint can be sent directly to the Chairman of the Audit and Compliance Committee of Directors (ACC). During the year, no person was denied access to the Committee for expressing concerns or reporting grievances under the Policy.

During the year, 13 intimations were received at the whistleblower email ID; the Company has the framework

to assess all the intimations and update the ACC about the same periodically.

SUBSIDIARY COMPANY

The Company does not have any subsidiary company, hence formulation of policy for determining Material Subsidiaries as per Regulation 16 of the SEBI Listing Regulations is not applicable for the Company.

CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING NON-DEBARMENT AND NON-DISQUALIFICATION OF DIRECTORS

The Company has obtained a certificate from Messrs. Bhandari & Associates, Practicing Company Secretaries (Firms Registration No. P1981MH043700), confirming that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as director of the Company by SEBI/ Ministry of Corporate Affairs or such other statutory authority. The said certificate is enclosed as 'Annexure – I'.

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

Certificate from Messrs. Bhandari & Associates, Practicing Company Secretaries (Firms Registration No. P1981MH043700), confirming compliance with conditions of Corporate Governance, as stipulated under Schedule V of the Listing Regulations, is enclosed to this Report as 'Annexure – II'.

Further, the Certificate from the Company Secretary & Chief Compliance Officer of the Company, as required under IRDAI CG Guidelines, is enclosed to this Report as 'Annexure – III'.

FEES PAID TO STATUTORY AUDITORS

Total fees paid by the Company during FY 2023-24 to the Statutory Auditors and their respective network firms on aggregate basis are as follows:

(₹ in Thousands)

Sr. No.	Particulars	Fees to Statutory Auditors	Fees to Network Firms of Statutory Auditors
1	Audit Services	12,700	-
2	Review of quarterly financial Information	3,200	-
3	Special purpose financial information related work	1,600	-
4	Certifications	410	-
5	Out of Pocket Expenses	201	-
	Total	18,111	-

DISCLOSURE IN RELATION TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Details of the number of complaints received, disposed, and pending during the year 2023-24 pertaining to the Sexual Harassment of Women at Workplace are as under:

Number of complaints received during the year 2023-24	-	7
Number of complaints disposed during the year 2023-24	-	5
Number of cases pending as on March 31, 2024	-	2

DETAILS OF LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED

The Company has not given any loans or advances to any firm / company in which its Directors are interested.

CEO/CFO CERTIFICATION

The Managing Director & Chief Executive Officer and Chief Financial Officer have certified to the Board with regard to the financial statements and internal controls relating to financial reporting for the year ended March 31, 2024 as required under the LODR Regulations. The said Certificate is enclosed as 'Annexure – IV' and forms part of this Report.

CODE OF CONDUCT

The Company's Code of Conduct is applicable to all employees and Directors. All the members of the Board, Key Managerial Personnel and Senior Management Personnel have confirmed adherence to the provisions of the said Code of Conduct. A declaration to this effect signed by the Managing Director and CEO forms part of Annual Report as 'Annexure – V'.

SECURITIES DEALING CODE

As required under the provisions of Regulation 13(B)(2) of IRDAI (Investment) Regulations, 2016 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has framed HDFC ERGO Securities Dealing Code (the "Code").

The Directors, Key Management Persons, Designated Employees, other identified employees and their immediate relatives are required to comply with various provisions of the Code, to the extent applicable.

COMPLIANCE OF MANDATORY AND DISCRETIONARY REQUIREMENTS:

The Company has complied with all mandatory requirements specified in Regulations 17 to 27 and Regulation 62 of LODR Regulations.

The Company has also adopted the following discretionary requirements of the LODR Regulations:

a. Modified opinion(s) in audit report

The Company is in the regime of unqualified financial statements.

b. Separate posts of Chairperson and Managing Director or the Chief Executive Officer

Keki M. Mistry is the Non-Executive Chairman and Ritesh Kumar is the Managing Director & Chief Executive Officer of the Company and are not related to each other as per the definition of the term "relative" defined under the Companies Act, 2013.

c. Reporting of internal auditor

The internal auditor reports directly to the Audit Committee.

DETAILS OF CLAIMS

The details of all claims incurred, paid, outstanding at the end of the year have been disclosed in the Notes to Accounts and Annexure to the Management Report forming part of the financial statements.

MEANS OF COMMUNICATION

A separate dedicated section on 'Investors' is maintained on the website of the Company for ease of the shareholders. The information/documents required to be disseminated by the Company pursuant to the Act and LODR Regulations are uploaded on the website of the Company.

The quarterly, half-yearly and annual financial results are published in one leading national business newspaper (Business Standard and Free Press Journal) and in one vernacular newspaper (Navshakti). The results are also submitted and published on BSE Limited and displayed on the Company's website at <https://www.hdfcergo.com/about-us/investors>.

Further, the Company, being a debt-listed entity, does not make extensive presentation to institutional investors / analyst.

The Company publishes news on insurance businesses on its website at <https://www.hdfcergo.com/news>

GENERAL SHAREHOLDER INFORMATION

Financial Year	April 1, 2023 to March 31, 2024
Day, Date, Time and Venue of AGM	Monday, August 05, 2024 at 11:00 AM (IST) Venue of AGM: Board Room, HDFC House, 1st Floor, 165-166, Backbay Reclamation, H.T. Parekh Marg, Churchgate, Mumbai - 400020
Dividend Payment date(s)	During the year, the Board of Directors had approved the payment of interim dividend @25%, and @10%, (previous year @35% per equity share); the said dividend was declared and paid in September, 2023 and December, 2023, respectively and encashed by all the shareholders.
Listing on Stock Exchanges	The non-convertible debentures of the Company are listed on the debt market segment of BSE Limited. BSE Limited: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
Payment of listing fees	Annual listing fee for FY 2023-24 has been paid by the Company to BSE Limited.
Stock Code, Market Price Data and performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.	Not Applicable*
Suspension of securities from trading	During FY 2023-24, the non-convertible debentures of the Company were not suspended from trading.
Registrar and Share Transfer Agent and Share Transfer System	KFin Technologies Limited Add: Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Email id: einward.ris@kfintech.com Website: www.kfintech.com Tel No.: +91 – 40 6716 2222 Toll Free No.: 1800-309-4001
Securities Transfer System	The Company has received a certificate from a Company Secretary in Practice, certifying that during the year, all debentures were held in dematerialised form and hence there were no cases of physical transfer of debentures, its subdivision, consolidation, renewal, exchange of certificates or endorsement of calls/allotment monies etc. during the financial year ended March 31, 2024. The certificate was duly filed with the stock exchange.
Distribution of Shareholding	Not Applicable*
Dematerialisation of Shares and Liquidity	As on March 31, 2024, the total equity capital of the Company was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. As the equity shares of the Company are not listed on the Stock Exchange, the shares were not traded on the Stock Exchange.
Outstanding Global Depository Receipts (“GDRs”) /American Depository Receipts (“ADRs”)/ Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity	The Company has not issued GDRs / ADRs/ Warrants / Convertible Bonds, which is convertible into equity shares of the Company.
Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	The Company does not deal in any commodity and hence is not directly exposed to any commodity price risk.
Plant Locations/Branches	Being in the insurance business, the Company does not have any plants. However, the Company has 266 branches across India as on March 31, 2024.

<p>Address for Correspondence</p>	<p>For debentures held in Demat form: KFin Technologies Ltd. Address: Selenium Tower B, Plot No. 31-32, Nanakramguda, Gachibowli, Hyderabad – 500 032, Telangana Email id: einward.ris@kfintech.com Tel No.: +91-40-67162222 Website: www.kfintech.com</p> <p>Company's Correspondence Details:</p> <p>HDFC ERGO General Insurance Company Limited Vyoma Manek, Company Secretary & Chief Compliance Officer Address: HDFC House, 1st Floor, 165-166, Backbay Reclamation, H. T. Parekh Marg, Churchgate, Mumbai - 400 020 Email id: companysecretary@hdfcergo.com Tel No.: +91 22 6638 3600</p>
<p>Credit Ratings</p>	<p>The details of credit rating for all debt instruments are disclosed in the Directors' Report forming part of this Annual Report.</p>
<p>Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)</p>	<p>Not Applicable*</p>

**The equity shares of the Company are not listed on the stock exchange and hence certain details are not applicable to the Company.*

Mumbai
April 16, 2024

On behalf of the Board of Directors

KEKI M. MISTRY
Chairman
(DIN: 00008886)

ANNEXURE I TO CORPORATE GOVERNANCE REPORT

Certificate of Non-Disqualification of Directors

Pursuant to BSE Circular dated January 07, 2022 and clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
HDFC ERGO General Insurance Company Limited
“HDFC House”, 1st Floor,
165-166, Backbay Reclamation,
H. T. Parekh Marg, Churchgate, Mumbai – 400020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HDFC ERGO General Insurance Company Limited**, having CIN U66030MH2007PLC177117 and having its registered office at “HDFC House”, 1st Floor, 165-166, Backbay Reclamation, H. T. Parekh Marg, Churchgate, Mumbai – 400020 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with BSE Circular dated January 07, 2022.

In our opinion and to the best of our information and according to the verifications [including Director Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on **March 31, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1.	Mr. Keki M. Mistry	00008886	16/08/2017
2.	Ms. Renu Sud Karnad	00008064	16/08/2017
3.	Dr. Oliver Martin Willmes	08876420	12/10/2020
4.	Mr. Edward Ler	10426805	01/01/2024
5.	Mr. Bernhard Steinruecke	01122939	09/09/2016
6.	Mr. Mehernosh B. Kapadia	00046612	09/09/2016
7.	Mr. Arvind Mahajan	07553144	16/08/2017
8.	Mr. Ameet Hariani	00087866	16/07/2018
9.	Mr. Sanjib Chaudhuri	09565962	12/04/2022
10.	Mr. Vinay Sanghi	00309085	12/04/2022
11.	Dr. Rajgopal Thirumalai	02253615	12/04/2022
12.	Mr. Samir H. Shah	08114828	01/06/2018
13.	Mr. Anuj Tyagi	07505313	16/08/2017
14.	Mr. Ritesh Kumar	02213019	09/09/2016

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Bhandari & Associates

Company Secretaries

Unique Identification No.: P1981MH043700

Peer Review Certificate No.: 611/2019

Manisha Maheshwari

Partner

ACS No.: 30224; C P No.: 11031

Mumbai | April 16, 2024

ICSI UDIN: A030224F000137936

ANNEXURE II TO CORPORATE GOVERNANCE REPORT

Certificate on Corporate Governance

Pursuant to BSE Circular dated January 07, 2022 and Para E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
HDFC ERGO General Insurance Company Limited
CIN: U66030MH2007PLC177117

We have examined the compliance of conditions of Corporate Governance by HDFC ERGO General Insurance Company Limited ('the Company') for the financial year ended **March 31, 2024** as stipulated in Regulations 15 to 27 and paras C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'], to the extent applicable to the Company being a 'high value debt listed entity'. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

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

For **Bhandari & Associates**
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 611/2019

Manisha Maheshwari
Partner
ACS No.: 30224; C P No.: 11031
Mumbai | April 16, 2024
ICSI UDIN: A030224F000137991

ANNEXURE III TO CORPORATE GOVERNANCE REPORT

Compliance Certificate

In accordance with the provisions of Corporate Governance Guidelines issued by the Insurance Regulatory and Development Authority of India, I, Vyoma Manek, Company Secretary and Chief Compliance Officer of the Company, hereby certify that the Company has complied with the provisions of Corporate Governance Guidelines for Insurance companies issued by IRDAI, as amended from time to time and to the extent applicable and nothing has been concealed or suppressed.

Mumbai
April 16, 2024

Vyoma Manek
Company Secretary and
Chief Compliance Officer
ACS: 20384

ANNEXURE IV TO CORPORATE GOVERNANCE REPORT

CEO / CFO CERTIFICATE under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
HDFC ERGO General Insurance Company Limited
Mumbai

Re.: Audited Balance Sheet, Revenue Accounts and Profit & Loss Account, Receipts and Payments Account (Financial Statements) for the year ended March 31, 2024.

With reference to the above, we, Ritesh Kumar, Managing Director and Chief Executive Officer and Samir H. Shah, Executive Director and CFO, wish to state that we have reviewed the attached Financial Statements for the year ended March 31, 2024 and certify, to the best of our knowledge and belief that:

- A. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- B. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- C. There are no transactions entered into by the Company during the period under review which are fraudulent, illegal or violative of the Company's code of conduct.
- D. The Company has established and maintains internal financial controls and has evaluated the effectiveness of internal control systems of the Company and same were found to be effective.
- E. There are no:
 - a) Significant changes in internal control over financial reporting during the period;
 - b) Significant changes in accounting policies during the period and that the same has been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which the Company has become aware.

Ritesh Kumar
Managing Director & CEO

Samir H. Shah
Executive Director & CFO

Mumbai
April 16, 2024

ANNEXURE V TO CORPORATE GOVERNANCE REPORT

COMPLIANCE WITH THE CODE OF CONDUCT

I confirm that all Directors, Key Managerial Personnel and members of the senior management have confirmed adherence to the provisions of the Code of Conduct for the year ended March 31, 2024.

Mumbai
April 16, 2024

Ritesh Kumar
Managing Director & CEO

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

THE MACRO-ECONOMIC ENVIRONMENT

The current global macroeconomic scenario is characterised by a delicate balance between ongoing recovery efforts and emerging challenges, requiring policymakers and businesses to adapt to evolving conditions. Economic policies, particularly those implemented by central banks, are crucial in shaping the economic trajectory and financial markets.

Despite a slower global economic growth rate, the overall outlook appears more favourable than initially projected by various agencies. However, new challenges have arisen, including ongoing conflicts such as the Russia-Ukraine dispute, crises in the Middle East, and enduring tensions between major economies. As we progress into 2024, major central banks seem inclined to adopt more accommodative monetary policies, expressing confidence in containing inflationary pressures.

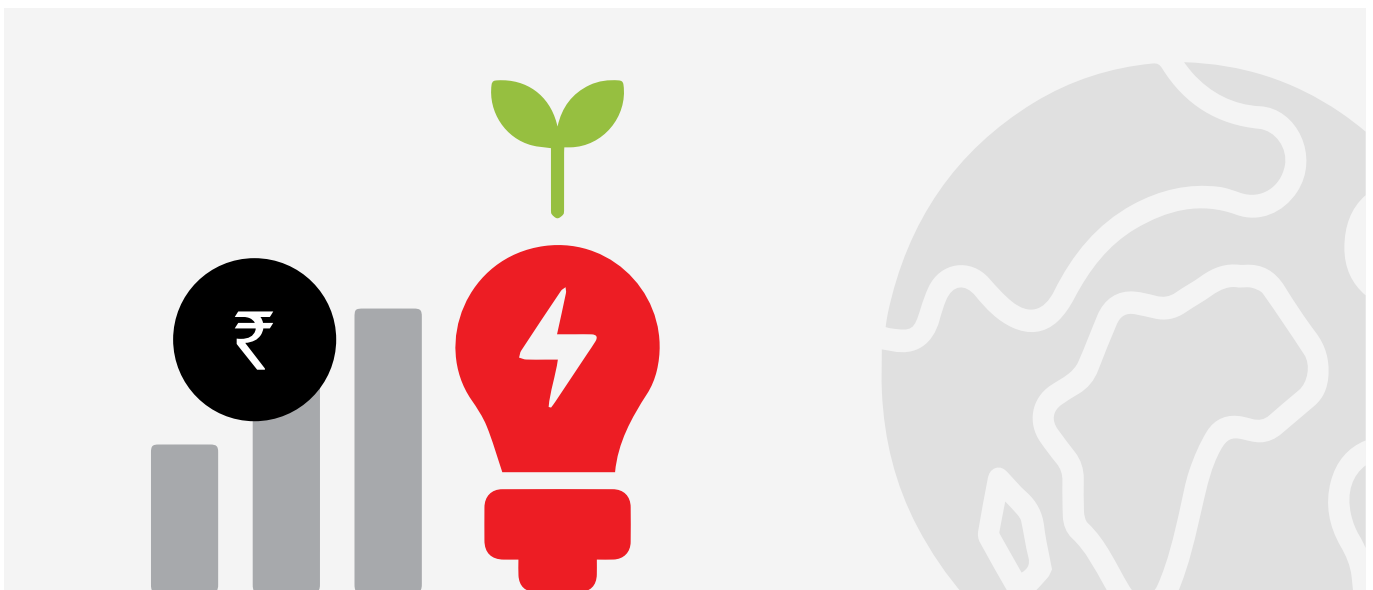
According to forecasts by The World Bank’s Global Economic Prospects report, most economies, whether advanced or developing, are expected to experience slower growth in 2024 and 2025 compared to pre-COVID-19 levels. Global growth is projected to decelerate for the third consecutive year, reaching 2.4%. This deceleration reflects the prolonged effects of tight monetary policies, restricted credit conditions, and subdued global trade and investment.

Potential downside risks to this outlook include further

escalation of conflicts in the Middle East leading to disruptions in commodity markets, financial strains due to high debt levels and borrowing costs, persistent inflationary pressures, below-par economic performance in China, increasing trade fragmentation, and the impact of climate-related disasters.

The Indian economy is projected to expand by 8.2 % in the fiscal year 2023-24, surpassing the first revised estimate of 7% growth rate recorded in the previous financial year, according to the provisional estimates of annual GDP released by the National Statistical Office (NSO). This growth rate positions India as one of the fastest-growing major economies again, following the 7% GDP growth achieved in FY 2022-23. Most economic sectors have experienced robust growth rates of real GVA, which exceed 6%, except the Agriculture and Allied sectors, which is estimated to have grown by 1.4%. Notably, both the Construction & Manufacturing sectors are expected to grow by 9.9% each.

The Union Budget for the current year reflects a strategic vision aimed at fostering economic growth and social development. The government’s commitment to fiscal discipline and targeted investments lays the groundwork for a dynamic and sustainable economic trajectory. The government’s overarching goal is to reduce the budget deficit to 5.1% in the fiscal year 2024-25 (FY-25), down from 5.8% in 2023-24 (FY-24). The budget includes a noteworthy 11% increase in capital expenditure (capex) to bolster the country’s overall economic development.



THE GENERAL INSURANCE INDUSTRY

A. Regulatory developments

In FY 2023-24, the Insurance Regulatory and Development Authority of India (IRDAI) announced various reforms in line with its multi-decadal vision of “Insurance for All by 2047”, i.e., by the 100th year of Indian independence, every citizen and every enterprise should have appropriate insurance coverage. These reforms encompass various domains such as safeguarding policyholders’ interests, improving insurance penetration through various obligations, corporate governance, insurance products, reinsurance, etc.

One of the key regulatory changes involved consolidating 34 regulations into eight regulations basis extensive deliberations with industry stakeholders – which is expected to simplify processes and provide clarity on the regulatory framework. The prominent changes included the creation of an insurance electronic marketplace (Bima Sugam) which would serve as a one-stop solution for all stakeholders (insurers, customers, and distribution partners), allowing insurers freedom in pricing and policy wordings in all product segments. This in turn would enable the industry to offer customised insurance solutions, guidelines on distribution channel for rural areas (Bima Vahak), guidelines for affordable product comprising life, health and property insurance cover (Bima Vistaar), etc.

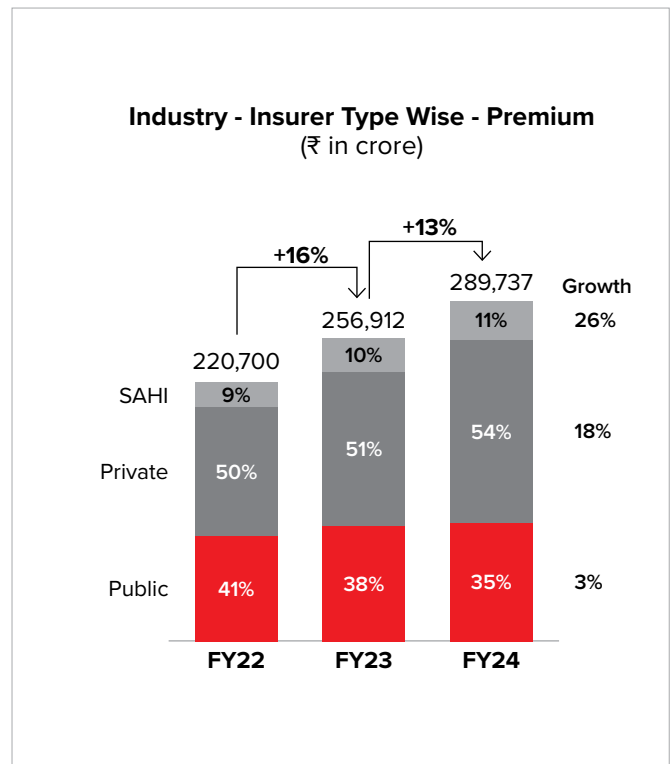
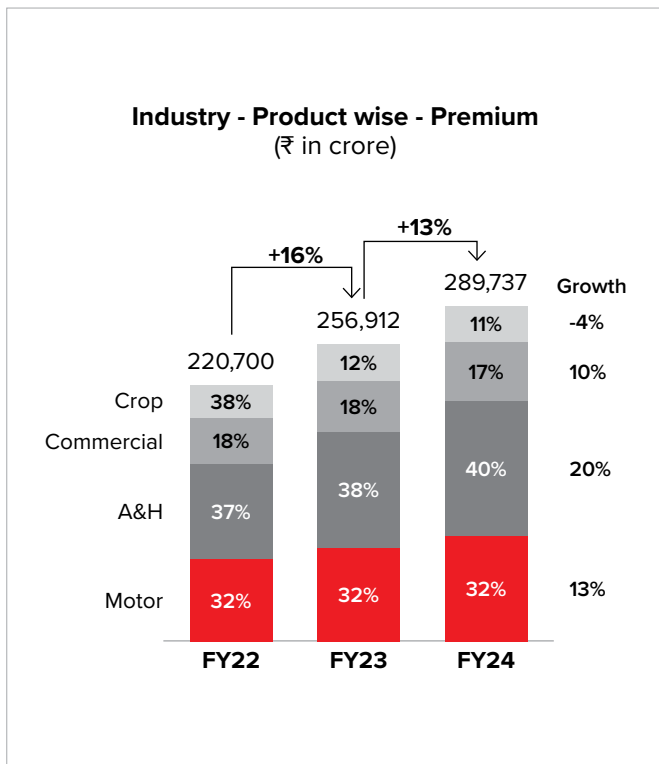
Under the guidance of IRDAI, the industry continues to take steps towards adopting the Indian Accounting Standards (Ind AS) framework and transitioning to Risk-Based Capital. In addition, the healthcare sector continues to take steps towards digital adoption as a part of the Ayushman Bharat Digital Mission – through the adoption of ABHA ID, National Health Claims Exchange, etc – which would further streamline the health insurance processes and increase customer convenience.

Lastly, the Parliamentary Standing Committee on Finance has recommended further reforms, including allowing insurers to conduct value-added services that are ancillary to insurance. These reforms will further shape industry dynamics in the coming years.

These reforms are also expected to strengthen governance, improve transparency, foster innovation and augment sustainable industry growth in the medium to long term.

B. Industry performance

The General Insurance industry grew by 12.8% in FY 2023-24, led by the Accident and Health (A&H) business. The momentum in the A&H business continued in FY 2023-24, leading to ~ 20% growth. The motor segment registered a growth of 13%. Excluding the crop segment, the industry witnessed 15% growth on a year-on-year (Y-o-Y) basis.



During FY 2023-24, private sector insurers grew by 17.5%, while standalone health insurers grew by 26.2% and public sector insurers (including specialised insurers) grew by 2.8%. Private-sector insurers grew faster than public-sector insurers across all segments.

In the A&H segment, private and standalone sector insurers grew faster in retail health, personal accident & group health while public sector insurers grew faster in government schemes.

Private-sector general insurance companies continue to have a 53.5% market share of the industry due to the muted growth rate of public-sector companies.

During 2022-23, the general and health insurance companies covered 55 crore lives under 2.26 crore health insurance policies (excl. policies issued under PA & Travel Insurance). The number of lives covered increased by 6% (PY: 1% growth).

The industry pay-out ratio (claims paid/claims O/s + Claims intimated) for 2022-23 is 76%. (PY: 84%)

C. Company performance

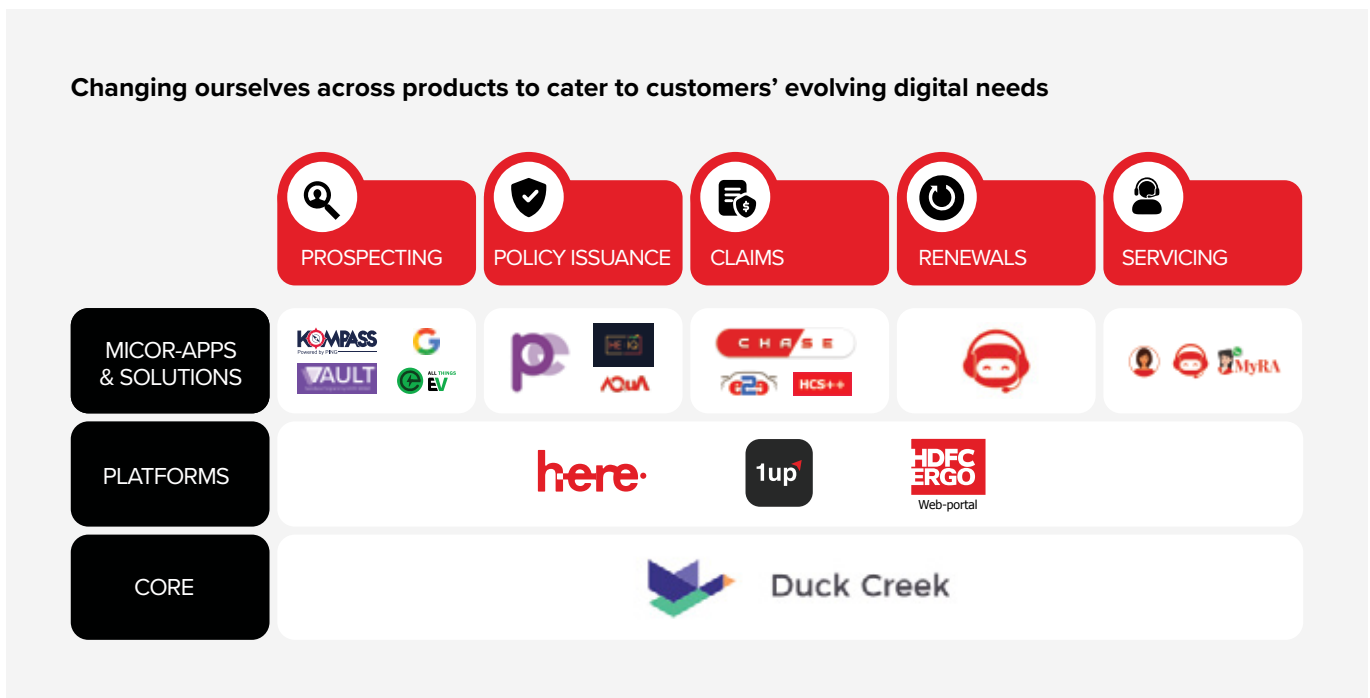
1. Digital Insurer of Scale

In today's digital age, customers expect insurance providers to offer seamless digital experiences comparable to industry

leaders. This shift in expectations has propelled our transformation to a digital insurer. By embracing digitalisation, the Company expects to meet the evolving demands of modern consumers while driving sustainable growth.

Another catalyst for digital transformation lies within the advancements in India's digital public infrastructure (DPI). The DPI encompasses two pivotal components that will guide the Company's journey towards digitalisation. Firstly, the National Health Stack is poised to establish a digital health technology ecosystem to construct an integrated health information system catering to the requirements of all stakeholders. Secondly, the Bima Trinity of Bima Sugam, Bima Vistar, and Bima Vaahak represent an innovative three-pronged initiative to reshape the nation's insurance sector landscape. This initiative addresses prevalent challenges concerning insurance availability, affordability, and accessibility.

Consequently, the Company has made notable strides in its digital evolution journey by introducing HDFC ERGO 3.0, an initiative that prioritises enhancing customer experiences, scalability, resilience, and data protection. Over the past six years, HDFC ERGO has diligently cultivated robust digital capabilities, laying a solid foundation for its current endeavours. At the heart of HDFC ERGO 3.0 lies a profound understanding of customer needs, driving meticulous issue resolution and proactive engagement through timely interventions.



The Company has developed a suite of user-friendly and productive micro apps and solutions. Additionally, there is a

concerted effort to create platforms for stakeholders that facilitate the delivery of superior experiences through these micro apps.

The Company is undergoing comprehensive changes throughout the customer interaction cycle to address evolving digital demands.

Digital initiatives throughout the customer interaction cycle to address evolving digital demands



Building predictability for customers across their lifecycle interactions with the insurer

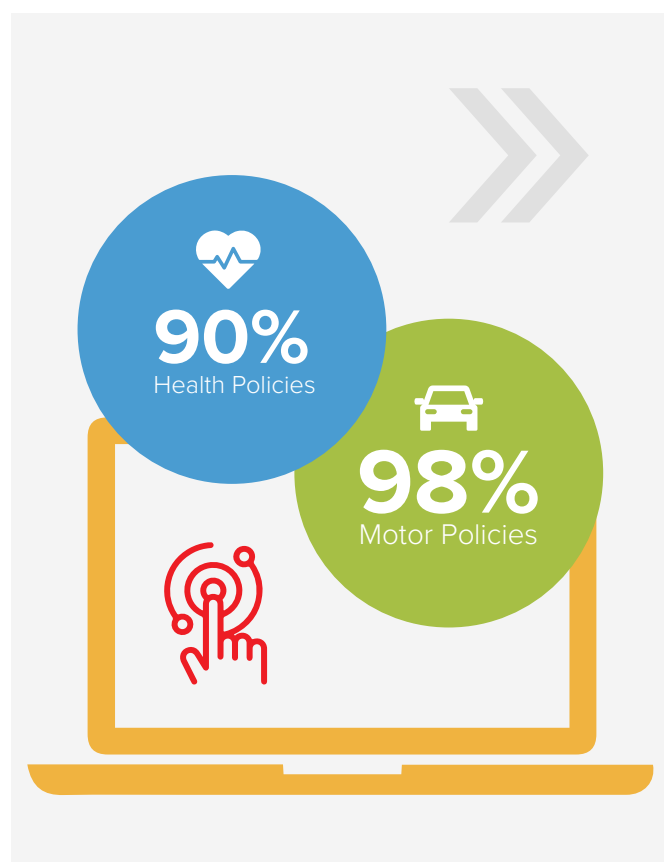
1.2 Prospecting

The Company continues to assist customers in identifying the most suitable products for their needs. We facilitate interaction with our chatbots via WhatsApp and utilise artificial intelligence to guide customers through their purchasing journeys. We have enabled a seamless onboarding experience for the agent on account of 100% digital onboarding. Additionally, as an industry-first initiative, select agents are discoverable on the Google platform through Google Business listings. This innovative approach enables our agents to capture a larger share of impressions on search platforms through local listings, thereby enhancing lead-generation opportunities.

1.3 Policy Issuance

1.3.1 Strengthening issuance process

The Company has been actively enhancing its systems to facilitate seamless policy issuance. Leveraging multiple rule engines and AI/ML-enabled technologies, the Company meets the growing customer demand for swift policy issuance. Notably, 90% of health policies and 98% of motor policies are issued digitally.



1.3.2 Introduction of HEIQ: AI-Powered SME insurance platform

In a pioneering move, the Company introduced HEIQ, an AI-powered SME insurance platform designed to simplify SMEs' complex insurance requirements. HEIQ utilises AI algorithms to generate insurance quotes by analysing email, PDF, or document file proposals. This innovative workflow streamlines processes, particularly in corporate settings where vast amounts of unstructured data are received via emails and PDFs. As a result, the time taken for quote generation has reduced from days to mere seconds.

1.3.3 Efficiency gains through AI in motor pre-inspection

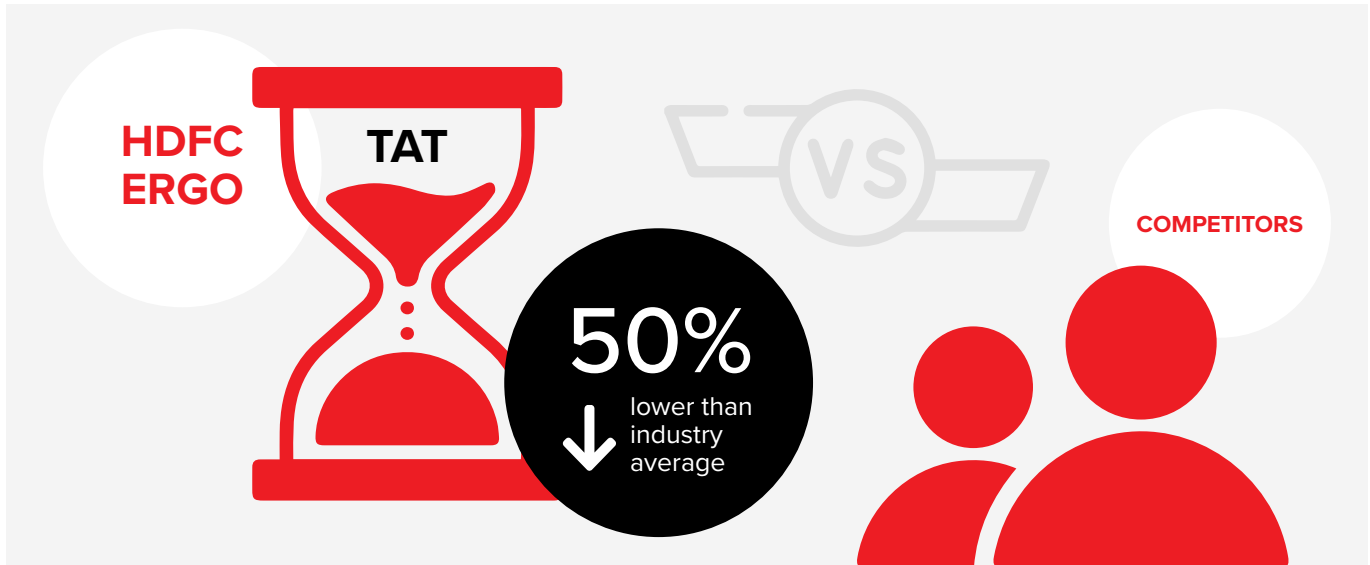
AI-driven initiatives have also yielded remarkable efficiency gains in motor pre-inspection processes. The Company has reduced the time required for motor pre-inspections by harnessing AI technologies from 2 hours to just 5 minutes. Last year, the Company successfully processed over 80,000+ AI-enabled pre-inspections, with an impressive ~ 97% of decisions made through AI-powered digital pre-inspections resulting in straight-through processing (STP).

1.4 Claims

Digital adoption is helping the Company improve its claims experience. ~ 80% of motor and ~ 70% of health claims are now intimated digitally, aiding faster claim processing. For motor, 80% of the surveys are done digitally, and 90% of the claims are settled in cashless mode, while for health, 65% of claims are settled in cashless mode. Furthermore, AI/ML-based models aid claims decisions for improved customer experience.

1.5 Servicing

The Company has implemented an Interactive Voice Response (IVR) system within its Advisor Experience Management (AEM) contact centre. The IVR system aims to streamline service requests, reduce wait times, and improve customer satisfaction. Through the IVR, advisors can efficiently access policy information, receive policy copies via email, check claim status, and view commission statements using simple voice commands. This transition to an automated, self-service model accelerates the flow of information and reduces dependence on human-operated channels.



~ 75% of services are catered digitally which highlight the ongoing shift towards automation, showcasing the Company’s unwavering focus on incorporating cutting-edge technologies to enhance customer experience and streamline operations.

The Company’s digital platforms have been at the forefront of customer interaction, as seen by the significant increment in portal interaction - 36% of the digital interactions are via the Company’s self-help section. This indicates a shift towards digital-first customer service. The claim tracker function on the Company’s app has witnessed a noteworthy surge in engagement.

The Company continues to enhance customer satisfaction through its committed grievance redressal function. As per Bima Bharosa, the Company’s grievance resolution, TAT is lower than its peers’ average TAT by ~ 2.6 days, emphasising the efficiency of its customer service operations. The Company maintains a structured grievance escalation process.

1.6 Digital Capabilities & Platforms

While diligently exploring various digital transformation initiatives, the Company is concurrently investing in developing robust digital capabilities to ensure long-term success in the digital landscape.

1.6.1 Capabilities

Core System Upgrade: Our transition of the policy administration system - from Genesys Configurator to Duck Creek marks a significant stride towards future readiness and unlocking growth. The new core system facilitates dynamic product configuration, expediting product launches and enabling swift deployment of niche offerings

and embedded insurance journeys.

Unified CRM Solution: Investment in Sprinklr aims to deliver an omnichannel customer service experience across all touchpoints, leveraging AI to tailor interactions based on individual preferences.

1.6.2 Platforms

here: The Company successfully introduced the “here.” The app is a one-of-a-kind motor and health ecosystem platform through which the Company aims to align better with customer priorities and gain mindshare. The platform is built around three design principles: reduce anxiety and confusion, provide convenience, and savings. Within its initial year, the app garnered 5 Million+ downloads, with users showing a higher insurance renewal rate in health and motor insurance categories. Beyond providing health, auto, and pet insurance services, the app facilitates insurance policy management, leading to over 3 lakh policy-related transactions.

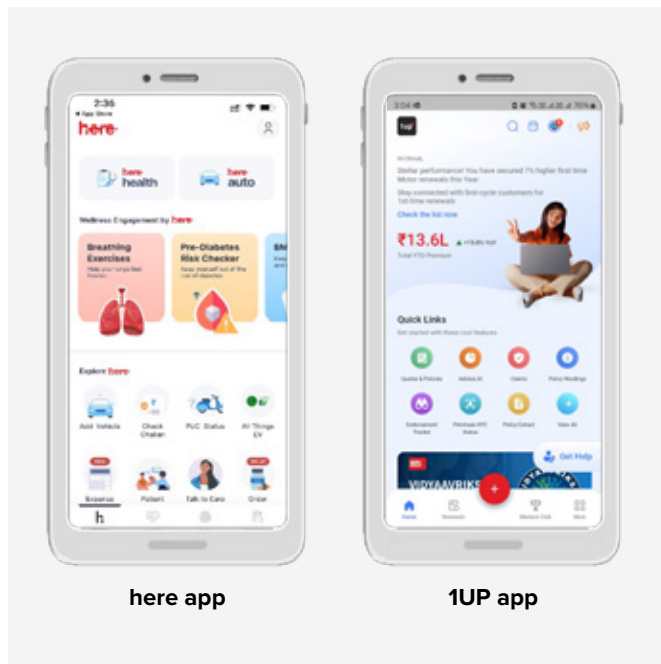
1UP: The Company introduced “1UP”, an AI-driven application tailored for advisors to streamline their business operations. 1UP provides advisors with AI-powered contextual prompts for sales, retention, and daily planning, optimising their workflow. Additionally, the app boasts Gen AI capability, generating personalised pitches for each customer, which advisors can share directly in their preferred language

This platform approach, with Duck Creek at its core, will enable us to provide seamless journeys to customers across their lifecycles.

As we continue to invest in cutting-edge technologies and platforms, our overarching goal remains to deliver superior

customer experiences, drive sustainable growth, and shape the future of insurance through digital excellence.

generated for the year ended March 31, 2024, was ₹ 2,041 crore (PY: ₹ 1,401 crore).

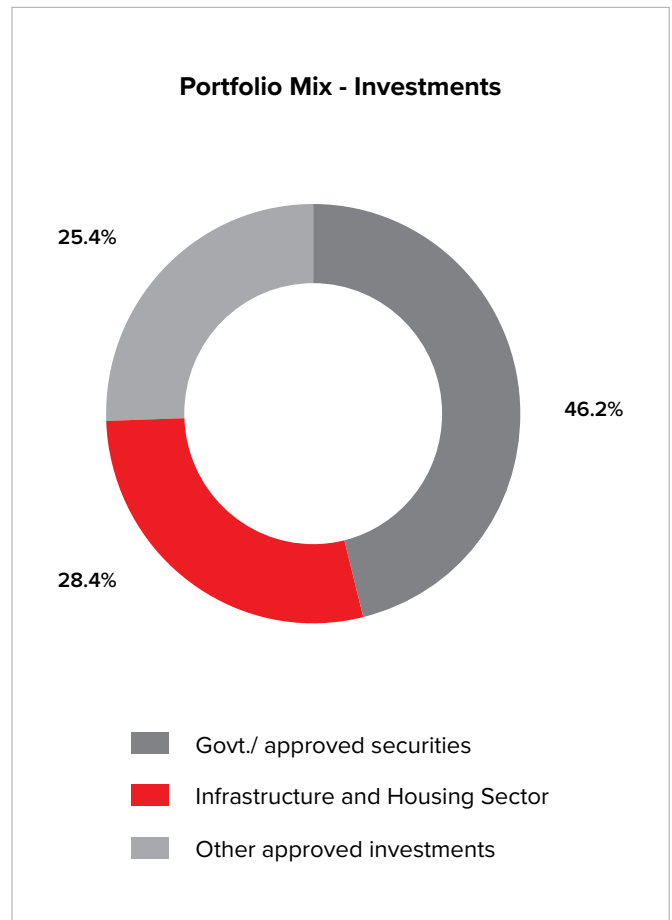


2. Technical Excellence

2.1 Investments

The investment function complements the core business of the Company. The Company’s investments are made in accordance with the Investment Policy as approved by the Board of Directors. The Investment Committee oversees the implementation of the Investment Policy. The Company’s investment strategy reflects the coordination between assets and liabilities, given the nature of the business of the Company while keeping the regulatory framework in perspective. The Investment Policy mandate includes maintaining a high degree of liquidity and safety of assets, optimising returns and consistency of returns commensurate with the risks undertaken.

As on March 31, 2024, the investment assets of the Company stood at ₹ 25,762 crore (PY: ₹ 22,242 crore). The IRDAI (Investment) Regulations, 2016 require non-life companies to invest 30% of their investment assets in government and approved securities and 15% in the infrastructure sector and housing sector. The Company held ₹ 11,901 crore (46.2%) in government securities, ₹ 7,311 crore (28.4%) in securities of the infrastructure and housing sector, and the remaining ₹ 6,551 crore (25.4%) in approved and other investments. The Company held 86% of its assets in sovereign and AAA or equivalent rated assets, reflecting a high degree of safety. Further, the Company held ₹ 2,414 crore in assets maturing within one year. The total investment income



2.2 Reinsurance

The Company’s reinsurance programme is designed to ensure protection against exposure to large losses affecting single risks as well as catastrophic (CAT) loss events affecting multiple risks across portfolios. As per regulatory requirements, the Company has ceded 4% of its business as an obligatory cession to the General Insurance Corporation of India (GIC).

The Company has had a successful reinsurance renewal for FY 2023-24. The Company experienced a few large losses mostly in commercial lines of business. The Company experienced multiple CAT losses and the underwriting results were partly impacted by the same.

The Company has a strong reinsurance panel comprising the National Reinsurer – GIC, foreign reinsurers who have set up their branches in India and cross border reinsurers with a financial strength rating of A- and above. The participation of foreign reinsurance branches has gradually increased over the years.

2.3 Claims reserving

The outstanding claims liability is measured as the central estimate of the expected future ultimate payments relating to claims incurred at the reporting date. The Company establishes outstanding claims liability basis statistical methods for all retail lines of business (Motor, Health, etc.) and case-by-case estimates for other lines of business in-line with the Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016. The ultimate claims liability is measured based on the advice of/ valuations performed by the Appointed Actuary. The expected future payments include those in relation to claims reported but not yet paid or not yet paid in full, claims incurred but not enough reported (IBNER), claims incurred but not reported (IBNR) and the anticipated direct claims handling costs. Thus, the total of outstanding and IBNR/IBNER reserves represents the overall claim liabilities of the Company. While estimating the future ultimate claims liability, no allowance is made for the discounting of reserves or negative provisions for any particular year of occurrence in compliance with IRDAI regulations. The ultimate liability is estimated using established actuarial methods depending on the class of business and the nature of claims. The ultimate claims reserves are estimates involving actuarial projections at a given point of time, of what the Company expects the ultimate settlement of claims will cost.

The claims reserve for the motor third party liability portfolio comprises a significant proportion of the Company's

total liability. The claims for motor third party liability are characterised by a relatively long-time delay for reporting and settlement of claims. Thus, the ultimate claim liabilities are estimated basis available information at the valuation date and assumptions around future trends in claims severity and frequency, judicial rulings, and other factors. Historically, the number of road accidents per registered vehicles and frequency of death / injury due to road accidents has decreased steadily. However, post the COVID-19 pandemic this long-term trend seems to have plausibly changed for both death / injury frequency and the same is corroborated basis the latest report published by the Ministry of Road Transport and Highways (MORTH). Thus, the Company has reviewed the actuarial frequency trend assumptions used for determining the ultimate claims liability for accident years post the COVID-19 pandemic and have prudently strengthened the motor third party provisions to allow for the changes in underlying trends.

The Motor Vehicle (Fifth Amendment) Act, 2022 prescribes a six-month limitation period for filing third party claims from the occurrence of the accident. Basis the historical trends, this can possibly reduce the Company's ultimate claims liability significantly. However, the Appointed Actuary has exercised principles of prudence and no benefit has been allowed for while estimating the claims reserves for third party claims. Further, the assumptions are influenced by the Company's claims handling procedures, inflation, minimum wages, court decisions, legislative changes, customer behaviour, claims reporting delays, etc. The ultimate reserves also consider the emerging claims experience.

The table below provides an overview of the development of the Company's estimates of gross ultimate claim amounts and gross paid losses (including loss adjustment expenses) in relation to a given accident year over time.

Gross Incurred Losses and Allocated Expenses (Ultimate Movement)

(₹ in crore)

As at March 31, 2024	AY 2012 & Prior	AY 13	AY 14	AY 15	AY 16	AY 17	AY 18	AY 19	AY 20	AY 21	AY 22	AY 23	AY 24
End of First year	1,948	1,065	2,178	2,636	2,923	5,007	5,560	7,049	8,236	9,099	10,681	11,759	14,603
One year later	2,047	1,103	2,323	2,547	2,980	4,552	5,276	6,951	7,661	8,147	10,138	11,137	
Two years later	2,040	1,050	2,293	2,535	2,998	4,660	5,225	6,981	7,588	8,075	10,050		
Three years later	1,993	1,116	2,289	2,579	3,017	4,648	5,231	6,966	7,401	7,935			
Four years later	2,030	1,080	2,316	2,578	3,014	4,656	5,237	6,883	7,331				
Five years later	2,039	1,093	2,323	2,562	3,028	4,656	5,124	6,875					
Six years later	2,040	1,098	2,327	2,566	3,007	4,669	5,172						
Seven years later	2,049	1,094	2,334	2,567	3,005	4,666							
Eight years later	2,055	1,106	2,335	2,575	3,007								
Nine years later	2,061	1,108	2,339	2,587									
Ten years later	2,059	1,108	2,335										
Eleven years later	2,060	1,113											
Twelve years later	2,061												

Gross Unpaid Losses and Loss Adjustments Expenses

(₹ in crore)

As at March 31, 2024	AY 2012 & Prior	AY 13	AY 14	AY 15	AY 16	AY 17	AY 18	AY 19	AY 20	AY 21	AY 22	AY 23	AY 24
End of First year	515	516	915	1,246	1,115	2,936	2,855	3,167	4,426	5,487	5,383	6,270	8,102
One year later	344	264	522	527	593	835	1,090	1,641	2,100	2,455	2,670	3,350	
Two years later	242	146	366	349	425	524	861	1,078	1,731	1,938	1,881		
Three years later	157	168	289	314	335	437	762	897	1,272	1,509			
Four years later	155	107	272	251	265	385	686	667	990				
Five years later	142	100	241	193	259	335	433	502					
Six years later	123	93	217	180	207	292	414						
Seven years later	114	52	209	154	168	228							
Eight years later	103	59	195	130	137								
Nine years later	103	53	176	109									
Ten years later	95	48	177										
Eleven years later	90	47											
Twelve years later	85												

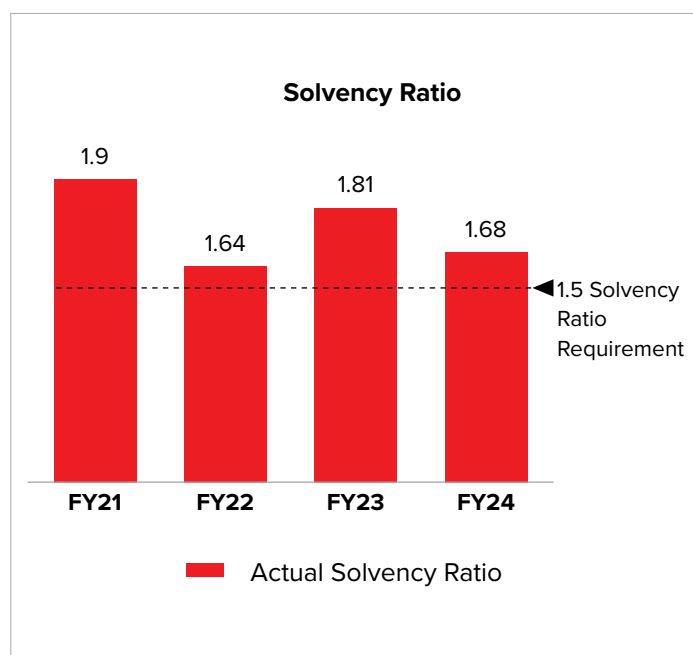
Note:

1. Pool claims and large losses wherein the Company's net retention are low have been excluded from table above.
2. Table includes claims development pertaining to acquired entity i.e. HDFC ERGO Health Insurance (formerly Apollo Munich Health Insurance Limited) is included from AY 2013-14. The claims development pertaining to HDFC General Insurance Limited (formerly L&T General Insurance Company Limited) has been excluded to avoid any distortion in pattern.
3. For Crop and Weather line of business, the Accident Year corresponds to the year in which Premium is written.

2.4 Solvency

An insurance company needs to maintain financial assets or cash flow to meet its claims obligations as they fall due. The solvency ratio is a key metric used to measure an insurance company's financial health, i.e., the ability to meet its claims obligations, and indicates whether a company's cash flow is sufficient. An insurance company is considered to be solvent if its assets are adequate and liquid to pay off claims or liabilities as and when they arise. Thus, an insurance company's solvency ratio indicates its claim-paying ability – the higher the solvency ratio, the better the ability to pay claims.

As on March 31, 2024, the Company had a solvency ratio of 1.68 times, as against the minimum regulatory requirement of 1.5 times.



3. Governance

3.1. Risk management

The Company has a robust and integrated enterprise-wide Risk Management Framework (RMF) that identifies, assesses, manages, and mitigates all relevant risks in the Company's operating environment. The RMF works at all levels across the Company and is a proactive institution-wide programme. It has been aligned and integrated with business processes. It covers all relevant risks, including strategic risks – duly considering environmental, social and governance (ESG) aspects, operational risks, investment risks, insurance risks, and information and cyber security risks. The Company's risk strategy is embedded in its business planning process.

Under the RMF, periodic risk exposure assessments are conducted based on the impact and likelihood of a risk's occurrence.

The Risk Management Committee of Directors oversees the Company's risk management. The board-approved risk management policy and manual provide the framework and guidelines for managing and mitigating all risks associated with the Company's business. The Risk Management Committee comprehensively reviews risk performance at its quarterly meetings.

The Company's investment function is overseen by the Investment Committee, which is constituted by the Board of Directors. The Board-approved investment policy and the standard operating guidelines provide the framework for managing and mitigating the risks associated with investments. The Investment Committee and the Board of Directors comprehensively review the investment portfolio and its performance at quarterly meetings.

The Company also assigns critical importance to information and cyber security risks. Accordingly, it has an Information Security and Business Continuity framework within the RMF that ensures all information assets are adequately protected by instituting required controls. These controls are assessed periodically to determine their adequacy and effectiveness. The Company is certified in ISO27001:2013 (Information Security Management Standard) and ISO22301:2019 (Business Continuity Management Standard).

Further, the Company constantly endeavours to improve its information and cyber security posture given the dynamic and complex cyber security threat landscape.

The Internal Audit function is an independent function of the Company. Risk-based audits of processes and branches are conducted as per the annual audit plan

approved by the Audit and Compliance Committee (ACC) of Directors. The planning and conduct of internal audits are focused on assessing the existence and design of controls and providing reasonable assurance on the operating effectiveness of internal controls. Key observations arising out of internal audits are presented to the ACC periodically. All audit findings are tracked and monitored to confirm the implementation of remediation plans.

3.2. Risk and loss mitigation

The Company has a Board-approved Anti-Fraud Policy, which embeds a Fraud Management Framework to minimise fraud and other irregularities through proactive fraud detection mechanisms.

The Company has an independent risk and loss mitigation department that implements this framework. The department is responsible for taking all possible steps to prevent, detect and mitigate risks emanating from various types of fraud attempted to be perpetrated against the Company.

It employs various automated tools, such as predictive modelling, analytical engines, and AI-based solutions, to flag claims suspected to be fraudulent. The department also investigates whistle-blowers' complaints and ensures appropriate action is taken. The department deploys cyber and forensic expertise to investigate important cases. It also initiates recoveries of stolen assets and takes legal action against fraudsters.

The Fraud Monitoring Committee at the executive management level and the Risk Management Committee of the Board of Directors periodically deliberate on material fraud events and undertake necessary remedial actions or advise on preventive actions.

3.3. Environmental, Social, and Governance (ESG)

The Company considers sustainability a critical part of the overall governance framework. The Company has developed an ESG policy and framework to embed ESG in overall operations and has established adequate processes to monitor the implementation of the ESG framework in the Company. The Company's Governance structure and processes strive to promote accountability, transparency, and ethical behaviour.

The Company believes that it is crucial to build awareness about ESG amongst employees. Hence, it continuously engages with employees through relevant training on ESG aspects on a periodic basis. These trainings assist the Company in managing complexity and remaining focused on long-term value creation with sustainable future growth.

Environment

The Company believes in the importance of environmental sustainability for long-term development. It is a constant endeavour to be proactive about environmental sustainability in its business practices and products.

During FY 2023-24, several initiatives have been undertaken to help deliver on environmental ambitions, to name a few:

- The Company has installed solar panels in eight schools and two hospitals across various locations through its CSR initiatives since inception.
- To minimise energy consumption across offices and branches, employees are encouraged to adhere to being in office only during business hours. In addition to eliminating excess energy consumption via central cooling and lighting systems, this practice also has a positive impact on enabling employees to manage work-life balance.
- The Company also incentivises opting for Electric Vehicles (EVs) under the Company Owned Vehicle Policy for eligible employees based on respective grades.

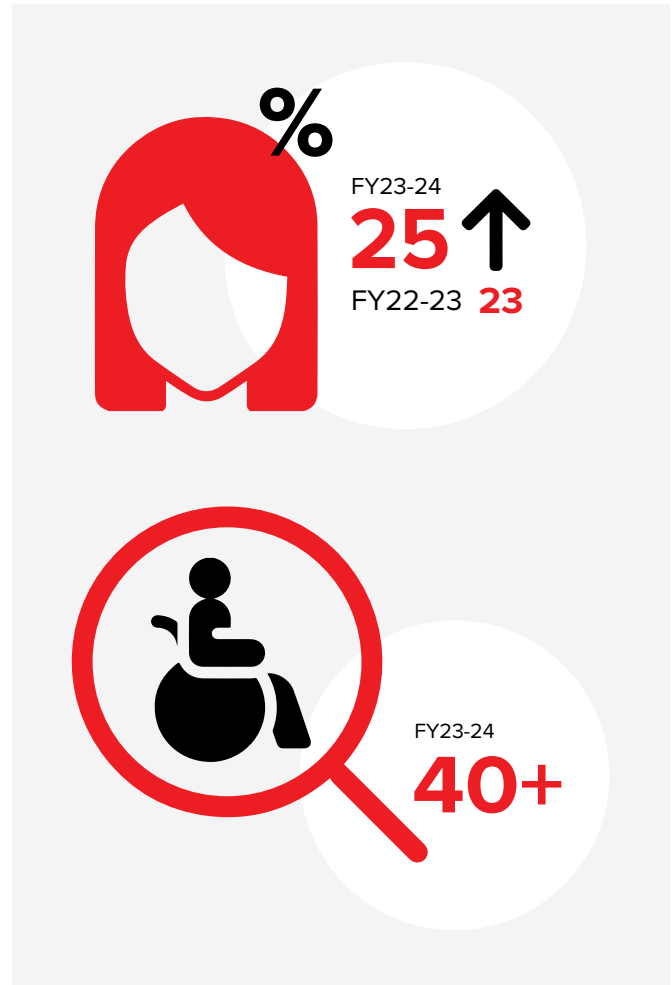
The objective is to decrease paper consumption by implementing e-forms, transitioning to online documentation, and leveraging an assortment of digital innovations across product offerings and customer service. In FY 2023-24, over 90% of retail policies were issued digitally.

Social

One of the key contributors to the Company’s success over the last two decades has been its commitment to social capital for improving the lives of people around us through products, business practices, and social initiatives. The Company has fair, inclusive, and empowering workplace policies that encourage all employees to unleash their potential. The Company is keen to inculcate a culture of Diversity and Inclusive behaviour in the organisation. Several projects have been launched, such as Project Purple for hiring differently-abled people, Nari Shakti to encourage women to take up surveyor roles which were traditionally done by men, and Project Shakti for promoting overall gender diversity across the organisation.

The Company firmly believes in creating an environment where individuals from all walks of life can thrive, contribute their unique perspectives, and realise their fullest potential. The Company wants to create a diverse and inclusive organisation where everyone’s unique experiences are valued, and all work together for success. For FY 2023-24, the percentage of women in the overall workforce of the Company was 25% vis-à-vis 23% in FY 2022-23. The Company also hired over 40 differently abled employees in FY2023-24.

Corporate Social Responsibility (CSR) is an integral part of HDFC ERGO’s operations. It reflects the Company’s sense of responsibility towards the community and environment in which the Company operates. It entails a continuous commitment to contributing to the economic development of the society and promoting sustainable livelihoods. The Company’s CSR initiatives of FY 2023-24 are expected to reach more than 7 lakh lives.



Governance

The Company’s corporate governance has always been about promoting the stability of long-term outcomes, where risks and financial outcomes are focused on and disclosed on a periodic basis.

The Company’s governance structures and processes strive to promote accountability, transparency, and ethical behaviour. The Board of Directors bring a combination of executive experience and skills aligned with business and strategy. The Board oversees the Company through seven sub-committees of the Board of Directors, mostly chaired by Independent Directors.

CSR

The Company is committed to serving society and has aligned its CSR interventions under four major pillars. FY 2023-24 initiatives under these pillars are as given below:



Education

- Through its flagship programme of government school reconstruction, 'GAON MERA', the Company has revamped two new government schools and completed two more in FY24, cumulatively impacting more than 1,200 students.
- The Company has also contributed towards improving the infrastructure facilities of educational institutions, estimated to benefit 800 students.



Healthcare (Niramaya)

- In FY24, the Company commenced reconstruction and upgradation of one government hospital and completed two, aiming to serve ~ 3.7 lakh people with improved facilities.
- The Company has funded 2084 critical surgeries for the underprivileged in FY24.
- Interventions towards cancer care were undertaken in rural areas by setting up cancer diagnostic labs and upgradation of facilities in cancer hospitals, expected to benefit over 7,000 patients.
- Mobile Medical Vans and health camps were deployed in rural and tribal areas to extend medical facilities, benefitting ~ 70,000 people.



Women's Welfare (Roshini)

- Over 1,000 destitute women were supported with sustainable livelihood solutions and capacity building in remote areas of West Bengal.
- The Company has made forays in supporting ~ 2,000 women in the North East and Tamil Nadu through livelihood enhancement interventions vide entrepreneurship development and climate resilient farm practices programmes.
- The Company also supported 35 Women Collectives through solar-powered enterprises, thereby enabling 320 women to earn better livelihoods.
- The Company also upgraded the skills of 350+ Asha Workers to enable them to graduate to nursing assistants.
- Supplementary education through learning centres was provided to 1,100 girls, with an aim to get them back to the formal education system.



Road Safety

- The Company has adopted two high-fatality blackspots on the Karnataka Silk Board Highway and transformed them into 'Zero Fatality Corridors' through tactical urbanism, benefiting ~ 2.6 lakh commuters.
- The Company has also set up a training centre at Indore RTO to provide road safety training to new licence applicants through physical training and a two-wheeler simulator learning experience, which has benefitted over 9,000 prospective motorists.



Employee volunteering

- In its endeavour to establish a culture of volunteering within the organisation and increase its social footprint, the Company furthered its volunteering programme – 'SAATHI'. Under this programme, the employees have volunteered for over 40,000 hours through various activities in areas, like environment, inclusiveness, women's welfare, healthcare, elderly care, children's welfare, animal welfare, and road safety. The employees participated both physically and virtually. The Company dedicated the week of 21st to 27th September 2023, as Volunteering Week, during which employees across the country came together to clock over 23,000 volunteering hours.

4. Nurturing talent

The Company's efforts were channelled towards enhancing employees' capabilities by creating a workplace that works for all. The Company introduced additional facets to the skill development programmes while implementing initiatives that nurture collaboration, equity, and well-being.

With the mission to 'get future-ready,' the Company set in motion 'The Impact Leadership Development Programme (ILDLP),' a custom-designed executive education Programme in partnership with the Indian School of Business (ISB) for senior talent. The one-year journey enables senior talent in the Company to evolve from a 'Business Leader' to an 'Impact Leader' and equips them with a holistic worldview of emerging societal and business scenarios. The Company's efforts received widespread accolades, and it was recognised as a Future Ready Organisation at the ET Future Forward Conference.

Last year, the Company had partnered with Great Manager

Institute® to build the Pivot+ programme to equip people managers with the right skills as they undergo a high-growth development journey and certification. This flagship Manager Capability development programme had another successful year, with the second batch recording commendable results. In acknowledgement of the multiple leadership initiatives, the Company was recognised as a Leadership Factory of India by the Great Manager Institute.

WINspiration added another dimension to its already enriched offerings. In addition to having the WeLead alums as mentors for high-performing women colleagues in middle management, the Company further enhanced and polished WINspiration by bringing in external specialists to train and mentor high-potential women colleagues. ET Femina awarded the Company for being one of the Best Organisations for Women for its continuous focus on diversity-led initiatives.

The Company introduced the Purple Hour—Diversity Sensitisation Programme, an extension of Project Purple. This initiative promotes the rights and well-being of the specially-abled at every developmental level. The Company envisages inculcating a culture of responsibility, building awareness, and driving impactful actions through Purple Hour. Drawing external attention for the Company’s efforts towards holistic employee wellbeing, the Company was recognised with two awards - HR Excellence in Culture Evolution and Excellence in Employee Wellbeing at CHRO Vision and Innovation Summit and Awards. Besides, the Company was also recognised among Progressive Places to Work by ET Now.

The Company also launched Love All, an open-source initiative to promote inclusivity in organisations and society. It created a unique set of assets that includes a film for the visually impaired, a playbook, braille-enabled posters, and game cards as conversation starters. These are free for any organisation to use.



To democratise learning for all, the Company unveiled VidyaaVriksh Learning Academy. VidyaaVriksh is designed on Focused Learning, Accessible Education, a

Lifelong Learning Culture, and Courses for All. Reiterating the Company’s commitment to internal and external stakeholders, the academy offers learning opportunities for employees, partners, and the community.



The Company identified well-being as a core differentiator and designed experiences that significantly impacted the employee well-being and happiness quotient. The Company formulated and opened wellbeing-first offices that host first-of-its-kind well-being corners, counselling rooms, gaming areas, libraries, gyms, multi-style workstations, and much more.

Taking the well-being mandate truly global, the Company opened the ‘Habit of Life’ well-being index for the public to take the survey. This well-being index helps individuals assess their well-being across six pillars: physical, intellectual, emotional, social, workplace, and subjective vitality, thereby helping to measure the individual and collective well-being quotient. For the collective employee-first efforts towards multiple touchpoints, the Company was conferred with five awards, including Best Flexible Working Programme, Best Workspace Design, Best Diversity & Inclusion Programme, Best Women-in-Leadership Programme, and HR Team of the Year at Employee Happiness Awards 2023 and Best Induction TISS LeapVault CLO Award at CLO Chief Learning Officers Summit India.

5. Brand HDFC ERGO

Aligned with IRDAI’s vision of ‘Insurance for All by 2047,’ the Company’s marketing and communication activities during FY 2023-24 were primarily focused on fostering insurance awareness and inclusion. The Company launched various

campaigns to acquire customers' mindshare and position itself as a digital-first insurer.

5.1. Insurance awareness

State Insurance Awareness Campaign:

As the 'Lead Insurer' for Tamil Nadu and Puducherry under IRDAI's State Insurance Awareness initiative, the Company launched various engagement initiatives, like medical camps, rural outreach programmes, etc., to enhance insurance awareness in these regions. Additionally, the Company launched a first-of-its-kind 'Kapitu Varaam' or 'Insurance Week' initiative, involving 30 non-life insurers, to promote insurance awareness at the grassroots level.

#KaroSabkolnsure:

The Company launched the #KaroSabkolnsure campaign, around the festival of Raksha Bandhan to nudge individuals to help insure the health of their domestic staff, like gardeners, cooks, maids, etc., who enrich their lives every day. This film was recognised as the best Rakhi campaign by leading media publications like ET Brand Equity, Afaqs, Adgully, etc.



Insurance Awareness Awards – Junior Quiz:

The Company hosted the 8th edition of its Insurance Awareness Awards - Junior Quiz in September 2023. This year, the quiz reached out to over 5,50,000 students nationwide, and 4,410 students from the 8th and 9th standards of 2,205 schools across 150 cities of India participated. Along with prize money, this year, the finalists of the quiz were also rewarded with a surprise visit to the ISRO National Remote Sensing Centre (NRSC) Outreach Facility at Jeedimetla, Hyderabad, to give them a glimpse into India's recent advancements in the space programme. Encouraged by the success of this quiz at the national level, the Company launched its first state-level quiz in vernacular language in Tamil Nadu and Puducherry in March 2024. 211 teams from 124 Government schools in 42 districts of Tamil Nadu and Puducherry participated in this quiz.

5.2. Acquiring customers' mindshare



Launch of here app:

The Company launched India's first insurer-led ecosystem, the here app, a unique proposition that goes beyond traditional insurance, focusing on health, wellness, and mobility to address real customer issues. This app garnered huge appreciation from the media and social media communities and has won several industry accolades, including Innovative Mobile App of the Year at the ET DigiPlus Awards, Best Customer Experience Initiative, and Best Digital Transformation Initiative at InsureNext Conference & Awards.

Revolutionising the health insurance sector:

The Company launched its marketing campaign "Behtar bana aur behtar", announcing six new products and two service upgrades to reiterate its commitment to making health insurance accessible, affordable, and convenient.

Brand promotion through influencer marketing:

The Company launched heart-warming films featuring celebrity couples to promote motor insurance and health insurance, which garnered 9 million+ social media views.

5.3. Diversity & Inclusion and employee well-being

LoveAll:

The Company kicked off the 'Love All' movement with a core message of building a workplace that invites and creates space for all to thrive. The campaign was launched through a TV panel discussion, followed by promotions through PR, print media, digital media, and social media.

Habit of Life:

The Company hosted a wellness confluence involving reputed organisations to promote holistic well-being. The key findings of a well-being survey from 50,000+ respondents were launched at the event, based on the philosophy of 'Making India a Healthy Place to Work'.

Positive Brand Visibility:

The Company built a positive media image and Share of Voice* (SOV) during FY 2023-24 and ranked 2nd in SOV*, compared to 4 during FY 2022-23. With over 800 positive media hits and 500+ coverage in CAT A coverages, the Company has gained 87%⁺ positive news during the year.

The brand's social media followers continue to grow, with the average engagement rate of the brand being 8% on Facebook, 4.25% on Twitter, 3.50% on Instagram, and 8.50% on LinkedIn.

**Share of Voice (SOV) is the volume of articles that appear in print and online media.*

**Advertising Value Equivalency (AVE) is the estimated cost for a similar ad volume.*

^From April to Feb 2024

6. Performance highlights

6.1. Competitive strengths

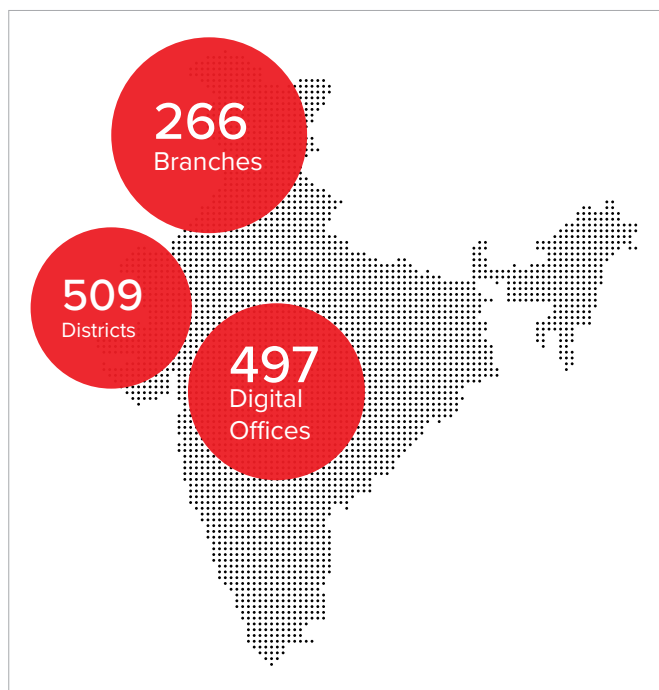
Large agency force

The Company has a large agency channel with ~1,09,279 multi-line agents, including the Point of Sales Personnel (POSPs).

Increased presence in districts

The Company follows a multi-geography, multi-product, and multi-channel distribution strategy. As of March 31, 2024, the Company has a strong network of 266 branches and 497 digital offices. The Company has a presence in 509 districts.

The Company's geographical and channel expansion strategy is focused on increasing insurance penetration in tier-3 cities and beyond. The Digital Office (DO) has helped increase the Company's presence in upcountry locations and now contributes ~ 6% of the Company's retail business.



Large-scale digital business expansion

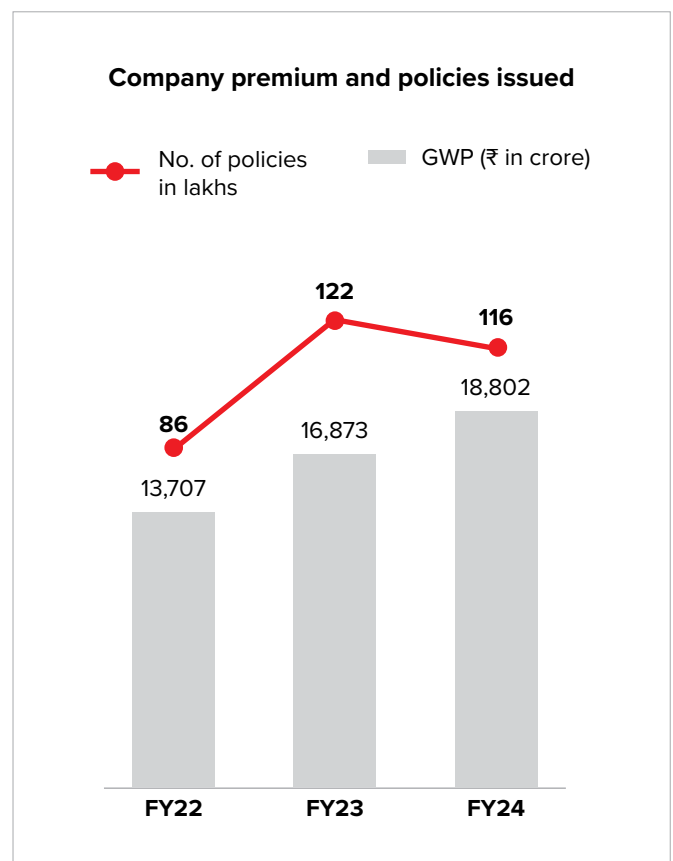
The Company has significantly expanded its digital business by optimising digital marketing and sales, fostering collaborations with digital partners and aggregators, and leveraging robust integration capabilities. This approach, facilitated by seamless customer journeys, diverse product offerings, and personalised propositions, has led to a substantial contribution of approximately ~ 13% to the Company's retail Gross Written Premium (GWP).

Retail health insurance focus

In FY 2023-24, the Company was one of the leading retail health insurers in the industry. The Company's retail health premium was ₹ 3,964 crore with a market share of 9.4%. The Company has an extensive network of more than 13,000 empanelled hospitals and diagnostic centres spread across 590+ districts of India. The Company's flagship products – Optima Secure and Optima Restore – continue to drive the retail health portfolio.

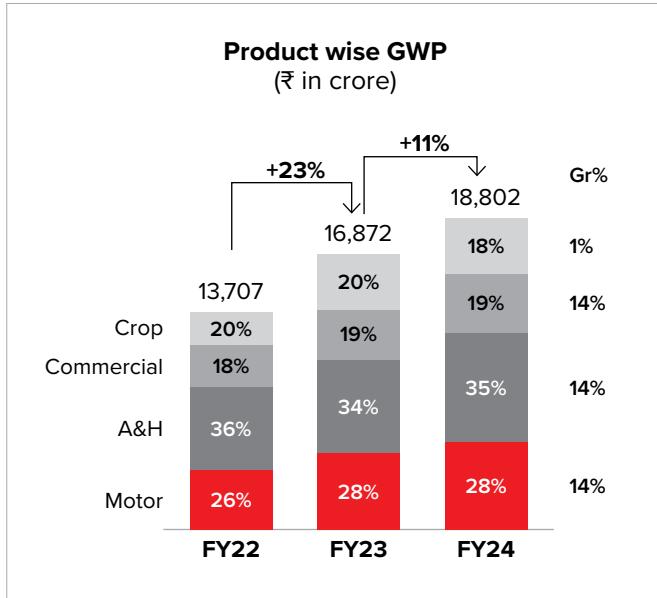
6.2. Business overview

The Company issued 116 lakh policies (NOP) resulting in a Gross Written Premium (GWP) of ₹ 18,802 crore in FY2023-24, with a market share of 6.4% based on GDP. This resulted in a YoY growth of 11.4% (PY: 23.3%)



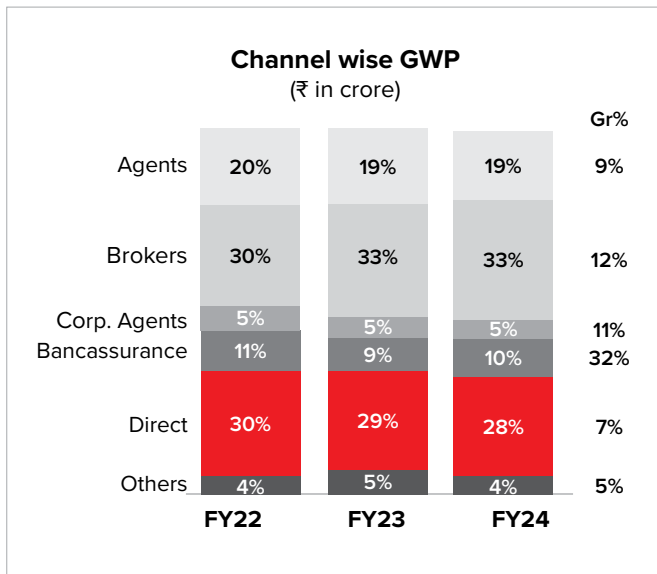
6.3. Premium

The share of motor business contribution is 28% and A&H contribution has increased to 35% as compared to 34% in the previous year.



The Company continues to focus on agency channel with 1,09,279 general insurance agents. Likewise, the Company also leverages its 149 bank and corporate agent partners for distributing its products.

In FY 2023-24, the Company’s retail business grew across geographies through the agency and online channels. Growth in motor business was driven by an uptick in primary sales.



6.4. Claim settlement

In FY2023-24, 53 lakhs (PY: 51 lakh) claims were reported to the Company with a rise of 5%. During FY2023-24, the net claims incurred amounted to ₹ 8,396 crore (PY: ₹ 6,423 crore), an increase of 31% over last year.

The Company’s pay-out ratio (claims paid/claims opening O/s + Claims intimated) for 2023-24 is 95%. (PY: 94%)

The Company has a fair and robust claims management practice. Following its core values, the Company has been able to provide a prompt response and quick claim settlement to all the policyholders. During FY 2023- 24, the Company has paid ~ 5.5 lakh motor claims. The Company has helped the insured manage their Motor Own Damage claims by providing claims servicing across ~ 700 districts of the country. The faster settlement turn-around-times (TAT) and higher settlement rate resulted in a Net Promoter Score (NPS) of 25 in FY24 for motor OD claims.

The Company maintained its focus on serving its A&H customers. The Company endeavours to provide customers with the best claims experience in the industry. In line with this philosophy, the Company has embarked on several initiatives to streamline processes further. During FY 2023-24, the Company has processed ~ 8.4 lakhs in A&H claims. The faster settlement turnaround times (TAT) and higher settlement rates resulted in a Net Promoter Score (NPS) of ~ 55 in FY24.

FUTURE OUTLOOK

According to the International Monetary Fund (IMF), the global economy is anticipated to grow by 3.2% in 2025. These figures fall short of the average growth rate of 3.8% observed from 2000 to 2019. This slowdown is attributed to heightened central bank policy rates aimed at curbing inflation, a reduction in fiscal support amidst high debt levels impacting economic activity, and underlying sluggish productivity growth.

The deceleration in global economic growth, coupled with increased geopolitical uncertainty, casts a shadow over the prospects of the global insurance industry. The Swiss RE Sigma 6/2023 report states that the expected average annual growth rate in total global real premiums for the next two years is only 2.2%, below the trend observed before the pandemic. The ongoing conflict in the Middle East and its potential impacts on inflation and market volatility may further exacerbate insurers' challenges in maintaining their capital positions.

Domestically, India is poised for robust growth in the fiscal year 2024-25 despite facing global challenges. The Finance Ministry, in its February 2024 monthly economic review, highlighted factors such as favourable winter crop yields, ongoing strength in manufacturing, and resilience in the service sector as pillars supporting economic activity in the upcoming fiscal year. The Monetary Policy Committee (MPC), in its June 2024 meeting, projected a real gross domestic product (GDP) growth of 7.2% for FY 2024-25. These growth estimates position India among the fastest-growing major economies globally.

The overall macroeconomic outlook for India remains cautiously optimistic, buoyed by enhancements in macroeconomic policy frameworks, significant investments in infrastructure, and robust balance sheets maintained by banks and corporations.

Economic expansion, a burgeoning middle class, technological innovation, and regulatory backing are key drivers propelling India's insurance market's growth. The industry's adaptability in embracing digitalisation across its operations and distribution, coupled with robust risk management practices, underpin the resilience of the Indian insurance sector.

Swiss RE has predicted a significant growth trajectory for India's insurance market in the next five years (2024-2028). The total insurance premiums are expected to increase by 71% in real terms, which is much higher than the global (2.4%), emerging (5.1%), and advanced (1.7%) market averages. This growth rate positions India as the leader in the expansion of the insurance sector among G20 countries. Non-life premiums are estimated to increase at an average annual rate of 8.3% from 2024 to 2028, driven by economic expansion, distribution channel enhancements, government support, and favourable regulatory conditions.

The Indian government and insurance regulator have initiated various measures to bolster industry growth. Important among these is the mission "Insurance for all by 2047". The Insurance Regulatory and Development Authority of India (IRDAI) spearheads efforts to streamline the nation's insurance sector. One notable endeavour is introducing the 'Bima Trinity' product, designed to address three primary objectives: addressing the low levels of insurance penetration, offering affordable and comprehensive insurance solutions tailored to diverse needs, and simplifying and enhancing the efficiency of the claim settlement process. This comprehensive strategy is anticipated to yield significant advancements in the Indian insurance landscape. The industry is poised to sustain its growth momentum, benefiting from digital infrastructure, innovative practices, positive consumer sentiment, and supportive regulatory conditions.

The Company holds an optimistic view regarding the future economic growth prospects domestically. It anticipates expansion and penetration of the general insurance sector due to regulatory reforms in the foreseeable future. To maintain a competitive edge, the Company will persist in its commitment to innovation and the adoption of technological advancements. Furthermore, the Company aims to enhance its offerings for policyholders and stakeholders in the upcoming period.

INDEPENDENT AUDITOR’S REPORT

To the Members of HDFC ERGO General Insurance Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of HDFC ERGO General Insurance Company Limited (the “Company”) which comprise the Balance sheet as at 31 March 2024, the Revenue Account, the Profit and Loss account and the Receipts and Payments Account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the “financial statements”).

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 in accordance with the provisions of the Insurance Act, 1938 (the “Insurance Act”), the Insurance Regulatory and Development Authority Act, 1999 (the “IRDA Act”), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors’ Report of Insurance Companies) Regulations, 2002 (the “IRDA Financial Statements Regulations”) and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India (“IRDAI”/ the “Authority”) and the Companies Act, 2013, as amended (the “Act”), to the extent applicable, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2024;
- b. in the case of Revenue Account, of the operating profit

in so far as it relates to Fire Insurance and Miscellaneous Insurance Revenue Account; and operating loss in so far as it relates to Marine Insurance Revenue Account for the year ended on that date;

- c. in the case of Profit and Loss Account, of the profit for the year ended on that date; and
- d. in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 (the “ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations, 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 on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement were of most significance in our audit of the financial statements of the current year. 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.

Information Technology (IT) systems	
Key audit matter	How the matter was addressed in our audit
The Company is highly dependent on data from various information technology systems including automated controls to process and record large volume of transactions, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.	Our audit procedures included the following: <ul style="list-style-type: none"> • We involved our IT specialists for assessment of the IT systems and controls over financial reporting; • Understood General IT Controls (GITC) over key financial accounting and reporting systems (referred to as “in-scope systems”) which covered access controls,

Independent Auditors' Report (Continued)

<p>Due to the pervasive nature, complexity and importance of the impact of the IT systems and related control environment on the Company's financial statements, we have identified testing of such IT systems and related control environment as a key audit matter for the current year audit.</p>	<p>program/ system changes, program development and computer operations;</p> <ul style="list-style-type: none"> • Understood the IT infrastructure i.e. operating systems and databases and related data security controls; • Tested controls over IT infrastructure covering user access including privilege users and system changes; • Evaluated design and operating effectiveness for in-scope systems and application controls which covered segregation of duties, system interfaces, completeness and accuracy of data feeds and system reconciliation controls; and • Evaluated policies and strategies adopted by the Company in relation to operational security of key information infrastructure, data and client information management and monitoring and crisis management.
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Valuation and impairment determination of Investments (31 March 2024: ₹ 257,618,761 31 March 2023: ₹ 222,416,086)
(₹ in '000)

Refer Schedule 8 and 8A of the standalone financial statements and refer note 2(p) and 10 of Schedule 16 on accounting policy

Key audit matter	How the matter was addressed in our audit
<p>The Company's investment portfolio has been bifurcated into Policyholders investments and Shareholders investments in terms of IRDAI guidelines. Total investments represent 88.78 percent of the Company's total assets as at 31 March 2024.</p> <p>Investments are valued in accordance with the provisions of the Insurance Act, the IRDA Financial Statements Regulations, orders/ directions/ circulars issued by IRDAI and / or policies as approved by the Board of Directors of the Company (collectively the "Valuation Policy").</p> <p>Investments amounting to ₹ 257,618,761 ('000) are valued as per their accounting policy, based on which:</p> <ul style="list-style-type: none"> • the unrealized gains/ losses arising due to changes in fair value of listed equity shares, additional Tier I bonds and mutual fund units are recorded in the "Fair Value Change Account" in the Balance Sheet; and • debt securities and unlisted equity shares are valued at historical cost. <p>Investments in listed equity shares, additional Tier I bonds and mutual funds does not represent higher risk of material misstatement, however, is considered to be a key audit matter due to its materiality to the financial statements.</p> <p>Further, investments in debt securities and unlisted equity shares are assessed for impairment as per the Company's investment policy which involves significant management judgement. There is increased economic stress on account of external factors, which may impact the determination of impairment of these investments.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understood the Company's process and tested the controls on the valuation of investments; • Evaluated design, implementation and operating effectiveness of key controls over the valuation process including impairment, including management's review and approval of the estimates and assumptions used for the valuation including key authorization and data input controls; • Evaluated appropriateness of valuation methodologies with reference to the Valuation Policy; • Performed independent price-verification for samples using external quoted prices and by agreeing the management's observable inputs used in valuation techniques to external data for listed and unlisted investments on test check basis; • Examined movement and appropriateness of accounting in Fair Value Change Account for specific investments; • For selected samples of investments measured at historical cost, we have tested the Company's assessment of impairment and evaluated whether the same was in accordance with the Company's impairment policy; and • Evaluated appropriateness and reasonableness of methodology, assumptions and judgements used by management with reference to the Company's investment

Independent Auditors’ Report (Continued)

<p>Accordingly, valuation of investments (including impairment assessment) was considered to be one of the areas which required significant auditor attention and was one of the matters of most significance in the financial statements.</p>	<p>valuation and impairment assessment as per policy.</p>
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Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the financial statements and auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s and Board of Directors’ Responsibilities for the Financial Statements

The Company’s Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, net surplus/deficit, profit/loss and receipts and payments of the Company in accordance with the accounting principles generally accepted in India, including the provisions of the Insurance Act as amended by Insurance Laws (Amendment) Act 2015 read with the IRDA Act, the IRDA Financial Statements Regulations, orders/directions/circulars issued by IRDAI in this regard and Accounting Standards specified under Section 133 of the Act to the extent applicable. 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 statements 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 and Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

Independent Auditors' Report (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Other Matter

The actuarial valuation of liabilities for non-life policies is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of the outstanding claims reserves that are estimated using statistical methods, Premium Deficiency Reserve ("PDR"), Incurred but Not Reported ("IBNR") including Incurred but Not Enough Reported ("IBNER") as at 31 March 2024 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by IRDAI and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for outstanding claims reserves that are estimated using statistical methods, PDR, IBNR (including IBNER) reserves, as contained in the financial statements of the Company.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by IRDA Financial Statements Regulations, we have issued a separate certificate dated 16 April 2024 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
- 2A. As required by paragraph 2 of Schedule C to the IRDA Financial Statements Regulations read with 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 Company's accounts are centralized at Registered Office, no returns for the purpose of our audit are prepared at the branches and other offices of the Company
 - d. The Balance Sheet, the Revenue Account, the Profit and Loss account and the Receipts and Payment account 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

Independent Auditors' Report (Continued)

under Section 133 of the Act, to the extent they are not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations and orders/ directions/ circulars issued by IRDAI in this regard.

- f. In our opinion, investments have been valued in accordance with the provisions of the Insurance Act, the IRDA Financial Statements Regulations, the IRDA Act and/or orders/directions issued by the IRDAI in this regard
- g. In our opinion, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards specified under Section 133 of the Act to the extent they are not inconsistent with the accounting principles as prescribed in the IRDA Financial Statements Regulations and orders/directions issued by the IRDAI in this regard.
- h. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- i. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. 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:

- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its financial statements - Refer Note 38 to the financial statements.
- b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. The Company did not have any outstanding long-term derivative contracts – Refer Note 35 to the financial statements.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – Refer Note 39 to the financial statements.
- d.(i) The management has represented that, to the best

of its knowledge and belief, as disclosed in the Note 37 to the financial statements, 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:

- 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.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 37 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed 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 (i) and (ii) above, contain any material misstatement.

- e. The interim dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act.
- f. Based on our examination which included test checks, the company has used accounting softwares for maintaining its books of account which, along with access management tools, as applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Independent Auditors' Report (Continued)

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act read with Section 34A of the Insurance Act,

1938. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act read with Section 34A of the Insurance Act, 1938. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For G. M. Kapadia & Co.

Chartered Accountants
Firm's Registration Number:
104767W

Rajen Ashar

Partner
Membership No. 048243
ICAI UDIN: 24048243BKFFRY6647

Place: Mumbai
Dated: 16 April 2024

For B S R & Co. LLP

Chartered Accountants
Firm's Registration Number:
101248W/W-100022

Ritesh Goyal

Partner
Membership No. 115007
ICAI UDIN: 24115007BKFJOW1418

Place: Mumbai
Dated: 16 April 2024

Annexure A to the Independent Auditor's Report on the financial statements of HDFC ERGO General Insurance Company Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of HDFC ERGO General Insurance Company Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the

extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial

controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

The actuarial valuation of liabilities for non-life policies is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of the

outstanding claims reserves that are estimated using statistical methods, Premium Deficiency Reserve (the "PDR"), Incurred but Not Reported ("IBNR") including Incurred but Not Enough Reported ("IBNER") as at 31 March 2024 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by IRDAI and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for outstanding claims reserves that are estimated using statistical methods, PDR, IBNR (including IBNER) reserves, as contained in the financial statements of the Company.

Our opinion is not modified in respect of this matter.

For G. M. Kapadia & Co.

Chartered Accountants
Firm's Registration Number:
104767W

For B S R & Co. LLP

Chartered Accountants
Firm's Registration Number:
101248W/W-100022

Rajen Ashar

Partner
Membership No. 048243
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Ritesh Goyal

Partner
Membership No. 115007
ICAI UDIN: 24115007BKFJOW1418

Place: Mumbai
Dated: 16 April 2024

Place: Mumbai
Dated: 16 April 2024

INDEPENDENT AUDITOR'S CERTIFICATE

To the Members of HDFC ERGO General Insurance Company Limited

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated 16 April 2024)

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) Regulations 2002, (the "IRDA Financial Statements Regulations") read with Regulation 3 of the IRDA Financial Statements Regulations

Management and Board of Directors' Responsibility

2. The Company's Management and Board of Directors are responsible for complying with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations and orders/circulars/directions issued by the Insurance Regulatory and Development Authority of India ("IRDAI" / the "Authority") which includes (i) preparation of management report consistent with the financial statements; (ii) compliance with the terms and conditions of the registration stipulated by the Authority; (iii) maintenance and custody of cash balances and maintenance of investments with custody and depository; and (iv) ensuring that no part of the assets of the policyholders' funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, relating to the application and investments of the Policyholders' Funds. This responsibility includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring the aforesaid and applying an appropriate basis of preparation; and making estimates and judgments that are reasonable in the circumstances.

Independent Auditor's Responsibility

3. Pursuant to the requirement of the IRDA Financial Statements Regulations, our responsibility for the purpose of this certificate, is to provide reasonable assurance

on the matters contained in paragraphs 3 and 4 of Schedule C of the IRDA Financial Statements Regulation read with Regulation 3 of the IRDA Financial Statements Regulations for the year ended 31 March 2024.

4. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI) in so far as applicable for the purpose of this Certificate, which include the concepts of test checks and materiality. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements".

Opinion

6. In accordance with the information and explanations and representations given to us and to the best of our knowledge and belief and based on our examination, of the books of account and other records maintained by the Company for the year ended 31 March 2024, we certify that:
 - a. We have reviewed the Management Report attached to the financial statements for the year ended 31 March 2024, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;
 - b. Based on information and explanations received during the normal course of our audit, management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, we certify that the Company has complied with the terms and conditions of registration stipulated by the IRDAI;
 - c. We have verified the cash balances to the extent considered necessary, and securities relating to the Company's investments as at 31 March 2024, by actual inspection or on the basis of certificates/ confirmations received from the concerned branches and /HO personnel of the company,

of the company, Custodian and / or Depository Participants appointed by the Company, as the case may be. Further, we have also relied upon the management's certificate for cash/cheque balances as at 31 March 2024;

- d. We have been given to understand by the management that the Company is not a trustee of any trust; and
- e. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, relating to the application and investments of the Policyholders' Funds.

Restriction on Use

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 G. M. Kapadia & Co.

Chartered Accountants
Firm's Registration Number:
104767W

For B S R & Co. LLP

Chartered Accountants
Firm's Registration Number:
101248W/W-100022

Rajen Ashar

Partner
Membership No. 048243
ICAI UDIN: 24048243BKFFRY6647

Ritesh Goyal

Partner
Membership No. 115007
ICAI UDIN: 24115007BKFJOW1418

Place: Mumbai
Dated: 16 April 2024

Place: Mumbai
Dated: 16 April 2024

FORM B - BS

IRDAI Registration No: 146

Date of Registration with the IRDAI: July 09, 2010

Balance Sheet as at March 31, 2024

Particulars	Schedule	As at March 31, 2024 (Audited) (₹ '000)	As at March 31, 2023 (Audited) (₹ '000)
SOURCES OF FUNDS			
SHARE CAPITAL	5	7,149,683	7,127,800
SHARE APPLICATION		—	8,769
RESERVES AND SURPLUS	6	34,373,503	32,026,002
FAIR VALUE CHANGE ACCOUNT - SHAREHOLDERS		561,014	56,360
FAIR VALUE CHANGE ACCOUNT - POLICYHOLDERS		2,396,174	242,013
BORROWINGS	7	10,750,000	8,290,000
DEFERRED TAX LIABILITY (Refer note 15 of Schedule 16)		—	—
TOTAL		55,230,374	47,750,944
APPLICATION OF FUNDS			
INVESTMENTS - SHAREHOLDERS	8	48,873,236	42,011,314
INVESTMENTS - POLICYHOLDERS	8A	208,745,525	180,404,772
LOANS	9	—	—
FIXED ASSETS	10	4,515,330	3,640,987
DEFERRED TAX ASSET (Refer note 15 of Schedule 16)		409,808	523,078
CURRENT ASSETS			
Cash and Bank Balances	11	2,885,953	3,152,831
Advances and Other Assets	12	24,731,068	20,920,783
Sub-Total (A)		27,617,021	24,073,614
CURRENT LIABILITIES			
PROVISIONS	13	172,107,710	148,692,843
Sub-Total (B)	14	62,822,836	54,209,978
NET CURRENT ASSETS/(LIABILITIES) (C) = (A-B)		(207,313,525)	(178,829,207)
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	15	—	—
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT		—	—
TOTAL		55,230,374	47,750,944

Schedules referred to above and the notes to accounts form an integral part of the financial statements.

Signatures to the Balance Sheet and Schedules 1 to 16

In terms of our report attached of even date

G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No.: 104767W

B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Rajen Ashar
Partner
Membership No.: 048243

Ritesh Goyal
Partner
(Membership No. 115007)

For and on behalf of the Board of Directors

Keki M Mistry
Chairman
(DIN: 00008886)

Renu S. Karnad
Non-Executive Director
(DIN: 00008064)

Oliver Martin Willmes
Non-Executive Director
(DIN: 08876420)

Edward Ler
Non-Executive Director
(DIN: 10426805)

Bernhard Steinruecke
Independent Director
(DIN: 01122939)

Mehernosh B. Kapadia
Independent Director
(DIN: 00046612)

Arvind Mahajan
Independent Director
(DIN: 07553144)

Ameet Hariani
Independent Director
(DIN: 00087866)

Sanjib Chaudhuri
Independent Director
(DIN: 09565962)

Vinay Sanghi
Independent Director
(DIN: 00309085)

Rajgopal Thirumalai
Independent Director
(DIN: 02253615)

Ritesh Kumar
Managing Director & CEO
(DIN: 02213019)

Anuj Tyagi
Joint Managing Director
(DIN: 07505313)

Samir H. Shah
Executive Director & CFO
(DIN: 08114828)

Vyoma Manek
Company Secretary & Chief Compliance Officer
(Membership No.: ACS 20384)

Mumbai
Dated: April 16, 2024

FORM B - PL

IRDAI Registration No: 146

Date of Registration with the IRDAI: July 09, 2010

Profit and Loss Account for the year ended March 31, 2024

Particulars	Schedule	For the year ended March 31, 2024 (₹ '000)	For the year ended March 31, 2023 (₹ '000)
OPERATING PROFIT/(LOSS)			
Fire Insurance		1,007,910	1,229,641
Marine Insurance		(1,286)	(976,202)
Miscellaneous Insurance		1,839,671	6,473,545
		<u>2,846,295</u>	<u>6,726,984</u>
INCOME FROM INVESTMENTS			
Interest, Dividend and Rent – Gross (Refer note 2 (c) of Schedule 16)		2,938,398	2,533,855
Profit on sale of investments		918,027	195,684
Less: Loss on sale of investments		(7,585)	(8,765)
		<u>3,848,840</u>	<u>2,720,774</u>
OTHER INCOME			
		<u>—</u>	<u>—</u>
TOTAL (A)		<u>6,695,135</u>	<u>9,447,758</u>
PROVISIONS (OTHER THAN TAXATION)			
For diminution in the value of investments (Refer note 10 of Schedule 16)		(116,855)	(174,669)
For doubtful debts		21,317	222,536
		<u>(95,538)</u>	<u>47,867</u>
OTHER EXPENSES			
Expenses other than those related to insurance business		82,923	120,325
Employees' related remuneration and welfare benefits (Refer note 11 of Schedule 16)		152,913	126,636
Corporate Social Responsibility Expenses (Refer note 29 of Schedule 16)		8,445	18,661
Bad debts written off		14,115	7,015
Remuneration to directors and others		743,735	433,202
Interest on Debentures		5,022	9,598
Debenture issuance expenses		<u>911,615</u>	<u>763,304</u>
TOTAL (B)		<u>911,615</u>	<u>763,304</u>
PROFIT/(LOSS) BEFORE TAX		<u>5,783,520</u>	<u>8,684,454</u>
Provision for Taxation			
- Current Tax		1,293,539	2,094,328
- Deferred Tax (Refer note 15 of Schedule 16)		113,270	63,531
PROFIT/(LOSS) AFTER TAX		<u>4,376,711</u>	<u>6,526,595</u>
APPROPRIATIONS			
Interim Dividends paid during the year (Refer note 34 of Schedule 16)		2,501,501	2,494,730
Proposed final Dividend		—	—
Dividend Distribution tax		—	—
Transfer to any Reserves or Other Accounts		—	—
Transfer to Debenture Redemption Reserve (Refer Note 33 of Schedule 16)		—	—
Transfer to Contingency Reserve for Unexpired Risks		—	—
Balance of Profit/(Loss) brought forward from previous year		14,500,579	10,468,714
BALANCE CARRIED FORWARD TO BALANCE SHEET		<u>16,375,789</u>	<u>14,500,579</u>
EARNINGS PER SHARE (Basic) (in ₹)		<u>6.12</u>	<u>9.16</u>
EARNINGS PER SHARE (Diluted) (in ₹)		<u>6.11</u>	<u>9.13</u>

(Face Value ₹ 10 per share) (Refer Note 25 of Schedule 16)

NOTES TO ACCOUNTS

16

Schedules referred to above and the notes to accounts form an integral part of the Profit and Loss Account.

Signatures to the Profit and Loss Account and Schedules 1 to 16

In terms of our report attached of even date

G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No.: 104767W

B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors

Keki M Mistry
Chairman
(DIN: 00008886)

Renu S. Karnad
Non-Executive Director
(DIN: 00008064)

Oliver Martin Willmes
Non-Executive Director
(DIN: 08876420)

Edward Ler
Non-Executive Director
(DIN: 10426805)

Rajen Ashar
Partner
Membership No.: 048243

Ritesh Goyal
Partner
(Membership No. 115007)

Bernhard Steinruecke
Independent Director
(DIN: 01122939)

Mehernosh B. Kapadia
Independent Director
(DIN: 00046612)

Arvind Mahajan
Independent Director
(DIN: 07553144)

Ameet Hariani
Independent Director
(DIN: 00087866)

Sanjib Chaudhuri
Independent Director
(DIN: 09565962)

Vinay Sanghi
Independent Director
(DIN: 00309085)

Rajgopal Thirumalai
Independent Director
(DIN: 02253615)

Ritesh Kumar
Managing Director & CEO
(DIN: 02213019)

Anuj Tyagi
Joint Managing Director
(DIN: 07505313)

Samir H. Shah
Executive Director & CFO
(DIN: 08114828)

Vyoma Manek
Company Secretary & Chief Compliance Officer
(Membership No.: ACS 20384)

Mumbai
Dated: April 16, 2024

IRDAI Registration No: 146

Date of Registration with the IRDAI: July 09, 2010

Receipts and Payments Account for the year ended March 31, 2024

Particulars	Schedule	For the year ended March 31, 2024 (₹ '000)	For the year ended March 31, 2023 (₹ '000)
Cash flows from operating activities			
Premium received from policyholders, including advance receipts		214,609,557	196,628,477
Payments to re-insurers, net of commission and claims		(36,401,704)	(23,376,300)
Payments to co-insurers, net of claims recovery		(642,937)	337,644
Payments of claims		(106,776,348)	(91,144,196)
Payments of commission and brokerage		(27,085,952)	(15,793,812)
Payments of other operating expenses		(17,577,694)	(26,208,371)
Corporate Social Responsibility (CSR) expenses		(152,913)	(126,636)
Deposits, advances and staff loans		(256,431)	(322,455)
Income taxes paid (Net)		(2,074,403)	(1,869,785)
Goods and Services Tax paid		(9,077,655)	(9,797,054)
Net cash generated from/(used in) operating activities (A)		14,563,520	28,327,512
Cash flows from investing activities			
Purchase of fixed assets		(1,749,275)	(1,344,298)
Proceeds from sale of fixed assets		22,384	22,902
Purchase of investments		(139,545,317)	(1,035,962,940)
Sale of investments		114,965,471	986,748,329
Rent/Interest/Dividend received		15,007,176	14,573,865
Investments in money market instruments and in liquid mutual funds (Net)		(3,300,404)	9,394,778
Net cash flow from/(used in) investing activities (B)		(14,599,965)	(26,567,364)
Cash flows from financing activities			
Proceeds from issuance of share capital and share premium		494,174	—
Receipt of Share application money pending allotment		(8,769)	8,769
Repayments of borrowing		(740,000)	(800,000)
Proceeds from issuance of borrowing		3,200,000	3,800,000
Interest Paid		(677,661)	(435,589)
Dividend paid (Including dividend distribution tax)		(2,501,501)	(2,494,730)
Net cash flow from/(used in) financing activities (C)		(233,757)	78,450
Effect of foreign exchange rates on cash and cash equivalents (Net) (D)		(1,057)	(1,571)
Net increase/(decrease) in cash and cash equivalents (A + B + C + D)		(271,259)	1,837,027
Cash and cash equivalents at the beginning of the year		3,142,481	1,305,453
Cash and cash equivalents at the end of the year		2,871,222	3,142,480
Net increase/(decrease) in cash and cash equivalents		(271,259)	1,837,027
Reconciliation of Cash and cash equivalents with the Balance Sheet:			
Cash and Bank balances		2,885,953	3,152,831
Less: Deposit Accounts not considered as Cash and cash equivalents as defined in AS-3 "Cash Flow Statements"		(14,731)	(10,351)
Cash and cash equivalents at the end of the period		2,871,222	3,142,480

NOTES TO ACCOUNTS

Refer Schedule 11 for components of cash and bank balances

16

Signatures to the Receipts and Payments Account

In terms of our report attached of even date

G. M. Kapadia & Co. **B S R & Co. LLP**
Chartered Accountants Chartered Accountants
Firm Registration No.: 104767W Firm's Registration No.: 101248W/W-100022

Rajen Ashar **Ritesh Goyal**
Partner Partner
Membership No.: 048243 (Membership No. 115007)

Mumbai
Dated: April 16, 2024

For and on behalf of the Board of Directors

Keki M Mistry **Renu S. Karnad**
Chairman Non-Executive Director
(DIN: 00008886) (DIN: 00008064)

Bernhard Steinruecke **Mehernosh B. Kapadia**
Independent Director Independent Director
(DIN: 01122939) (DIN: 00046612)

Sanjib Chaudhuri **Vinay Sanghi**
Independent Director Independent Director
(DIN: 09565962) (DIN: 00309085)

Anuj Tyagi **Samir H. Shah**
Joint Managing Director Executive Director & CFO
(DIN: 07505313) (DIN: 08114828)

Oliver Martin Willmes **Edward Ler**
Non-Executive Director Non-Executive Director
(DIN: 08876420) (DIN: 10426805)

Arvind Mahajan **Ameet Hariani**
Independent Director Independent Director
(DIN: 07553144) (DIN: 00087866)

Rajgopal Thirumalai **Ritesh Kumar**
Independent Director Managing Director & CEO
(DIN: 02253615) (DIN: 02213019)

Vyoma Manek
Company Secretary & Chief Compliance Officer
(Membership No.: ACS 20384)

FORM B – RA

IRDAI Registration No: 146

Date of Registration with the IRDAI: July 09, 2010

Revenue Accounts for the year ended March 31, 2024

(₹ '000)

Particulars	Schedule	FIRE INSURANCE		MARINE INSURANCE		MISCELLANEOUS INSURANCE		TOTAL	
		For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
1 Premiums Earned (Net)	1	3,107,315	2,721,523	1,541,704	1,593,410	91,086,785	76,034,659	95,735,804	80,349,592
2 Profit/Loss on Sale/Redemption of Investments (Net)		231,987	45,319	55,737	10,288	3,610,609	716,387	3,898,333	771,993
3 Others:									
Investment Income from Terrorism Pool		85,170	53,023	—	—	—	—	85,170	53,023
Miscellaneous Income		499	1,788	258	1,079	15,257	51,475	16,014	54,342
4 Interest, Dividend and Rent – Gross (Refer note 2 (c) of Schedule 16)		748,726	614,351	179,888	139,455	11,653,041	9,711,299	12,581,655	10,465,105
TOTAL (A)		4,173,697	3,436,004	1,777,587	1,744,232	106,365,692	86,513,820	112,316,976	91,694,055
1 Claims Incurred (Net)	2	2,714,886	1,590,464	1,389,878	2,173,943	79,859,623	60,465,127	83,964,387	64,229,533
2 Commission (Net)	3	(935,947)	(1,954,068)	202,794	237,042	9,886,213	(668,156)	9,153,060	(2,385,182)
3 Operating Expenses Related to Insurance Business	4	1,386,848	2,569,967	186,201	309,449	14,780,185	20,243,304	16,353,234	23,122,720
4 Premium Deficiency (Refer Note 27 of Schedule 16)		—	—	—	—	—	—	—	—
TOTAL (B)		3,165,787	2,206,363	1,778,873	2,720,434	104,526,021	80,040,275	109,470,681	84,967,071
Operating Profit/(Loss) (A-B) APPROPRIATIONS		1,007,910	1,229,641	(1,286)	(976,202)	1,839,671	6,473,545	2,846,295	6,726,984
Transfer to Shareholders' Account		1,007,910	1,229,641	(1,286)	(976,202)	1,839,671	6,473,545	2,846,295	6,726,984
Transfer to Catastrophe Reserve		—	—	—	—	—	—	—	—
Transfer to Other Reserves		—	—	—	—	—	—	—	—
TOTAL (C)		1,007,910	1,229,641	(1,286)	(976,202)	1,839,671	6,473,545	2,846,295	6,726,984

NOTES TO ACCOUNTS
Schedules referred to above and the notes to accounts form an integral part of the Revenue Accounts.

Signatures to the Revenue Account and Schedules 1 to 16

In terms of our report attached of even date

G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No.: 104767W

Rajen Ashar
Partner
Membership No.: 048243

Ritesh Goyal
Partner
(Membership No. 115007)

For and on behalf of the Board of Directors

Keki M Mistry
Chairman
(DIN: 00008886)

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(DIN: 01122939)

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Ritesh Kumar
Managing Director & CEO
(DIN: 02213019)

Yyoma Manek
Company Secretary & Chief Compliance Officer
(Membership No.: ACS 20384)

Samir H. Shah
Executive Director & CFO
(DIN: 08114828)

Mumbai
Dated: April 16, 2024

Schedules

Annexed to and forming part of the Revenue Accounts

SCHEDULE - 1 PREMIUM EARNED (NET)

(₹ '000)

Particulars	For the year ended March 31, 2024					For the year ended March 31, 2023						
	Fire		Marine		Total	Fire		Marine		Total		
	Motor-OD	Motor-TP	Marine Cargo	Marine Hull		Marine Cargo	Marine Hull	Marine Total	** Miscellaneous			
Premium from direct business written-net of GST	17,959,630	26,454,215	1,701,054	162,556	1,863,610	165,852,337	17,400,149	2,001,113	197,393	2,198,506	147,059,485	166,358,140
Add: Premium on Re-insurance accepted	1,939,903	-	36,181	-	36,181	365,328	1,892,347	73,376	-	73,376	407,511	2,373,234
Less: Premium on Re-insurance ceded	(16,150,743)	(13,729,650)	(262,839)	(161,153)	(423,992)	(67,056,230)	(15,620,164)	(401,941)	(195,593)	(597,534)	(63,705,293)	(79,922,991)
Net Premium	3,748,790	12,724,565	1,474,396	1,403	1,475,799	99,161,435	3,372,332	1,672,548	1,800	1,674,348	83,761,703	88,808,383
Add/(Less): Adjustment for changes in reserve for unexpired risks	(641,475)	27,086	65,507	398	65,905	(8,074,650)	(650,809)	(80,044)	(894)	(80,938)	(7,727,044)	(8,458,791)
Total Premium Earned (Net)	3,107,315	12,751,651	1,539,903	1,801	1,541,704	91,086,785	2,721,523	1,592,504	906	1,593,410	76,034,659	80,349,592

(₹ '000)

* Miscellaneous Premium Breakup for the year ended March 31, 2024

Particulars	Miscellaneous																
	Motor		Workmen's Compensation		Public Liability		Product Liability		Aviation		Personal Accident		Health Insurance		Others		
	Motor-OD	Motor-TP	Motor Total	Compensation	Public Liability	Product Liability	Aviation	Engineering	Aviation	Personal Accident	Health Insurance	Other Liability	Home	Specialty	Weather/Crop	Others	
Premium from direct business written-net of GST	26,299,293	26,454,215	52,753,508	271,106	42,208	2,475	2,566,955	196,209	5,633,022	5,633,022	59,748,543	1,185,691	759,094	4,823,575	34,037,457	3,832,494	165,852,337
Add: Premium on Re-insurance accepted	-	-	-	-	359	-	104,559	-	-	-	-	78,193	-	181,744	-	473	365,328
Less: Premium on Re-insurance ceded	(1,174,847)	(13,729,650)	(14,904,497)	(46,484)	(34,257)	(1,481)	(2,216,418)	(196,155)	(2,192,140)	(2,192,140)	(22,462,083)	(779,920)	(142,029)	(3,745,381)	(18,888,728)	(1,446,657)	(67,056,230)
Net Premium	25,124,446	12,724,565	37,849,011	224,622	8,310	994	455,096	54	3,440,881	3,440,881	37,286,460	483,964	617,065	1,259,938	15,148,729	2,386,310	99,161,435
Add/(Less): Adjustment for changes in reserve for unexpired risks	(3,770,741)	27,086	(3,743,655)	(24,585)	731	94	(111,221)	10	545,465	(2,893,848)	(80,559)	(381,066)	(40,578)	(40,578)	(23,795)	(1,321,643)	(8,074,650)
Total Premium Earned (Net)	21,353,705	12,751,651	34,105,356	200,037	9,041	1,088	343,875	64	3,986,347	3,986,347	34,392,612	403,405	235,999	1,219,360	15,124,934	1,064,667	91,086,785

(₹ '000)

** Miscellaneous Premium Breakup for the year ended March 31, 2023

Particulars	Miscellaneous																
	Motor		Workmen's Compensation		Public Liability		Product Liability		Aviation		Personal Accident		Health Insurance		Others		
	Motor-OD	Motor-TP	Motor Total	Compensation	Public Liability	Product Liability	Aviation	Engineering	Aviation	Personal Accident	Health Insurance	Other Liability	Home	Specialty	Weather/Crop	Others	
Premium from direct business written-net of GST	20,896,173	25,547,675	46,443,848	212,851	34,257	1,942	2,001,641	184,539	5,961,879	5,961,879	51,202,409	956,038	495,067	4,156,231	33,554,267	1,854,516	147,059,485
Add: Premium on Re-insurance accepted	-	-	-	-	1,152	-	57,259	-	-	-	-	18,460	-	329,144	-	1,496	407,511
Less: Premium on Re-insurance ceded	(888,103)	(12,729,332)	(13,617,435)	(39,011)	(27,269)	(1,203)	(1,735,140)	(184,446)	(2,445,614)	(2,445,614)	(16,378,004)	(844,940)	(78,152)	(3,352,637)	(23,870,329)	(1,131,113)	(63,705,293)
Net Premium	20,008,070	12,818,343	32,826,413	173,840	8,140	739	323,760	93	3,516,265	3,516,265	34,824,405	129,558	416,915	1,132,738	9,683,938	724,899	83,761,703
Add/(Less): Adjustment for changes in reserve for unexpired risks	(2,847,215)	(773,620)	(3,620,835)	(15,276)	(604)	(152)	(952)	24	491,887	(4,286,360)	(4,286,360)	11,901	(225,331)	(111,287)	(160,708)	190,649	(7,727,044)
Total Premium Earned (Net)	17,160,855	12,044,723	29,205,578	158,564	7,536	587	322,808	117	4,008,152	4,008,152	30,538,045	141,459	191,584	1,021,451	9,523,230	915,548	76,034,659

Schedules

Annexed to and forming part of the Revenue Accounts

(₹ '000)

Particulars	For the year ended March 31, 2024						For the year ended March 31, 2023						Total				
	Fire			* Miscellaneous			Total			Fire				** Miscellaneous			Total
	Motor-OD	Motor-TP	Motor Total	Marine Cargo	Marine Hull	Marine Total	Marine Cargo	Marine Hull	Marine Total	Other Liability	Home	Specialty		Weather/Crop	Others		
Claims paid direct	17,791,910	10,658,871	28,450,781	1,815,711	263,347	2,079,058	96,288,471	103,826,631	5,003,900	2,154,248	8,306	2,162,554	81,157,570	88,324,024			
Add: Claims on Re-insurance accepted	-	-	-	25,877	-	25,877	44,256	42,871	442,627	29,032	-	29,032	25,290	496,949			
Less: Claims on Re-insurance ceded	(4,524,596)	(463,769)	(4,988,365)	(463,769)	(263,284)	(727,053)	(36,300,269)	(41,551,918)	(4,311,743)	(940,904)	(7,942)	(948,846)	(30,927,094)	(36,187,683)			
Net Claims paid	1,287,244	1,377,819	2,665,063	1,377,819	63	1,377,882	60,032,458	62,897,584	1,134,784	1,242,376	364	1,242,740	50,255,766	52,633,290			
Add: Claims Outstanding at the end of the year	4,637,188	1,730,684	6,367,872	1,730,684	7,338	1,738,022	96,315,295	102,690,485	3,209,526	1,717,104	8,922	1,726,026	76,488,130	81,423,682			
Less: Claims Outstanding at the beginning of the year	(3,209,526)	(1,717,104)	(4,926,630)	(1,717,104)	(8,922)	(1,726,026)	(76,488,130)	(81,423,682)	(2,753,846)	(786,263)	(8,560)	(794,823)	(66,278,769)	(69,827,438)			
Total Claims Incurred (Net)	2,714,886	1,391,399	4,106,285	1,391,399	(1,521)	1,389,878	79,859,623	83,964,387	1,590,464	2,173,217	726	2,173,943	60,465,127	64,229,534			

(₹ '000)

*** Miscellaneous Claims Incurred (Net) Breakup for the year ended March 31, 2024**

Particulars	Miscellaneous													Total		
	Motor-OD	Motor-TP	Motor Total	Workmen's Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Other Liability	Home	Specialty		Weather/Crop	Others
Claims paid direct	17,791,910	10,658,871	28,450,781	126,052	323	16,421	1,398,298	3,489	2,409,594	40,127,337	953,157	42,152	751,441	20,399,922	1,609,504	96,288,471
Add: Claims on Re-insurance accepted	-	-	-	-	-	-	25,801	478	65	-	-	-	16,097	-	1,815	44,256
Less: Claims on Re-insurance ceded	(890,112)	(7,430,285)	(8,320,397)	(5,277)	(261)	(7,909)	(1,432,253)	(3,477)	(605,687)	(11,474,843)	(828,743)	(3,032)	(600,493)	(12,732,280)	(885,617)	(36,300,269)
Net Claims paid	16,901,798	3,228,586	20,130,384	120,775	62	8,512	291,846	490	1,803,972	28,652,494	124,414	39,120	267,045	7,667,642	925,702	60,032,458
Add: Claims Outstanding at the end of the year	3,972,752	68,944,729	72,917,481	280,784	15,834	14,174	653,322	50,832	2,242,603	5,215,719	632,820	126,071	1,270,182	11,725,992	1,169,481	96,315,295
Less: Claims Outstanding at the beginning of the year	(3,138,341)	(55,596,886)	(58,735,227)	(238,636)	(13,592)	(12,355)	(531,924)	(51,270)	(2,220,481)	(4,616,666)	(510,034)	(107,964)	(697,761)	(7,791,146)	(961,074)	(76,488,130)
Total Claims Incurred (Net)	17,736,209	16,576,429	34,312,638	162,923	2,304	10,331	413,244	52	1,826,094	29,251,547	247,200	57,227	839,466	11,602,488	1,134,109	79,859,623

(₹ '000)

**** Miscellaneous Claims Incurred (Net) Breakup for the year ended March 31, 2023**

Particulars	Miscellaneous													Total		
	Motor-OD	Motor-TP	Motor Total	Workmen's Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Other Liability	Home	Specialty		Weather/Crop	Others
Claims paid direct	14,025,197	7,689,289	21,714,486	93,824	10	-	886,685	4,218	2,060,621	36,202,174	152,892	31,677	905,870	18,060,008	1,045,105	81,157,570
Add: Claims on Re-insurance accepted	-	-	-	-	-	-	22,392	1,669	1,060	-	-	-	-	-	169	25,290
Less: Claims on Re-insurance ceded	(643,000)	(5,846,202)	(6,489,202)	(4,556)	(5)	-	(609,483)	(1,459)	(528,113)	(9,728,020)	(76,501)	(1,519)	(672,270)	(12,564,391)	(251,575)	(30,927,094)
Net Claims paid	13,382,197	1,843,087	15,225,284	88,268	5	-	299,594	4,428	1,533,568	26,474,154	76,391	30,158	233,600	5,495,617	793,699	50,255,766
Add: Claims Outstanding at the end of the year	3,138,341	55,596,886	58,735,227	238,636	13,592	12,355	531,924	51,270	2,220,481	4,616,666	510,034	107,964	697,761	7,791,146	961,074	76,488,130
Less: Claims Outstanding at the beginning of the year	(3,162,589)	(47,990,177)	(51,152,766)	(218,805)	(12,317)	(12,226)	(455,380)	(70,789)	(2,449,020)	(5,090,343)	(315,267)	(58,274)	(449,517)	(5,151,939)	(842,127)	(66,278,769)
Total Claims Incurred (Net)	13,357,949	9,449,796	22,807,745	109,099	1,280	129	376,138	(15,091)	1,305,029	26,000,477	271,158	79,848	481,844	8,134,824	912,646	60,465,127

Schedules

Annexed to and forming part of the Revenue Accounts

Particulars	For the year ended March 31, 2024				For the year ended March 31, 2023				Total	
	Fire		Marine		Marine		** Miscellaneous			
	Motor-OD	Motor-TP	Marine Cargo	Marine Hull	Marine Cargo	Marine Hull	Marine Total			
Commission paid direct	2,074,211	229,431	688	230,099	24,100,596	26,404,906	1,730,505	262,775	12,929,812	14,923,092
Add: Commission paid on Re-insurance accepted	201,374	4,911	-	4,911	53,998	260,283	189,212	8,377	57,271	254,860
Less: Commission received on Re-insurance ceded	(3,211,532)	(27,560)	(4,656)	(32,216)	(14,268,381)	(17,512,129)	(3,873,785)	(7,264)	(13,655,239)	(17,563,134)
Net commission paid/(received)	(935,947)	206,782	(3,988)	202,794	9,886,213	9,153,060	(1,954,068)	237,042	(668,156)	(2,385,182)

Particulars	Miscellaneous										Total		
	Motor		Workmen's Compensation		Public Liability		Product Liability		Others				
	Motor-OD	Motor-TP	Workmen's Compensation	Public Liability	Product Liability	Aviation	Engineering	Health Insurance	Personal Accident	Other Liability			
Commission paid direct	7,815,274	4,391,812	49,696	4,077	410	331,592	10,268	1,007,208	9,067,485	177,528	605,912	427,992	24,100,596
Add: Commission paid on Re-insurance accepted	-	-	-	81	-	12,554	-	-	-	14,656	26,643	64	53,998
Less: Commission received on Re-insurance ceded	(199,991)	(3,286,324)	(7,400)	(3,887)	(454)	(504,614)	(15,426)	(999,353)	(6,726,793)	(169,547)	(761,713)	(212,444)	(14,268,381)
Net commission paid/(received)	7,615,283	1,105,488	42,296	271	(44)	(163,468)	(5,158)	7,855	2,340,392	22,637	138,793	(1,307,589)	9,886,213

Particulars	Miscellaneous										Total		
	Motor		Workmen's Compensation		Public Liability		Product Liability		Others				
	Motor-OD	Motor-TP	Workmen's Compensation	Public Liability	Product Liability	Aviation	Engineering	Health Insurance	Personal Accident	Other Liability			
Commission paid direct	3,663,420	482,720	28,846	2,610	262	204,533	6,895	809,302	6,884,340	131,152	519,485	43,402	12,929,812
Add: Commission paid on Re-insurance accepted	-	-	-	239	-	9,717	-	-	-	2,744	44,556	-	57,271
Less: Commission received on Re-insurance ceded	(125,412)	(2,060,197)	(5,491)	(3,517)	(270)	(377,764)	(12,563)	(1,340,304)	(6,130,526)	(131,404)	(755,598)	(165,480)	(13,655,239)
Net commission paid/(received)	3,538,008	(1,577,477)	23,355	(668)	(8)	(163,514)	(5,668)	(531,002)	753,814	2,492	69,963	(2,499,635)	(668,156)

Particulars	For the year ended March 31, 2024				For the year ended March 31, 2023				Total
	Fire		Marine		Fire		Marine		
	Motor-OD	Motor-TP	Marine Cargo	Marine Hull	Motor-OD	Motor-TP	Marine Cargo	Marine Hull	
Agents	174,809	31,666	6,149,970	6,356,445	70,757	38,441	5,017,983	5,127,181	5,127,181
Brokers	1,317,754	195,406	10,605,633	12,118,793	1,342,064	221,637	4,599,970	6,163,671	6,163,671
Corporate Agency Referral	581,339	2,994	5,106,870	5,691,203	317,494	2,623	2,767,953	3,088,070	3,088,070
Others: Web aggregator, CSC, IMF, MISP and POSP	309	33	2,238,123	2,238,465	190	74	543,906	544,170	544,170
Total	2,074,211	230,099	24,100,596	26,404,906	1,730,505	262,775	12,929,812	14,923,092	14,923,092

Schedules

Annexed to and forming part of the Revenue Accounts

Particulars	For the year ended March 31, 2024										For the year ended March 31, 2023			
	Fire	Marine			* Miscellaneous	Total	Fire	Marine			** Miscellaneous	Total		
		Marine Cargo	Marine Hull	Marine Total				Marine Cargo	Marine Hull	Marine Total				
Employees' remuneration and welfare benefits (Refer note 11 of Schedule 16)	827,983	124,475	7,747	132,222	8,713,316	9,673,521	974,678	107,156	10,203	117,359	7,622,276	8,714,313		
Travel, conveyance and vehicle running expenses	32,197	4,144	316	4,460	342,293	378,950	54,598	6,002	572	6,574	426,971	488,143		
Training expenses	6,172	501	42	543	84,062	90,777	25,097	2,759	263	3,022	196,266	224,385		
Rents, rates and taxes	46,419	6,226	344	6,570	493,184	546,173	66,150	7,273	693	7,966	517,312	591,428		
Repairs	19,494	2,271	120	2,391	227,365	249,250	27,564	3,030	289	3,319	215,563	246,446		
Printing and stationery	19,787	1,050	23	1,073	155,190	176,050	27,226	2,994	286	3,280	212,917	243,423		
Communication	5,731	428	16	444	99,907	106,082	10,737	1,180	112	1,292	83,969	95,998		
Legal and professional charges	88,894	8,451	989	9,440	499,616	597,950	385,920	42,428	4,040	46,468	3,018,012	3,450,400		
Auditors' fees, expenses etc														
(a) as auditors	1,344	117	11	128	11,225	12,697	839	92	9	101	6,560	7,500		
(b) as advisor or in any other capacity, in respect of:														
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-		
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-		
(iii) Management services	-	-	-	-	-	-	-	-	-	-	-	-		
(c) in any other capacity (Refer Note 31 of Schedule 16)	573	50	5	55	4,784	5,412	411	45	4	49	3,216	3,676		
Advertisement and publicity	63,994	3,284	95	3,379	1,488,430	1,555,803	735,463	80,857	7,700	88,557	5,751,544	6,575,564		
Interest and bank charges	19,898	1,342	90	1,432	545,553	566,883	30,725	3,378	322	3,700	385,661	420,086		
Others:														
Electricity expenses	11,914	1,167	85	1,252	109,163	122,329	11,456	1,259	120	1,379	89,592	102,427		
Office expenses	2,297	140	3	143	28,238	30,678	2,097	231	22	253	16,401	18,751		
Miscellaneous expenses	8,770	756	67	823	108,191	117,784	30,542	3,358	320	3,678	238,844	273,064		
Information Technology expenses	125,079	10,940	1,026	11,966	1,037,505	1,174,550	99,607	10,951	1,043	11,994	778,955	890,556		
Postage and courier	15,660	743	4	747	86,514	102,921	10,383	1,141	109	1,250	81,195	92,828		
Loss/(Profit) on sale of assets (net)	(166)	(14)	(1)	(15)	(1,496)	(1,677)	666	73	7	80	5,209	5,955		
Depreciation	90,808	8,408	740	9,148	747,145	847,101	75,808	8,334	794	9,128	592,841	677,777		
Total Operating Expenses	1,386,848	174,479	11,722	186,201	14,780,185	16,353,234	2,569,967	282,541	26,908	309,449	20,243,304	23,122,720		

(₹ '000)

Schedules

Annexed to and forming part of the Revenue Accounts

(₹ '000)

Particulars	Miscellaneous													Total Miscellaneous		
	Motor			Workmen's Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others				Total Miscellaneous	
	Motor-OD	Motor-TP	Motor Total								Other Liability	Home	Specialty			Weather/Crop
Employees' remuneration and welfare benefits (Refer note 11 of Schedule 16)	1,840,429	1,776,724	3,617,153	13,410	2,706	202	106,408	8,136	347,476	3,606,347	34,432	43,566	248,439	532,305	152,736	8,713,316
Travel, conveyance and vehicle running expenses	75,153	72,839	147,992	488	71	7	4,036	346	10,698	122,601	1,529	1,825	10,288	35,900	6,512	342,293
Training expenses	22,600	12,599	35,199	98	14	1	760	50	2,906	32,741	347	361	1,538	8,687	1,360	84,062
Rents, rates and taxes	94,165	92,770	186,935	680	151	9	6,262	394	18,237	186,805	2,304	2,419	11,530	68,074	9,384	493,184
Repairs	47,137	47,132	94,269	314	86	5	2,307	134	9,467	94,215	825	1,222	4,685	15,805	4,031	227,365
Printing and stationery	23,135	27,128	50,263	329	301	7	1,388	28	12,871	52,446	591	563	1,625	32,815	1,963	155,190
Communication	23,298	21,072	44,370	123	30	2	489	18	4,195	44,788	173	577	1,228	2,449	1,465	99,907
Legal and professional charges	60,199	47,454	107,653	1,130	194	6	12,534	1,172	23,611	216,256	6,312	1,255	22,842	93,030	13,621	499,616
Auditors' fees, expenses etc	1,777	1,787	3,564	18	3	-	180	13	380	4,036	85	51	338	2,299	258	11,225
(a) as auditors																
(b) as advisor or in any other capacity, in respect of:																
(i) Taxation matters																
(ii) Insurance matters																
(iii) Management services																
(c) in any other capacity (Refer Note 31 of Schedule 16)	757	761	1,518	8	1	-	77	6	162	1,720	36	22	144	980	110	4,784
Advertisement and publicity	289,437	291,203	580,640	1,509	161	23	5,116	114	47,680	596,183	1,903	8,455	15,209	210,972	20,465	1,488,430
Interest and bank charges	60,770	61,144	121,914	378	47	5	2,084	109	10,537	126,985	900	1,771	4,863	270,758	5,202	545,553
Others:																
Electricity expenses	19,663	19,624	39,287	174	46	5	1,490	101	4,442	42,016	643	536	2,816	15,349	2,258	109,163
Office expenses	3,451	9,068	12,519	40	35	1	165	4	1,105	8,764	68	63	192	5,059	223	28,238
Miscellaneous expenses	18,523	21,027	39,550	113	19	1	1,115	68	3,184	34,267	441	378	2,127	25,365	1,563	108,191
Information Technology expenses	163,215	164,180	327,395	1,698	267	16	16,824	1,238	35,112	371,599	7,963	4,716	31,887	214,772	24,018	1,037,505
Postage and courier	13,739	22,956	36,695	258	275	6	968	7	10,656	32,771	414	309	807	2,206	1,142	86,514
Loss/(Profit) on sale of assets (net)	(240)	(241)	(481)	(2)	-	-	(22)	(2)	(50)	(536)	(10)	(7)	(42)	(311)	(33)	(1,496)
Depreciation	118,896	119,378	238,274	1,212	195	12	12,348	879	25,674	270,681	5,641	3,391	23,440	148,201	17,197	747,145
Total Operating Expenses	2,876,104	2,808,605	5,684,709	21,978	4,602	308	174,529	12,815	568,343	5,844,685	64,597	71,473	383,956	1,684,715	263,476	14,780,185

Schedules

Annexed to and forming part of the Revenue Accounts

Particulars	Miscellaneous													Total Miscellaneous		
	Motor			Workmen's Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others				Total Miscellaneous	
	Motor-OD	Motor-TP	Motor Total								Other Liability	Home	Specialty			Weather/ Crop
Employees' remuneration and welfare benefits (Refer note 11 of Schedule 16)	1,080,128	1,320,566	2,400,694	11,002	1,830	100	106,097	9,537	308,171	2,646,665	50,372	25,589	231,850	1,734,429	95,938	7,622,276
Travel, conveyance and vehicle running expenses	60,505	73,973	134,478	616	103	6	5,943	534	17,263	148,256	2,822	1,433	12,987	97,156	5,374	426,971
Training expenses	27,812	34,003	61,815	284	47	3	2,732	246	7,935	68,148	1,297	659	5,970	44,660	2,470	196,266
Rents, rates and taxes	73,307	89,625	162,932	747	124	7	7,200	647	20,915	179,625	3,419	1,737	15,735	117,713	6,511	517,312
Repairs	30,547	37,346	67,893	311	52	3	3,000	270	8,715	74,849	1,425	724	6,557	49,051	2,713	215,563
Printing and stationery	30,172	36,888	67,060	307	51	3	2,964	266	8,608	73,931	1,407	715	6,476	48,449	2,680	212,917
Communication	11,899	14,548	26,447	121	20	1	1,169	105	3,395	29,156	555	282	2,554	19,107	1,057	83,969
Legal and professional charges	427,673	522,872	950,545	4,356	725	40	42,009	3,777	122,019	1,047,937	19,945	10,132	91,800	686,741	37,986	3,018,012
Auditors' fees, expenses etc																
(a) as auditors	930	1,137	2,067	9	2	-	91	8	265	2,278	43	22	200	1,493	82	6,560
(b) as advisor or in any other capacity, in respect of:																
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity (Refer Note 31 of Schedule 16)	456	557	1,012	5	1	-	45	4	130	1,116	21	11	98	732	40	3,216
Advertisement and publicity	815,032	996,459	1,811,491	8,302	1,381	76	80,038	7,198	232,537	1,997,095	38,009	19,310	174,947	1,308,748	72,392	5,751,544
Interest and bank charges	34,049	41,628	75,677	347	58	3	3,345	301	9,714	83,431	1,588	807	7,309	200,057	3,024	385,661
Others:																
Electricity expenses	12,696	15,522	28,218	129	22	1	1,247	112	3,622	31,109	592	301	2,725	20,386	1,128	89,592
Office expenses	2,324	2,842	5,166	24	4	-	228	21	663	5,695	108	55	499	3,732	206	16,401
Miscellaneous expenses	33,846	41,380	75,226	345	57	3	3,325	299	9,657	82,933	1,578	802	7,265	54,348	3,006	238,844
Information Technology expenses	110,383	134,955	245,338	1,124	187	10	10,843	975	31,493	270,475	5,148	2,615	23,694	177,249	9,804	778,955
Postage and courier	11,506	14,067	25,573	117	19	1	1,130	102	3,283	28,193	537	273	2,470	18,475	1,022	81,195
Less/(Profit) on sale of assets (net)	738	903	1,641	8	1	-	73	7	211	1,809	34	17	158	1,184	66	5,209
Depreciation	84,010	102,710	186,720	856	142	8	8,252	742	23,968	205,851	3,918	1,990	18,033	134,899	7,462	592,841
Total Operating Expenses	2,848,013	3,481,981	6,329,994	29,010	4,826	265	279,751	25,151	812,564	6,978,592	132,818	67,474	611,327	4,718,609	252,963	20,243,304

(₹ 000)

SCHEDULE - 4 (Continued)

** Miscellaneous Operating expenses related to Insurance business Breakup for the year ended March 31, 2023

Schedules

Annexed to and forming part of the Balance Sheet

SCHEDULE - 5 SHARE CAPITAL

Particulars	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
Authorised Capital		
2000,000,000 Equity Shares of ₹ 10/- each (Previous year: 2000,000,000 Equity Shares of ₹ 10/- each)	20,000,000	20,000,000
Issued Capital		
714,968,264 Equity Shares of ₹ 10/- each (Previous year: 712,780,035 Equity Shares of ₹ 10/- each)	7,149,683	7,127,800
Subscribed Capital		
714,968,264 Equity Shares of ₹ 10/- each (Previous year: 712,780,035 Equity Shares of ₹ 10/- each)	7,149,683	7,127,800
Called-up Capital		
714,968,264 Equity Shares of ₹ 10/- each (Previous year: 712,780,035 Equity Shares of ₹ 10/- each)	7,149,683	7,127,800
Less: Calls unpaid	—	—
Add: Equity Shares forfeited (Amount originally paid up)	—	—
Less: Preliminary Expenses	—	—
Expenses including commission or brokerage on underwriting or subscription of shares	—	—
Total	7,149,683	7,127,800

SCHEDULE - 5A SHARE CAPITAL

PATTERN OF SHAREHOLDING [As certified by the Management]	As at March 31, 2024		As at March 31, 2023	
	(Number of Shares)	(% of Holding)	(Number of Shares)	(% of Holding)
Promoters:				
Indian: HDFC Bank Limited	360,912,647	50.48%	-	-
Indian: Housing Development Finance Corporation Limited	-	-	356,306,882	49.99%
Foreign: ERGO International AG	350,941,790	49.08%	349,204,344	48.99%
Others: Employees	3,113,827	0.44%	7,268,809	1.02%
Total	714,968,264	100.00%	712,780,035	100.00%

Schedules

Annexed to and forming part of the Balance Sheet

SCHEDULE - 6 RESERVES AND SURPLUS

Particulars	As at March 31, 2024		As at March 31, 2023	
	(₹ '000)		(₹ '000)	
Capital Reserves		—		—
Capital Redemption Reserve		—		—
Reserve on Amalgamation		3,003,014		3,003,014
Share Premium				
Balance Brought forward from Previous Year	14,165,941		14,165,941	
Add: Addition during the period	472,291	14,638,232	—	14,165,941
General Reserves				
Balance Brought forward from Previous Year	—		—	
Less: Debit balance in Profit and Loss Account	—		—	
Add: Transfer from Debenture Redemption Reserve	—	—	—	—
Contingency Reserve for Unexpired Risk		—		—
Catastrophe Reserve		—		—
Other Reserves				
Debenture Redemption Reserve (Refer Note 33 of Schedule 16)				
Balance Brought forward from Previous Year	356,468		356,468	
Less: Transfer to General Reserves	—	356,468	—	356,468
Balance of Profit/(Loss) in Profit and Loss Account				
Balance Brought forward from Previous Year	14,500,579		10,468,714	
Add: Profit/(Loss) during the period	1,875,210		4,031,865	
Less: Transfer to Debenture Redemption Reserve	—	16,375,789	—	14,500,579
Total		34,373,503		32,026,002

SCHEDULE - 7 BORROWINGS

Particulars	As at	
	March 31, 2024	March 31, 2023
	(₹ '000)	(₹ '000)
Debentures/Bonds (Refer note 33 of Schedule 16)	10,750,000	8,290,000
Banks	—	—
Financial Institutions	—	—
Others	—	—
Total	10,750,000	8,290,000

Schedules

Annexed to and forming part of the Balance Sheet

SCHEDULE – 8

INVESTMENTS - SHAREHOLDERS (Refer note 2 (p) and 10 of schedule 16)

Particulars	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
LONG TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	12,503,546	9,653,429
Other Approved Securities	19,312,345	15,806,977
Other Investments:		
Shares		
- Equity	98,165	369,009
- Preference	—	—
Mutual Funds	—	—
Derivative Instruments	—	—
Debentures/Bonds	32,526	346,943
Less : Provision for Diminution in value of Investments*	(32,526)	(346,943)
Other Securities (Alternative Investment Fund)	16,837	10,401
Investments in Infrastructure and Housing	12,363,848	10,840,983
Sub-total (A)	44,294,741	36,680,799
SHORT TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	123,481	41,438
Other Approved Securities	2,992,181	3,491,544
Other Investments:		
Shares		
- Equity	—	—
- Preference	—	—
Mutual Funds	—	—
Derivative Instruments	—	—
Debentures/Bonds	2,064,940	1,914,599
Less : Provision for Diminution in value of Investments *	(2,064,940)	(1,867,378)
Other Securities (Alternative Investment Fund)	8,231	16,288
Subsidiaries	—	—
Investment Properties-Real Estate	—	—
Investments in Infrastructure and Housing	1,454,602	1,734,024
Sub-total (B)	4,578,495	5,330,515
Total (A+B)	48,873,236	42,011,314

Note:

a) Aggregate value of the investments other than Equity Shares and Mutual Fund

	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
Long term investments - Book Value	39,399,396	32,611,466
Market Value	39,236,190	32,075,488
Short term investments - Book Value	4,560,592	5,128,566
Market Value	4,544,397	5,106,162
b) Investments made outside India	-	-
c) Investments in subsidiary/holding Company	1,951,662	1,681,110
d) Investments in Catastrophe reserve	-	-

* Refer note 10 of Schedule 16

Schedules

Annexed to and forming part of the Balance Sheet

SCHEDULE – 8A

INVESTMENTS - POLICYHOLDERS (Refer note 2 (p) and 10 of schedule 16)

Particulars	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
LONG TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	53,404,676	41,453,706
Other Approved Securities	82,486,161	67,878,239
Other Investments:		
Shares		
- Equity	419,279	1,584,597
- Preference	—	—
Mutual Funds	—	—
Derivative Instruments	—	—
Debentures/Bonds	—	—
Other Securities (Alternative Investment Fund)	71,913	44,662
Subsidiaries	—	—
Investment Properties-Real Estate	—	—
Investments in Infrastructure and Housing	52,808,003	46,553,295
Sub-total	189,190,032	157,514,499
	(A)	
SHORT TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	527,408	177,941
Other Approved Securities	12,780,090	14,993,374
Other Investments:		
Shares		
- Equity	—	—
- Preference	—	—
Mutual Funds	—	—
Derivative Instruments	—	—
Debentures/Bonds	—	202,778
Other Securities (Alternative Investment Fund)	35,155	69,943
Subsidiaries	—	—
Investment Properties-Real Estate	—	—
Investments in Infrastructure and Housing	6,212,840	7,446,237
Sub-total	19,555,493	22,890,273
	(B)	
Total	208,745,525	180,404,772
	(A+B)	

Note:

a) Aggregate value of the investments other than Equity Shares and Mutual Fund

	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
Long term investments - Book Value	168,281,216	140,039,991
Market Value	167,584,139	137,738,397
Short term investments - Book Value	19,479,029	22,023,062
Market Value	19,409,858	21,926,855
b) Investments made outside India	-	-
c) Investments in subsidiary/holding Company	8,335,867	7,219,016
d) Investments in Catastrophe reserve	-	-

Schedules

Annexed to and forming part of the Balance Sheet

SCHEDULE - 9

LOANS

Particulars	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
SECURITY-WISE CLASSIFICATION		
Secured		
(a) On mortgage of property		
(aa) In India	—	—
(bb) Outside India	—	—
(b) On Shares, Bonds, Government Securities	—	—
(c) Others	—	—
Unsecured	—	—
Total	<u>—</u>	<u>—</u>
BORROWER-WISE CLASSIFICATION		
(a) Central and State Governments	—	—
(b) Banks and Financial Institutions	—	—
(c) Subsidiaries	—	—
(d) Industrial Undertakings	—	—
(e) Others	—	—
Total	<u>—</u>	<u>—</u>
PERFORMANCE-WISE CLASSIFICATION		
(a) Loans classified as standard		
(aa) In India	—	—
(bb) Outside India	—	—
(b) Non-performing loans less provisions		
(aa) In India	—	—
(bb) Outside India	—	—
Total	<u>—</u>	<u>—</u>
MATURITY-WISE CLASSIFICATION		
(a) Short-Term	—	—
(b) Long-Term	—	—
Total	<u>—</u>	<u>—</u>
Total	<u>—</u>	<u>—</u>

Schedules

Annexed to and forming part of the Balance Sheet

Particulars	Cost/ Gross Block				Depreciation/Amortisation			Net Block As at March 31, 2024	
	Opening	Additions	Deductions	Closing	Upto last year	For the period	On Sales/ Adjustments		To Date
Goodwill	—	—	—	—	—	—	—	—	—
Intangibles - Computer Software	3,180,820 (2,867,205)	862,837 (317,655)	11,820 (4,040)	4,031,837 (3,180,820)	2,447,522 (2,151,364)	398,738 (299,209)	11,821 (3,051)	2,834,439 (2,447,522)	1,197,398 (733,298)
Land-Freehold	—	—	—	—	—	—	—	—	—
Leasehold Property	202,426 (157,681)	72,162 (49,434)	20,311 (4,689)	254,277 (202,426)	156,001 (154,168)	11,219 (6,522)	20,159 (4,689)	147,061 (156,001)	107,216 (46,425)
Building	1,516,086 (1,516,086)	—	—	1,516,086 (1,516,086)	209,946 (184,754)	25,192 (25,192)	—	235,138 (209,946)	1,280,948 (1,306,140)
Furniture and Fittings	388,632 (434,601)	130,308 (34,729)	17,536 (80,698)	501,404 (388,632)	234,746 (265,516)	42,229 (37,133)	14,689 (67,903)	262,286 (234,746)	239,118 (153,886)
Information Technology Equipment	1,592,978 (1,460,994)	270,797 (386,759)	78,469 (254,775)	1,785,306 (1,592,978)	1,021,829 (1,045,400)	254,354 (227,911)	77,293 (2,51,482)	1,198,890 (1,021,829)	586,416 (571,149)
Vehicles	311,693 (256,040)	163,849 (145,113)	65,142 (89,460)	410,400 (311,693)	106,570 (137,375)	73,195 (48,667)	49,657 (79,472)	130,108 (106,570)	280,292 (205,123)
Office Equipment	350,373 (370,971)	91,550 (39,750)	24,421 (60,348)	417,502 (350,373)	265,091 (290,501)	42,179 (33,143)	23,371 (58,553)	283,899 (265,091)	133,603 (85,282)
Total	7,543,008 (7,063,578)	1,591,503 (973,440)	217,699 (494,011)	8,916,812 (7,543,008)	4,441,705 (4,229,078)	847,106 (677,777)	196,990 (465,150)	5,091,821 (4,441,705)	3,824,991 (3,101,303)
Capital Work-in-progress	539,684 (158,462)	1,277,529 (690,833)	1,126,874 (309,611)	690,339 (539,684)	—	—	—	—	690,339 (539,684)
Grand Total	8,082,692 (7,222,040)	2,869,032 (1,664,273)	1,344,573 (803,621)	9,607,151 (8,082,692)	4,441,705 (4,229,078)	847,106 (677,777)	196,990 (465,150)	5,091,821 (4,441,705)	4,515,330 (3,640,987)

(Figures in bracket pertain to Previous year)

Schedules

Annexed to and forming part of the Balance Sheet

SCHEDULE - 11

CASH AND BANK BALANCES

Particulars	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
Cash (including cheques, drafts and stamps)	238,523	450,274
Bank Balances		
(a) Deposit Accounts	—	—
(aa) Short-term (due within 12 months)	25,445	86,274
(bb) Others	14,076	2,500
(b) Current Accounts	2,607,909	2,613,783
(c) Others	—	—
Money at Call and Short Notice		
(a) With Banks	—	—
(b) With Other Institutions	—	—
Others	—	—
Total	2,885,953	3,152,831

SCHEDULE - 12

ADVANCES AND OTHER ASSETS

Particulars	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
ADVANCES		
Reserve deposits with ceding companies	—	—
Application money for investments	—	—
Prepayments	585,862	410,803
Advance to Directors/Officers	—	—
Advance tax paid and taxes deducted at source (Net of provision for taxation)	1,021,961	295,569
Others:		
Advances to employees	3,171	25,091
Advances to suppliers	1,175,049	850,663
Less : Provisions for doubtful debts	(229,110)	(229,110)
Goods and Service tax Unutilised Credit	—	23,877
Sub-total	(A) 2,556,933	1,376,893

Schedules

Annexed to and forming part of the Balance Sheet

SCHEDULE - 12 ADVANCES AND OTHER ASSETS (Continued)

Particulars		As at March 31, 2024 (₹ '000)		As at March 31, 2023 (₹ '000)
OTHER ASSETS				
Income accrued on investments		5,494,050		4,719,153
Outstanding Premiums	14,711,711		13,223,805	
Less : Provisions for doubtful debts	(21,633)	14,690,078	(315)	13,223,490
Agents' Balances		42,039		4,744
Due from other entities carrying on insurance business (including reinsurers)		1,619,588		1,220,616
Due from subsidiaries/holding Company		—		—
Foreign Agencies' balances		—		—
Others:				
Deposits for premises		147,856		137,904
Stock of Salvaged Cars		279		329
Unclaimed amount of Policyholders Investment		130,122		189,071
Interest Income on Unclaimed amount of Policyholders Investment		50,123		48,583
Sub-total	(B)	22,174,135		19,543,890
Total	(A+B)	24,731,068		20,920,783

SCHEDULE - 13 CURRENT LIABILITIES

Particulars		As at March 31, 2024 (₹ '000)		As at March 31, 2023 (₹ '000)
Agents' Balances		1,962,448		732,829
Balances due to other insurance companies		41,428,002		42,563,217
Deposits held on re-insurance ceded		—		—
Premiums received in advance		9,574,660		9,662,841
Unallocated Premium		8,466,473		6,870,286
Unclaimed amount of Policyholders (Refer note 28 of Schedule 16)		200,474		285,513
Interest on Unclaimed amount of Policyholders (Refer note 28 of Schedule 16)		50,123		48,583
Sundry creditors		6,557,044		6,030,965

Schedules

Annexed to and forming part of the Balance Sheet

SCHEDULE - 13

CURRENT LIABILITIES (Continued)

Particulars	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
Due to subsidiaries/holding company	52,333	—
Claims Outstanding	102,690,482	81,423,682
Due to Officers/Directors	12,600	6,219
Others:		
Goods and Service tax Unutilised Credit	108,370	—
Tax deducted at source	646,685	778,415
Other statutory dues	63,378	56,835
Interest payable on debentures	294,638	233,458
Total	172,107,710	148,692,843

SCHEDULE - 14

PROVISIONS

Particulars	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
Reserve for Unexpired Risk	62,644,978	53,994,757
For taxation (less advance tax paid and taxes deducted at source)	79,092	1,33,538
For proposed dividends	—	—
Others:		
Provision for Employee benefits	98,766	81,683
Total	62,822,836	54,209,978

SCHEDULE - 15

MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Particulars	As at March 31, 2024 (₹ '000)	As at March 31, 2023 (₹ '000)
Discount Allowed in issue of shares/debentures	—	—
Others	—	—
Total	—	—

SCHEDULE-16

Notes to accounts

1. Background

HDFC ERGO General Insurance Company Limited (“the Company”) was incorporated on December 27, 2007 as a Company under the Companies Act, 1956.

The Company is registered with the Insurance Regulatory and Development Authority of India (“IRDAI”) and continues to be in the business of underwriting general insurance policies and has launched general insurance products which include Motor, Home, Accident & Health, Commercial, Specialty and Weather/Crop business lines.

The Company’s Unsecured, Subordinated, Fully Paid-up, Listed, Redeemable Non-Convertible Debentures (NCDs) are listed on the Bombay Stock Exchange (BSE).

The Company’s certificate of renewal of registration dated February 25, 2014 was valid till March 31, 2015. Pursuant to Section 3 read with Section 3A of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, the said certificate shall consequentially continue to be in force from April 1, 2015 onwards.

2. Significant accounting policies

(a) Basis of preparation

These financial statements have been prepared under the historical cost convention, on an accrual basis and in accordance with the applicable provisions of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002, the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999, circulars/notifications and guidelines issued by IRDAI from time to time, the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read together with Rule 7 of Companies (Accounts) Rule 2014 dated March 31, 2014 and Companies (Accounting Standards) Amendment Rules 2016 dated March 30, 2016 to the extent applicable and the relevant provisions of the Companies Act,

2013 and current practices prevailing within the insurance industry in India. The financial statements are presented in Indian rupees rounded off to the nearest thousand.

Accounting policies applied have been consistent with previous year except where different treatment is required as per new pronouncements made by the regulatory authorities. The management evaluates, all recently issued or revised accounting pronouncements, on an ongoing basis.

(b) Use of estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in India requires the management to make judgements, estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenues and expenses for the year and disclosures of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon management’s evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

(c) Revenue Recognition

Premium Income

Premium including Reinsurance accepted (net of Goods & Service Tax) is recognized as income over the contract period or period of risk, as appropriate, after adjusting for unearned premium (unexpired risk). Any subsequent revisions to or cancellations of premiums are accounted for in the period in which they occur. Instalment cases are recorded on instalment due dates. Premium received in advance represents premium received prior to commencement of the risk. 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.

Schedule-16 (Continued)

Notes To Accounts

Income earned on investments

Interest income on investments is recognised on an accrual basis. Accretion of discount and amortisation of premium relating to debt securities is recognised over the holding/maturity period on a constant yield to maturity basis.

Dividend income is recognised when the right to receive dividend is established.

The net realised gains or losses on the debt securities are the difference between the net sale consideration and the amortised cost, which is computed on a weighted average basis, as on the date of sale. In case of listed equity shares/mutual fund units, the profit or loss on sale of investment includes the accumulated changes in the fair value previously recognised under "Fair Value Change Account". The difference between the acquisition price and the maturity value of treasury bills is recognised as income in the revenue accounts or the profit and loss account, as the case may be, over the remaining term of these instruments on a yield to maturity basis.

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

(d) Reinsurance ceded

Reinsurance premium ceded is accounted in the year in which the risk commences and over the period of risk in accordance with the treaty arrangements with the reinsurers. Reinsurance premium ceded on unearned premium is carried forward to the period of risk and is set off against related unearned premium. Any subsequent revisions to or cancellations of premiums are accounted for in the year in which they occur.

Premium on excess of loss reinsurance cover is accounted as per the terms of the reinsurance arrangements.

(e) Commission received

Commission on reinsurance ceded is recognised as income on ceding of reinsurance premium.

Profit commission under reinsurance treaties, wherever applicable, is recognised in the year of

final determination of the profits and as intimated by the Reinsurer.

(f) Reserve for Unexpired Risk

Reserve for unexpired risk represents that part of the net premium written which is attributable to and allocated to the succeeding accounting period. In terms of IRDAI Circular No. IRDA/F&A/CIR/CPM/056/03/2016 dated April 4, 2016, as amended, Reserve for unexpired risk is calculated on the basis of 1/365th method in all segments subject to a minimum of 100% in case of Marine Hull business.

(g) Premium deficiency

Premium deficiency is recognised for the Company as a whole on an annual basis. Premium deficiency is recognised if the sum of the expected claim costs, related expenses and maintenance cost (related to claims handling) exceeds related reserve for unexpired risk. The expected claim costs are calculated and duly certified by the Appointed Actuary.

(h) Claims incurred

Claims incurred comprises of claims paid (net of salvage and other recoveries), change in estimated liability for outstanding claims made following a loss occurrence reported, change in estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) and specific settlement costs comprising survey, legal and other directly attributable expenses.

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 on each claim, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

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

The estimated liability for claims incurred but not

Schedule-16 (Continued)

Notes To Accounts

reported (IBNR) and claims incurred but not enough reported (IBNER) has been estimated by the Appointed Actuary in compliance with guidelines issued by IRDAI vide circular No. 11/IRDA/ACTL/IBNR/2005-06 dated June 8, 2005 and applicable provisions of Guidance Note 21 issued by the Institute of Actuaries of India. The Appointed Actuary has used generally accepted actuarial methods for each product category as considered appropriate depending upon the availability of past data as well as appropriateness of the different methods to the different lines of businesses. The above elements of estimates of liability for claims are periodically reviewed by the Appointed Actuary and adjusted based on recent experience and emerging trends.

(i) Salvage Recoveries

Salvaged vehicles are recognised at net realizable value and are deducted from the claim settlement made against the same. Salvaged vehicles on hand are treated as stock-in-trade and are recognised at estimated net realizable value based on independent valuer's report.

(j) Acquisition Costs

Acquisition costs are defined as costs that vary with, and are primarily related to the acquisition of new and renewal insurance contracts viz. commission. These costs are expensed in the period in which they are incurred. In accordance with the requirements of the Circular no. IRDA/INT/CIR/Comm/139/08/2018 dated August 29, 2018, Commission, remuneration, reward and distribution fees for new Long Term Private Car and Two-wheeler motor policies at the prescribed rates is accounted in the year in which the corresponding premium is recognised.

(k) Borrowing Costs

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

(l) Fixed Assets and Depreciation

Fixed assets (property, plant and equipment) are stated at cost of acquisition (including incidental expenses relating to acquisition and installation of assets), net of trade discounts and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities) and expenses directly attributable to bringing the

asset to its working condition for its intended use, less accumulated depreciation and impairment of assets, if any. 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 the previously assessed standard of performance. Salvaged vehicles, transferred and registered in the name of the Company are stated at fair market value determined based on the independent valuer's report as on the date of capitalization less accumulated depreciation.

The gain or loss arising from the derecognition of fixed assets is determined to be the difference between the net disposal proceeds (if any) and the carrying amount of the asset.

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

Depreciable amount for assets is the cost of an asset or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc.

- Information Technology Equipment - 4 years
- Vehicles - 5 years
- Salvaged Vehicles Capitalised - 5 years

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

Leasehold Property is depreciated over the duration of lease.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

- Computer Softwares - 4 years

Schedule-16 (Continued)

Notes To Accounts

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Impairment of assets

The carrying values of assets forming part of any cash generating units at Balance Sheet date are reviewed for impairment at each balance sheet date. If any indication for such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor. 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.

(m) Finance Leases

Finance leases, which effectively transfer substantially all the risks and benefits incidental to ownership of the leased item to the Company, are capitalised at the lower of the fair value of the asset and present value of the minimum lease payments at the inception of the lease term and are disclosed as leased assets. Lease payments are apportioned between the finance charges and the corresponding liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Revenue Accounts. Leased assets capitalised under finance lease are depreciated on a straight line basis over the lease term.

(n) Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognised as an expense on straight line basis in the revenue accounts, as per the lease terms.

(o) Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the

date of the transaction.

At the Balance Sheet date, monetary items denominated in foreign currencies are converted into rupee equivalents at the exchange rates prevailing at that date.

All exchange differences arising on settlement/ conversion of foreign currency transactions are included in the Revenue Accounts.

(p) Investments

Investments are made, accounted and classified in accordance with the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 as amended and various other circulars/notifications issued by the IRDAI in this context from time to time.

Investments are recorded at cost on trade date, which include brokerage, taxes, if any, stamp duty and excludes broken period interest.

Investments maturing within twelve months from the Balance Sheet date and investments made with the specific intention to be disposed off within twelve months from the balance sheet date are classified as short-term investments.

Investments other than short-term investments are classified as long-term investments.

Pursuant to the provisions of IRDAI Circular No. IRDA/F&A/CIR/CPM/056/03/2016 dated April 4, 2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated January 12, 2017, the Investment made by the Company, investment income and fair value change account are bifurcated into Policyholders and Shareholders funds on notional basis.

Policyholders fund shall be the sum of a) Outstanding Claims including IBNR (Incurred but not reported) & IBNER (Incurred but not enough reported), b) Unexpired Risk Reserve (URR), c) Premium deficiency, if any, d) Catastrophe Reserve, if any, and e) Other liabilities net off Other assets. Other liabilities comprise of Premium received in advance, unallocated premium, Balance due to other Insurance Companies, Due to others members of

Schedule-16 (Continued)

Notes To Accounts

the Motor third party pool and Due to Policyholders. Other assets comprises of outstanding premium, Due from other entities carrying on Insurance business (including reinsurers), Balance with Terrorism Pool and Balance with Motor third party pool, if any.

Shareholders' funds comprises of share capital, including reserves and surplus, less accumulated losses, if any, preliminary expenses and miscellaneous expenditure to the extent not written off or adjusted.

Schedule 8 denotes Investment made out of the Shareholders fund and Schedule 8A denotes Investments made out of the policyholders' fund.

All debt securities excluding Additional Tier I Bonds and non-convertible preference shares are considered as 'held to maturity' and accordingly stated at historical cost subject to amortisation of premium or accretion of discount on constant yield to maturity basis to the extent of policyholders funds in the Revenue Accounts and to the extent of shareholders' funds in the Profit and Loss Account over the period of maturity/holding.

All mutual fund investments are valued at net asset value as at Balance Sheet date.

Equity shares actively traded and convertible preference shares as at the Balance Sheet date are stated at fair value, being the last quoted closing price on the National Stock Exchange (NSE) being selected as Primary exchange as required by IRDAI Circular No. IRDA/F&I/INV/CIR/213/10/2013 dated October 30, 2013. However, in case of any stock not being listed on NSE, the same is valued based on the last quoted closing price on Bombay Stock Exchange (BSE). Investment in unlisted shares are stated at historical cost.

Additional Tier I Bond Investments are fair valued at market yield rates published by rating agency registered with the Securities and Exchange Board of India (SEBI).

In accordance with the Regulations, any unrealized gains/losses arising due to change in fair value of mutual fund investments, listed equity shares and Additional Tier I Bonds are accounted in "Fair Value Change Account" and carried forward in the Balance Sheet and is not available for distribution.

The Company assesses, whether any impairment has occurred on its investments at each Balance Sheet

date. If any such indication exists, then carrying value of such investment is reduced to its recoverable amount/market value on the Balance Sheet date and the impairment loss is recognised in the Profit and Loss Account. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists then impairment loss, earlier recognised in Profit and loss Account, is reversed in Profit and loss account and the investment is restated to that extent.

(q) Employee Benefits

(i) Short-term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, bonuses, short term compensated absences and other non-monetary benefits are recognised in the period in which the employee renders the related service. All short term employee benefits are accounted on undiscounted basis.

(ii) Long-term employee benefits

The Company has both defined contribution and defined benefit plans, of which some have assets in special funds or similar securities. The plans are financed by the Company and in case of some defined contribution plans, by the Company along with its employees.

Defined contribution plans

These are plans in which the Company pays predefined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund, family pension fund, national pension scheme and superannuation fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

Defined benefit plans

Expenses for defined benefit gratuity and supplemental payment plans are calculated as at the Balance Sheet date by independent actuaries using projected unit credit method in a manner that

Schedule-16 (Continued)

Notes To Accounts

distributes expenses over the employee's working life. These commitments are valued at the present value of expected future payments arrived at after considering the funded status, with consideration for calculated future salary increases, utilising a discount rate corresponding to the interest rate estimated by the actuary, having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees.

The Company recognises the net obligation of the scheme in Balance Sheet as an asset or liability in accordance with AS- 15 "Employee Benefits". The discount rate used for estimation of liability is based on Government securities yield. Gain or loss arising from change in actuarial assumptions/ experience adjustments is recognised in the Revenue Accounts for the period in which they emerge. Expected long term rate of return on assets has been determined based on historical experience and available market information.

(iii) Other long term employee benefits

Provision for other long term benefits includes accumulated compensated absences that are entitled to be carried forward for future encashment or availment, at the option of the employer subject to the rules framed by the Company which are expected to be availed or encashed beyond twelve months from the Balance Sheet date. The Company's liability towards these other long term benefits are accrued and provided for on the basis of an actuarial valuation using projected unit credit method made at the end of the financial year.

(r) Taxation

Direct Tax

Income tax expense comprises current tax (i.e. amount of tax payable on the taxable income for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the period). Current tax is the amount expected to be paid to the tax authorities after taking credit for allowances and exemptions in accordance with the Income-tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that

have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably or virtually certain to be realised.

Indirect Tax

The Goods and Service Tax ("GST") is collected as per the GST Laws in force and the same is considered as a liability. The Input Tax Credit (ITC) eligible as per the GST Laws is considered as an asset. The ineligible ITC is examined and expensed out as per the GST laws. The eligible unutilised ITC, if any, is carried forward for utilisation in subsequent periods.

(s) (i) Terrorism Pool

In accordance with the requirements of IRDAI, the Company, together with other insurance companies, participates in the Terrorism Pool. This pool is managed by the General Insurance Corporation of India ("GIC"). Amounts collected as terrorism premium in accordance with the requirements of the Tariff Advisory Committee ("TAC") are ceded at 100% of the terrorism premium collected to the Terrorism Pool.

In accordance with the terms of the agreement, GIC retrocedes, to the Company, terrorism premium to the extent of the Company's share in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly statements received from the GIC. The reinsurance accepted on account of terrorism pool has been recorded in accordance with the last statement received from GIC.

The Company has ensured that it has created liability, to the extent of premium retroceded to the Company, through reserve for unexpired risks.

Schedule-16 (Continued)

Notes To Accounts

(ii) Marine Cargo Pool for Excluded Territories – Russia, Ukraine, Belarus

The Company, together with other insurance companies, has participated in the Marine Cargo Pool for Excluded Territories – Russia, Ukraine, Belarus (“MCPET”) for transactions accounted on or after June 1, 2022. This pool is managed by the General Insurance Corporation of India (“GIC”). Amounts collected as MCPET premium in accordance with the requirements of the MCPET Agreement, are ceded at 96% to the MCPET Pool, after utilising the obligatory cession.

In accordance with the terms of the Agreement, GIC retrocedes, to the Company, retrocession premium to the extent of the Company’s share in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly statements received from the GIC. The reinsurance accepted on account of MCPET pool has been recorded in accordance with the last statement received from GIC.

The Company has ensured that it has created liability, to the extent of premium retroceded to the Company, through reserve for unexpired risks

(t) Contributions to Solatium Fund

In accordance with the requirements of IRDAI Circular dated March 18, 2003 and based on the decision made by the General Insurance Council in its meeting held on May 6, 2005, the Company provides for contribution to Solatium Fund established by the Central Government as a percentage of gross written premium for all motor policies written during that year, till the year ended March 31, 2010. Further, General Insurance Council in its meeting held on April 1, 2010 recommended that the contribution should be a percentage of gross written third party premiums.

(u) Transfer of amounts to Senior Citizen Welfare Fund

In accordance with the requirement of the Notification no. G.S.R 380(E), issued by the Ministry of Finance, dated April 11, 2017 read with IRDAI Circular No. IRDA/F&A/CIR/MISC/173/07/2017 dated July 25, 2017, as amended, the Company transfers amounts outstanding for a period of more than 10 years in Unclaimed Amount of Policyholders to the Senior Citizen Welfare Fund (SCWF) on or before March 1st of each financial year.

(v) Contribution to Environment Relief Fund.

In accordance with the notification no. G.S.R 768(E), issued by Ministry of Environment and Forests, dated November 4, 2008, the Company provides for contribution to the Environment Relief Fund established by the Central Government, an amount equal to the premium received in relation to Public Liability policies issued by the Company, as per the rules specified by Public Liability Insurance Rules 1992.

(w) Segment Reporting

In case of General insurance business, based on the primary segments identified under Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002 read with AS 17 on “Segment Reporting” specified under Section 133 of the Companies Act, 2013, the Company has classified and disclosed segment information for Fire, Marine and Miscellaneous lines of business.

There are no reportable geographical segments, since all business is written in India.

The allocation of revenue and expenses to specific segments is done in the following manner, which is applied on a consistent basis.

Allocation of Investment Income

Investment income earned on the policyholders’ funds has been allocated on the basis of the average of reserves for unexpired risks, IBNR, IBNER and outstanding claims of the respective segments.

Operating Expenses relating to Insurance Business

Expenses which are directly attributable and identifiable to the business segments shall be allocated to the respective business segment.

Expenses, which are not directly attributable and identifiable to the business segments, shall be apportioned on the basis of Gross written premium of the respective business segment.

The accounting policies used in segment reporting are same as those used in the preparation of financial statements.

Schedule-16 (Continued)

Notes To Accounts

(x) Earnings Per Share (EPS)

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted EPS comprises of weighted average number of shares considered for deriving basic EPS and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

(y) Provisions and Contingencies

A provision is recognised when the Company has a present legal obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its 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 current best estimates.

Contingent losses arising from claims other than insurance claims, litigations, assessments, fines, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

A disclosure for a contingent liability other than those under policies 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. A Contingent asset is neither recognised nor disclosed in the financial statements.

(z) Employee Stock Option Plan (ESOP)

The Company follows the intrinsic method for computing the compensation cost, for options granted under the Plan. The difference if any, between the fair value of the share and the grant price, being the compensation cost is amortised over the vesting period of the options.

(aa) Receipts and Payments Account

(i) Receipts and Payments Account is prepared and reported using the Direct Method, in conformity with Para 2.2 of the Master Circular on Preparation of Financial Statements - General Insurance Business dated October 5, 2012, issued by the IRDAI.

(ii) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Schedule-16 (Continued)

Notes To Accounts

3. Amalgamation of Housing Development Finance Corporation Limited (HDFC Limited) with and into HDFC Bank Limited (HDFC Bank)

The Board of Directors of HDFC Limited (HDFC), on April 4, 2022, had approved a Scheme of Amalgamation (Scheme) for the amalgamation of HDFC with and into HDFC Bank Limited (HDFC Bank). Necessary approvals were sought to permit increase in shareholding in the Company in excess of 50% and accordingly, Reserve Bank of India (RBI), Competition Commission of India (CCI) and Insurance Regulatory and Development Authority of India (IRDAI) granted approvals for HDFC Limited to increase its shareholding in the Company to more than 50% prior to effective date of Scheme and transfer the entire shareholding to HDFC Bank in the view of proposed amalgamation.

The Board of Directors of the Company, vide resolution dated June 30, 2023, approved the transfer of 3,642,290 equity shares of ₹ 10 each, representing 0.51% of the paid-up shares of the Company, from ERGO International AG to HDFC Limited and accordingly HDFC Limited became the Holding Company of the Company on the said date.

Subsequently, on July 1, 2023 (being the Effective Date of the Scheme), in terms of Scheme of Amalgamation of HDFC Limited with HDFC Bank Limited and vide the National Company Law Tribunal's (NCLT) Order dated April 20, 2023, HDFC Bank Limited became the Holding and Promoter Company of the Company.

4. CONTINGENT LIABILITIES

(₹ '000)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
1.	Partly paid up investments	Nil	Nil
2.	Underwriting commitments outstanding (in respect of shares and securities)	Nil	Nil
3.	Claims, other than those under policies, not acknowledged as debts by the Company	Nil	Nil
4.	Guarantees given by or on behalf of the Company	Nil	Nil
5.	Statutory demands/liabilities in dispute, not provided for (Refer Note 1 & 2 below)	5,582,418	3,517,180
6.	Reinsurance obligations to the extent not provided for in accounts	Nil	Nil
7.	Others	Nil	Nil

Note:

- The Company has disputed the demand raised by Service Tax and Goods & Service Tax Authorities for various years amounting to ₹ 3,938,639 thousand (March 31, 2023 ₹ 3,517,180 thousand) towards base service tax and goods and service tax. Appeals against these demand orders/notice is filed / yet to be filed before the appropriate Authorities.
- The Company has disputed the demand raised by Income Tax Authorities for various years amounting to ₹ 1,643,779 thousand (March 31, 2023 ₹ Nil) towards base income tax. Appeals against these demand orders are filed / yet to be filed before the appropriate Authorities.

5. ENCUMBRANCES ON ASSETS

The assets of the Company are free from encumbrances except for fixed deposits placed of ₹ 14,731 thousand (Previous year ₹ 10,351 thousand) against bank guarantees and corporate credit cards.

6. COMMITMENTS

There are commitments made and outstanding of ₹ 411,250 thousand (Previous year ₹ 27,888 thousand) for investments.

Estimated amount of contracts remaining to be executed on capital account towards fixed assets and not provided for, [net of payments ₹ 719,859 thousand (Previous year ₹ 307,795 thousand)] is ₹ 836,288 thousand (Previous year ₹ 465,884 thousand).

There are no commitments made and outstanding for loans (Previous year ₹ Nil).

Schedule-16 (Continued)

Notes To Accounts

7. CLAIMS

All claims, net of reinsurance are incurred and paid in India except for Marine Insurance (where consignments are exported from India), Liability Insurance and Overseas Travel Insurance.

(₹ '000)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Outside India	180,357	570,337

There are no claims that have been settled and remaining unpaid for a period of more than six months as at the end of the year (Previous year ₹ Nil).

The Ageing of gross claims outstanding (unsettled) is as under:

(₹ '000)

Particulars	As at March 31, 2024	As at March 31, 2023
More than six months	46,423,302	33,493,162
Others	15,954,914	14,435,288

8. PREMIUM

(a) All premiums net of reinsurance are written and received in India.

(b) Premium income recognised on "Varying Risk Pattern" is ₹ Nil (Previous year ₹ Nil).

9. EXTENT OF RISKS RETAINED AND REINSURED

Extent of risk retained and reinsured with respect to gross written premium is set out below:

For the year ended on March 31, 2024

Particulars	Basis	Gross Premium	Retention	Cession	Retention	Cession
		(₹ '000)	(₹ '000)	(₹ '000)	%	%
Fire	Total sum insured	19,899,532	4,648,504	15,251,029	23	77
Marine Cargo	Value at Risk	1,737,236	1,557,937	179,299	90	10
Marine Hull	Total sum insured	162,556	1,403	161,153	1	99
Miscellaneous						
- Motor	Total sum insured	52,753,507	38,058,564	14,694,943	72	28
- Workmen's Compensation	Value at Risk	271,106	225,149	45,958	83	17
- Public/Product Liability	Value at Risk	45,042	9,304	35,738	21	79
- Engineering	Total sum insured	2,671,514	585,656	2,085,857	22	78
- Aviation	Value at Risk	196,209	54	196,155	0	100
- Personal Accident	Value at Risk	5,633,022	3,510,475	2,122,547	62	38
- Health Insurance	Value at Risk	59,748,544	37,290,214	22,458,329	62	38
- Other Liability / Specialty	Value at Risk	6,269,203	1,743,901	4,525,301	28	72
- Others	Value at Risk	38,629,519	18,285,434	20,344,085	47	53

The above excludes Excess of Loss cover reinsurance premium of ₹ 1,530,572 thousand for the year ended on March 31, 2024.

Schedule-16 (Continued)

Notes To Accounts

For the year ended on March 31, 2023

Particulars	Basis	Gross Premium	Retention	Cession	Retention	Cession
		(₹ '000)	(₹ '000)	(₹ '000)	%	%
Fire	Total sum insured	18,992,495	4,036,376	14,956,120	21	79
Marine Cargo	Value at Risk	2,074,489	1,819,194	255,296	88	12
Marine Hull	Total sum insured	197,394	1,801	195,593	1	99
Miscellaneous						
- Motor	Total sum insured	46,443,848	32,921,199	13,522,649	71	29
- Workmen's Compensation	Value at Risk	212,852	174,312	38,539	82	18
- Public/Product Liability	Value at Risk	37,351	8,880	28,471	24	76
- Engineering	Total sum insured	2,058,900	396,948	1,661,952	19	81
- Aviation	Value at Risk	184,539	93	184,446	0	100
- Personal Accident	Value at Risk	5,961,879	3,572,386	2,389,493	60	40
- Health Insurance	Value at Risk	51,202,409	34,827,811	16,374,598	68	32
- Other Liability / Specialty	Value at Risk	5,459,874	1,262,297	4,197,577	23	77
- Others	Value at Risk	35,905,346	10,902,942	25,002,403	30	70

The above excludes Excess of Loss cover reinsurance premium of ₹ 1,115,852 thousand for the year ended on March 31, 2023.

10. INVESTMENTS

The Company has not executed any contract for purchase / sale of securities where deliveries are pending at the end of the year and credit/debit in Company's Demat Account has been done subsequent to the year end.

Investments made are in accordance with the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 as amended and various other circulars / notifications issued by the IRDAI in this context from time to time.

Investments in Dewan Housing Finance Corporation Limited (DHFL), Reliance Capital Limited (RCL) and Infrastructure Leasing & Financial Services Limited group (IL&FS group) securities amounting ₹ 250,000 thousand, ₹ 199,979 thousand and ₹ 2,131,969 thousand respectively had been classified as non performing investments in earlier years in terms of the IRDAI guidelines, since these Companies had defaulted in the payment of interest and redemption proceeds and accordingly had been fully provided for.

No interest income has been accrued thereon, in terms of the provisions of point 13 of Para 3.7 of the Master Circular on IRDAI (Investment) Regulations, 2016.

Schedule-16 (Continued)

Notes To Accounts

Pursuant to the Order passed by the Honourable National Company Law Tribunal (NCLT) for DHFL and Honourable National Company Law Appellate Tribunal (NCLAT) for IL&FS group, the company has recovered partial claims. In view of further expected claims, the balance provision is carried forward in books of accounts as given below:

(₹ '000)

Security	Value of Investment	Amount Recovered	Balance Written off	Balance as at March 31, 2024
Deewan Housing Finance Limited	250,000	108,200	133,400	8,400
Infrastructure Leasing & Financial Services Limited	802,655	52,951	-	749,704
IL&FS Financial Services Limited	860,258	157,706	-	702,552
IL&FS Transportation Networks Limited	469,057	32,225	-	436,832
Reliance Capital Limited	199,979	-	-	199,979
Total	2,581,949	351,082	133,400	2,097,467

Historical cost of investments which have been valued on a market value basis:

Mutual Funds – ₹ 188,207 thousand (Previous year ₹ 276,098 thousand)

Equity Shares – ₹ 13,854,633 thousand (Previous year ₹ 16,788,825 thousand)

Additional Tier 1 Bond – ₹ 8,898,502 Thousand (Previous year ₹ 5,249,708 thousand)

(₹ '000)

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate market value of the Investments other than Mutual Fund and Equity Shares	230,774,584	196,846,903
Aggregate amortised cost / cost of the Investments other than Mutual Fund and Equity Shares	231,720,233	199,803,085

Repo/Reverse Repo Transactions

In terms of Para 5.1 of Master Circular dated October 27, 2022, on IRDAI (Investment) Regulations, 2016 the position of transactions under Repurchasing Option (repo) / reverse repo are provided below:

(₹ '000)

Particulars	For the year ended March 31, 2024			
	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31, 2024
Securities sold under repo				
1. Government Securities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
2. Corporate Debt Securities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Securities purchased under reverse repo				
1. Government Securities	1,573,842 (59,940)	9,748,321 (9,748,321)	4,419,329 (2,664,165)	Nil (9,748,321)
2. Corporate Debt Securities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

(Previous year's figures are in brackets)

Schedule-16 (Continued)

Notes To Accounts

TREPS Lending/Borrowing Transactions

(₹ '000)

Particulars	For the year ended March 31, 2024			
	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31, 2024
Securities debited towards funds under TREPS (at Cost)				
1. Government Securities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
2. Corporate Debt Securities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Securities credited towards funds under TREPS (at Cost)				
1. Government Securities	500 (1,000)	6,928,315 (5,217,666)	448,410 (928,035)	4,014,940 (33,987)
2. Corporate Debt Securities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

(Previous year's figures are in brackets)

11. MANAGERIAL REMUNERATION

- i. In terms of the disclosure requirements of Para 9 of IRDAI Corporate Governance Guidelines for Insurers in India, 2016, the elements of remuneration paid to Managing Director and Chief Executive Officer (MD & CEO), the Executive Directors, all other directors and Key Management Persons are as follows:

- (a) The Managing Director and Chief Executive Officer (MD & CEO) and the Executive Directors are remunerated in terms of the approval granted by IRDAI.

Details of their remuneration included in employee remuneration and welfare benefits are as follows:

(₹ '000)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary, perquisites and bonus	191,537	160,141
Contribution to Provident Fund	6,087	5,184
Total	197,623	165,325

The managerial remuneration is in accordance with recommendation of Nomination and Remuneration Committee and approval accorded by a resolution of the Board of Directors, Shareholders and IRDAI, in compliance with Section 34A of the Insurance Act, 1938.

Out of the above, ₹ 114,700 thousand (Previous year ₹ 45,000 thousand) remuneration has been charged to Revenue Accounts and balance ₹ 82,924 thousand (Previous year ₹ 120,325 thousand) has been transferred to Profit and Loss Account.

- (b) Details of the elements of remuneration paid to Key Management Persons (KMPs) excluding Wholtime Directors, as defined under IRDAI Corporate Governance Guidelines for Insurers in India, 2016, are as follows:

(₹ '000)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary, perquisites and bonus	183,548	176,750
Contribution to Provident Fund	4,371	4,219
Total	187,919	180,969

Schedule-16 (Continued)

Notes To Accounts

In addition to the above, Whole time Directors and KMPs are entitled to ESOPs under the Company's ESOP Scheme.

Expenses towards gratuity funding and leave encashment provision are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above information.

- II. IRDAI vide circular no IRDAI/F&A/GDL/MISC/141/6/2023 dated June 30, 2023 issued IRDAI (Remuneration on Non-Executive Directors of Insurers) Guidelines, 2023 and IRDAI (Remuneration of Key Managerial Persons of Insurers) Guidelines, 2023. Accordingly, the Company approved the revised Remuneration Policy for Directors, Key Managerial Personnel, Senior Management and Other Employees

- a. In terms of the disclosure requirements of Para 6 of IRDAI (Remuneration on Non-Executive Directors of Insurers) Guidelines, 2023, the elements of remuneration paid to Non-Executive/Independent Director are as follows:

During the year, the Company has paid an amount of ₹ 14,000 thousand (Previous year ₹ 6,910 thousand) as Commission to Independent Directors. An amount of ₹ 18,200 thousand (Previous year ₹ 18,100 thousand) has been paid as fees to Non-Executive Directors for attending Board/Committee meetings and ₹ 115 thousand (Previous year ₹ 105 thousand) has been paid for a Group Mediclaim insurance cover policy for the Non-Executive Directors.

Details of remuneration paid to each Non-Executive Director / Independent Director during the year ended March 31, 2024 are as follows

(₹ '000)				
Name	Sitting Fees	Commission	Group Mediclaim Insurance	Total
A. Non-Executive Directors				
Keki M Mistry	2,400 (2,800)	- (-)	57 (52)	2,457 (2,852)
Renu Karnad	2,000 (2,000)	- (-)	57 (52)	2,057 (2,052)
B. Independent Director				
Ameet Hariani	2,800 (2,600)	2,000 (1,000)	- (-)	4,800 (3,600)
Arvind Mahajan	2,400 (2,400)	2,000 (1,000)	- (-)	4,400 (3,400)
Bernhard Steinruecke	2,000 (2,000)	2,000 (1,000)	- (-)	4,000 (3,000)
Mehernosh B. Kapadia	2,400 (2,400)	2,000 (1,000)	- (-)	4,400 (3,400)
Rajgopal Thirumalai	1,400 (1,300)	2,000 (970)	- (-)	3,400 (2,270)
Sanjib Chaudhuri	1,400 (1,300)	2,000 (970)	- (-)	3,400 (2,270)
Vinay Vinod Sanghi	1,400 (1,300)	2,000 (970)	- (-)	3,400 (2,270)
Total	18,200 (18,100)	14,000 (6,910)	115 (105)	32,315 (25,115)

(Previous year's figures are in brackets)

- b. Qualitative disclosures such as NRC Composition, remuneration policy features, linking of performance with remuneration etc, mandated under Para 10 (i) of IRDAI (Remuneration of Key Managerial Persons of Insurers) Guidelines, 2023, are provided in "Particulars of Employees and Other Related Disclosure" section of Director's Report.

Schedule-16 (Continued)

Notes To Accounts

- c. In terms of the disclosure requirements of Para 10(ii) of IRDAI (Remuneration of Key Managerial Persons of Insurers) Guidelines, 2023, the elements of remuneration paid to Managing Director and Chief Executive Officer (MD & CEO) and all Whole Time Directors are as follows:

I. Remuneration and other payments made during Financial Year 2023 - 24

(₹ '000)

Particulars		Year ended March 31, 2024			Total	
Name of MD/ CEO/ WTD		Ritesh Kumar	Anuj Tyagi	Samir H. Shah		
Designation		Managing Director and CEO	Joint Managing Director	Executive Director & CFO		
Fixed Pay	Pay and Allowances (a)	70,422	32,173	21,175	123,769	
	Perquisites etc. (b)	2,635	2,561	2,083	7,280	
	Total (c) = (a)+(b)	73,057	34,734	23,258	131,049	
Variable Pay	Cash Components (d)	Paid / Accrued	37,804	17,329	11,442	66,575
		Deferred	-	-	-	-
	Non Cash Component (e)	Settled	-	-	-	-
		Deferred	37,804	17,329	11,442	66,575
	Total (f) = (d)+(e)	Paid/Settled	37,804	17,329	11,442	66,575
		Deferred	37,804	17,329	11,442	66,575
Total of Fixed and Variable Pay (c)+(f)		148,665	69,392	46,141	264,198	
Amount Debited to Revenue Account		40,000	40,000	34,700	114,700	
Amount Debited to Profit and Loss Account		70,861	12,063	-	82,924	
Value of Joining / Sign on Bonus		-	-	-	-	
Retirement benefits like gratuity, pension, etc paid during the year		-	-	-	-	
Amount of deferred remuneration of earlier years paid/settled during the year		-	-	-	-	

Notes:

- a. The Cash component and Non-Cash Components of Variable Pay are as per the IRDAI approval. The final amount on account of variable pay (both cash and non cash component) is subject to NRC approval of performance appraisals for the year ending on March 31, 2024.
- b. Non-Cash Component represents Employee Stock Options under Company's Employee Stock Option Plan 2009 (as amended).

II. Details of Outstanding Deferred Remuneration

(₹ '000)

Sr. No.	Name of MD/ CEO/WTD	Designation	Remuneration pertains to Financial Year	Nature of remuneration outstanding	Amount Outstanding
1.	Ritesh Kumar	Managing Director and CEO	-	-	Nil
2.	Anuj Tyagi	Joint Managing Director	-	-	Nil
3.	Samir H. Shah	Executive Director & CFO	-	-	Nil
	Total				Nil

Schedule-16 (Continued)

Notes To Accounts

12. SECTOR WISE BUSINESS BASED ON GROSS DIRECT PREMIUM INCOME (GDPI)

Business Sector	For the year ended March 31, 2024		For the year ended March 31, 2023	
	GDPI (₹ '000)	% of GDPI	GDPI (₹ '000)	% of GDPI
Rural	49,687,811	27	46,276,855	28
Urban	135,987,767	73	120,081,285	72
Total	185,675,578	100	166,358,140	100

Social Sector	For the year ended March 31, 2024	For the year ended March 31, 2023
Number of lives	13,412,639	9,882,355
GDPI (₹000)	36,347,573	29,690,773

13. REINSURANCE REGULATIONS

As per Para 6 of Insurance Regulatory and Development Authority of India (Re-insurance) as Regulations, 2018, prior approval from IRDAI is required in case of re-insurance placements with Cross Border Reinsurers (CBRs) by the cedants transacting other than life insurance business, which shall be subject to the following overall cession limits on the overall reinsurance premium ceded outside India during a financial year.

Rating of the CBR as per Standard & Poor or equivalent	Maximum overall cession limits allowed per CBR
BBB & BBB+ of Standard & Poor	10%
Greater than BBB+ and up to & including A+ of Standard & Poor	15%
Greater than A+ of Standard & Poor	20%

In terms of above Reinsurance Regulations, the Company has submitted details of its reinsurance programmes to the IRDAI, covering reinsurer wise placement for such treaties.

14. ASSETS TAKEN ON LEASE

Operating lease commitments – Premises

The Company takes commercial premises on lease. The minimum lease payments to be made in future towards non-cancellable lease agreements are as follows:

Particulars	(₹ '000)	
	As at March 31, 2024	As at March 31, 2023
Not later than one year	355,049	320,161
Later than one year but not later than five years	568,407	493,384
Later than five years	-	-

The aggregate operating lease rental, charged to the Revenue Accounts in the current year is ₹ 370,750 thousand (Previous year ₹ 343,575 thousand).

The lease terms do not contain any exceptional/restrictive covenants nor are there any options given to the Company to renew the lease or purchase the asset.

Schedule-16 (Continued)

Notes To Accounts

15. TAXATION

Accounting Standard (AS) 22 – ‘Accounting for Taxes on Income’, requires the Company to accrue taxes on income in the same period as the revenue and expenses to which they relate. As the taxable income is different from the reported income due to timing differences, there arises a potential Deferred Tax Asset or Deferred Tax Liability, as the case may be. The components of the Company’s Deferred Tax Assets and Liabilities are tabulated below.

(₹ ‘000)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets:		
Provision for Leave Encashment	25,337	20,360
Provision for Variable Pay/ Incentive/ Bonus	2,402	2,402
Rule 6 E of the Income-tax rules, 1962 (Reserve for unexpired risk)	-	-
Amalgamation Expenses	-	49,448
Provision for diminution in value of Investment	528,802	558,212
Provision for bad and doubtful Debts	58,730	53,365
Total	615,271	683,787
Deferred Tax Liabilities:		
Depreciation	205,463	160,709
Total	205,463	160,709
Deferred Tax Asset (Net)	409,808	523,078

16. EMPLOYEE STOCK OPTION PLAN (ESOP)

The Company had introduced an Employee Stock Option Plan 2009 (as amended) (“ESOP 2009”) in financial year 2009-10. ESOP 2009 provides that eligible employees are granted options to acquire equity shares of the Company that vest in graded manner.

The options will vest over a period of two to four or five years as per the terms of the respective Tranches from the date of grant and are exercisable over a period of five years from the respective dates of vesting.

During the year, the Company issued Tranche XX having 2,273,970 options granted at ₹ 539.00 per option (Previous year Tranche XVIII having 1,605,160 options granted at ₹ 536.00 per option and Tranche XIX having 40,000 options granted at ₹ 536.00 per option). Details of options vested during the year are as follows:

Particulars	Number of Options Vested	
	For the year ended March 31, 2024	For the year ended March 31, 2023
HI Tranche III	-	5,845
HI Tranche IV	-	25,974
HI Tranche V	7,794	9,093
HI Tranche VI	55,197	60,070
HI Tranche VII	31,250	31,250
Tranche X	-	395,000
Tranche XI	-	50,000

Schedule-16 (Continued)

Notes To Accounts

Tranche XIV	347,875	361,875
Tranche XV	2,500	2,500
Tranche XVII	747,031	-
Total	1,191,647	941,607

Movement in the options:

(No. of Options)

Particulars		Outstanding at the beginning of the year	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at the end of the year	Unvested at the end of the year	Vested at the end of the year	Weighted average price per option
Tranche XX	As at March 31, 2024	-	2,273,970	-	66,450	2,207,520	2,207,520	-	539.00
	As at March 31, 2023	-	-	-	-	-	-	-	-
Tranche XIX	As at March 31, 2024	40,000	-	-	-	40,000	40,000	-	536.00
	As at March 31, 2023	-	40,000	-	-	40,000	40,000	-	536.00
Tranche XVIII	As at March 31, 2024	1,501,280	-	-	64,130	1,437,150	1,437,150	-	536.00
	As at March 31, 2023	-	1,605,160	-	103,880	1,501,280	1,501,280	-	536.00
Tranche XVII	As at March 31, 2024	3,009,700	-	103,616	87,875	2,818,209	2,177,994	640,215	536.00
	As at March 31, 2023	3,280,475	-	-	270,775	3,009,700	3,009,700	-	536.00
Tranche XVI	As at March 31, 2024	-	-	-	-	-	-	-	364.40
	As at March 31, 2023	100,000	-	-	100,000	-	-	-	364.40
Tranche XV	As at March 31, 2024	10,000	-	5,000	-	5,000	5,000	-	383.80
	As at March 31, 2023	10,000	-	-	-	10,000	7,500	2,500	363.80
Tranche XIV	As at March 31, 2024	1,405,500	-	365,875	24,000	1,015,625	671,750	343,875	363.80
	As at March 31, 2023	1,447,500	-	-	42,000	1,405,500	1,043,625	361,875	363.80
Tranche XIII	As at March 31, 2024	-	-	-	-	-	-	-	364.40
	As at March 31, 2023	-	-	-	-	-	-	-	364.40
Tranche XII	As at March 31, 2024	25,000	-	25,000	-	-	-	-	364.40
	As at March 31, 2023	100,000	-	-	75,000	25,000	-	25,000	364.40

Schedule-16 (Continued)
Notes To Accounts

Particulars		Outstanding at the beginning of the year	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at the end of the year	Unvested at the end of the year	Vested at the end of the year	Weighted average price per option
Tranche XI	As at March 31, 2024	75,000	-	75,000	-	-	-	-	257.00
	As at March 31, 2023	75,000	-	-	-	75,000	-	75,000	257.00
Tranche X	As at March 31, 2024	518,481	-	322,395	10,000	186,086	-	186,086	257.00
	As at March 31, 2023	518,481	-	-	-	518,481	-	518,481	257.00
Tranche IX	As at March 31, 2024	1,199,500	-	1,008,000	-	191,500	-	191,500	151.00
	As at March 31, 2023	1,199,500	-	-	-	1,199,500	-	1,199,500	151.00
Tranche VIII	As at March 31, 2024	-	-	-	-	-	-	-	91.00
	As at March 31, 2023	-	-	-	-	-	-	-	91.00
HI Tranche VII	As at March 31, 2024	125,000	-	31,250	-	93,750	62,500	31,250	359.21
	As at March 31, 2023	125,000	-	-	-	125,000	93,750	31,250	359.21
Tranche VII	As at March 31, 2024	181,000	-	181,000	-	-	-	-	80.00
	As at March 31, 2023	181,000	-	-	-	181,000	-	181,000	80.00
HI Tranche VI	As at March 31, 2024	110,397	-	16,235	-	94,162	-	94,162	364.60
	As at March 31, 2023	116,890	-	-	6,493	110,397	55,197	55,200	364.60
Tranche VI	As at March 31, 2024	-	-	-	-	-	-	-	80.00
	As at March 31, 2023	-	-	-	-	-	-	-	80.00
HI Tranche V	As at March 31, 2024	45,457	-	22,078	3,897	19,482	15,580	3,902	281.05
	As at March 31, 2023	62,342	-	-	16,885	45,457	27,271	18,186	281.05
Tranche V	As at March 31, 2024	-	-	-	-	-	-	-	62.50
	As at March 31, 2023	-	-	-	-	-	-	-	62.50
HI Tranche IV	As at March 31, 2024	24,935	-	24,935	-	-	-	-	75.81
	As at March 31, 2023	24,935	-	-	-	24,935	-	24,935	75.81

Schedule-16 (Continued)

Notes To Accounts

Particulars		Outstanding at the beginning of the year	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at the end of the year	Unvested at the end of the year	Vested at the end of the year	Weighted average price per option
Tranche IV	As at March 31, 2024	2,000	-	2,000	-	-	-	-	50.00
	As at March 31, 2023	2,000	-	-	-	2000	-	2,000	50.00
HI Tranche III	As at March 31, 2024	5,845	-	5,845	-	-	-	-	75.81
	As at March 31, 2023	5,845	-	-	-	5,845	-	5,845	75.81
Tranche III	As at March 31, 2024	-	-	-	-	-	-	-	50.00
	As at March 31, 2023	-	-	-	-	-	-	-	50.00
Tranche II	As at March 31, 2024	-	-	-	-	-	-	-	10.00
	As at March 31, 2023	-	-	-	-	-	-	-	10.00
Tranche I	As at March 31, 2024	-	-	-	-	-	-	-	10.00
	As at March 31, 2023	-	-	-	-	-	-	-	10.00

Method used for accounting

The Company has adopted intrinsic value method for computing the compensation cost for the Options granted. Since the exercise price is not less than the intrinsic value of shares on the date of grant, value of options is ₹ Nil (Previous year ₹ Nil) and accordingly, no compensation cost is recognised in the books.

Had the Company followed the fair value method for valuing its options for the year, the charge to the Revenue Accounts and Profit and Loss Account would have been higher by ₹ 339,081 thousand (Previous year ₹ 216,280 thousand) and profit after tax would have been lower by ₹ 256,601 thousand (Previous year ₹ 162,540 thousand). Consequently, the Company's basic and diluted earnings per share would have been ₹ 5.76 and ₹ 5.75 respectively.

Fair Value Methodology

The fair value of options on date of grant has been estimated using Black-Scholes model. The key assumptions used in Black-Scholes model for calculating fair value under ESOP 2009 as on grant date are as follows:

Particulars	Date of Grant	Risk Free Interest Rate	Expected Life	Expected Volatility*	Expected Dividend Yield
Tranche XX	April 27, 2023	6.97%-7.05%	4-6 years	14%	Nil
Tranche XIX	June 13, 2022	7.29%-7.47%	4-6 years	17%	Nil
Tranche XVIII	April 25, 2022	6.41%-6.91%	4-6 years	16%	Nil
Tranche XVII	July 21, 2021	5.44%-6.13%	4-6 years	17%	Nil

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Notes To Accounts

Tranche XVI	May 5, 2021	5.18%-6.03%	4-6 years	19%	Nil
Tranche XV	July 14, 2020	4.81%-5.46%	4-6 years	32%	Nil
Tranche XIV	June 12, 2020	4.95%-5.66%	4-6 years	32%	Nil
HI Tranche VII	June 12, 2020	4.95%-5.66%	4-6 years	32%	Nil
Tranche XIII	February 20, 2020	5.98%-6.27%	4-6 years	14%	Nil
HI Tranche VI	February 10, 2020	5.95%-6.28%	4-6 years	14%	Nil
Tranche XII	February 6, 2020	6.07%-6.34%	4-6 years	14%	Nil
HI Tranche V	August 7, 2019	6.10%-6.48%	4-7 years	13%	Nil
Tranche XI	August 20, 2018	7.83%-7.96%	4-6 years	10%	Nil
Tranche X	April 16, 2018	7.33%-7.58%	4-6 years	10%	Nil
HI Tranche IV	February 9, 2018	7.22%-7.59%	4-7 years	9%	Nil
HI Tranche III	October 1, 2017	6.58%-6.75%	4-6 years	10%	Nil
Tranche IX	April 28, 2017	6.90%-6.95%	4-6 years	12%	Nil
Tranche VIII	April 21, 2016	7.41%-7.62%	4-6 years	18%	Nil
Tranche VII	March 16, 2015	7.82%-7.86%	4-6 years	13%	Nil
Tranche VI	April 24, 2014	8.75%-8.93%	4-6 years	17%	Nil
Tranche V	April 30, 2013	7.64%-7.60%	4-6 years	13%	Nil
Tranche IV	April 24, 2012	8.22%-8.49%	4-6 years	20%	Nil
Tranche III	July 25, 2011	8.22%-8.31%	4-6 years	17%	Nil
Tranche II	May 25, 2010	6.92%-7.42%	4-6 years	22%	Nil
Tranche I	February 10, 2010	7.29%-7.72%	4-6 years	32%	Nil

*Volatility of BSE Sensex for one year has been considered.

Particulars		Fair Value Method	
		For the year ended March 31, 2024	For the year ended March 31, 2023
A	Net Profit after Tax (₹ '000)	4,120,108	6,364,055
B	Less: Preference dividend	-	-
C	Weighted Average number of Equity Shares of ₹10/- each (Basic) (in '000)	714,761	712,780
D	Weighted Average number of Equity Shares of ₹10/- each (Diluted) (in '000)	716,704	714,729
E	Basic Earnings Per Share (₹)	5.76	8.93
F	Diluted Earnings Per Share (₹)	5.75	8.90

Information in respect of Options outstanding

Particulars		Exercise Price (₹)	No. of Options	Weighted Average remaining life
Tranche XX	As at March 31, 2024	539	2,207,520	88 Months
	As at March 31, 2023	539	-	-
Tranche XIX	As at March 31, 2024	536	40,000	77 Months
	As at March 31, 2023	536	40,000	89 Months

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Notes To Accounts

Particulars		Exercise Price (₹)	No. of Options	Weighted Average remaining life
Tranche XVIII	As at March 31, 2024	536	1,437,150	76 Months
	As at March 31, 2023	536	1,501,280	88 Months
Tranche XVII	As at March 31, 2024	536	2,818,209	67 Months
	As at March 31, 2023	536	3,009,700	79 Months
Tranche XVI	As at March 31, 2024	-	-	-
	As at March 31, 2023	-	-	-
Tranche XV	As at March 31, 2024	363.80	5,000	54 months
	As at March 31, 2023	363.80	10,000	66 months
Tranche XIV	As at March 31, 2024	363.80	1,015,625	53 months
	As at March 31, 2023	363.80	1,405,500	65 months
Tranche XIII	As at March 31, 2024	-	-	-
	As at March 31, 2023	-	-	-
Tranche XII	As at March 31, 2024	-	-	-
	As at March 31, 2023	364.40	25,000	61 months
Tranche XI	As at March 31, 2024	-	-	-
	As at March 31, 2023	257	75,000	44 Months
Tranche X	As at March 31, 2024	257	186,086	28 months
	As at March 31, 2023	257	518,481	40 months
Tranche IX	As at March 31, 2024	151	191,500	16 months
	As at March 31, 2023	151	1,199,500	28 months
Tranche VIII	As at March 31, 2024	-	-	-
	As at March 31, 2023	-	-	-
HI Tranche VII	As at March 31, 2024	359.21	93,750	53 months
	As at March 31, 2023	359.21	125,000	65 months
Tranche VII	As at March 31, 2024	-	-	-
	As at March 31, 2023	80	181,000	6 months
HI Tranche VI	As at March 31, 2024	364.60	94,162	49 months
	As at March 31, 2023	364.60	110,397	61 months
Tranche VI	As at March 31, 2024	-	-	-
	As at March 31, 2023	-	-	-
HI Tranche V	As at March 31, 2024	281.05	19,482	50 months
	As at March 31, 2023	281.05	45,457	62 months
Tranche V	As at March 31, 2024	-	-	-
	As at March 31, 2023	-	-	-
HI Tranche IV	As at March 31, 2024	-	-	-
	As at March 31, 2023	75.81	24,935	56 months
Tranche IV	As at March 31, 2024	-	-	-
	As at March 31, 2023	50	2,000*	-
HI Tranche III	As at March 31, 2024	-	-	-
	As at March 31, 2023	75.81	5,845	33 months

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Notes To Accounts

Particulars		Exercise Price (₹)	No. of Options	Weighted Average remaining life
Tranche III	As at March 31, 2024	-	-	-
	As at March 31, 2023	-	-	-
Tranche II	As at March 31, 2024	-	-	-
	As at March 31, 2023	-	-	-
Tranche I	As at March 31, 2024	-	-	-
	As at March 31, 2023	-	-	-

*The last date for exercise of Tranche IV options vested on April 24, 2016, was April 24, 2021. The options pending for exercise pertain to one employee who has given a request letter in May 2021, indicating his intention to exercise the options and the same has been considered by the management in the next exercise window in April 2023.

17. SEGMENT REPORTING

The statement on segment reporting is included in **Annexure 1**.

18. ACCOUNTING RATIOS

The statement on accounting ratios is provided in **Annexure 2**.

19. EMPLOYEE BENEFITS

(a) Defined Contribution Plan:

(₹ '000)

Expenses on defined contribution plan (included in Schedule 4: Operating Expenses)	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Staff Provident fund	340,159	295,969
Contribution to Superannuation fund	Nil	Nil
Contribution to National Pension Scheme	23,046	19,510
Total	363,205	315,479

(b) Defined Benefit Plan – Gratuity:

Disclosures as per AS-15 (Revised) "Employee Benefits" for the year ended on March 31, 2024:

(₹ '000)

Sl. No.	Particular	March 31, 2024	March 31, 2023
I	Assumptions		
	Discount Rate	7.20%	7.31%
	Rate of increase in compensation levels	7.00%	7.00%
	Rate of Return on Plan Assets p.a.	7.20%	7.31%
	Retirement Age	60	60
	Rate of Employee Turnover	15%-26%	15%-26%
	Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Schedule-16 (Continued)

Notes To Accounts

Sl. No.	Particular	March 31, 2024	March 31, 2023
II	Table Showing Change in Benefit Obligation		
	Net liability as per books (A)	587,542	540,598
	Fair value of Assets at the beginning of the year (B)	Nil	Nil
	Shortfall/(Excess) in opening liability determined as per actuarial valuation (C)	Nil	Nil
	Opening net Liability as per actuarial valuation (A)+(B)+(C)	587,542	540,598
	Interest Cost for the year	42,949	32,922
	Service Cost for the year	78,910	75,969
	Past Service cost	Nil	Nil
	Benefits paid during the year	(62,980)	(53,575)
	Actuarial (Gain)/Loss on obligations	75,467	(8,372)
	Plan Benefit Obligation at the end of the year	721,889	587,542
III	Tables of Fair value of Plan Assets		
	Fair Value of Plan Assets at the beginning of the year	586,754	542,055
	Expected Return on Plan Assets for the year	42,892	33,011
	Contributions during the year	142,514	81,265
	Benefits Paid during the year	(62,980)	(53,575)
	Actuarial Gain/(Loss) on Plan Assets	14,615	(16,002)
	Fair Value of Plan Assets at the end of the year	723,795	586,754
IV	The Amounts to be recognised in the Balance Sheet		
	Present Value of Obligation	(721,889)	(587,542)
	Fair Value of Plan Assets	723,795	586,754
	Asset/(Liability) recognised in Balance Sheet	1,906	(788)
V	Amounts to be recognised in the Revenue Accounts (Net Periodic Cost)		
	Current Service Cost	78,910	75,969
	Past Service cost	Nil	Nil
	Interest Cost	58	(89)
	Expected Return on Plan Assets	Nil	Nil
	Net actuarial (Gain) / Loss recognised in the year	60,852	7,628
	Actuarial determined charge for the year (A)	139,820	83,508
	Shortfall/(Excess) (B)	Nil	Nil

Schedule-16 (Continued)
Notes To Accounts

Sl. No.	Particular	March 31, 2024	March 31, 2023
	Total Charge as per books (A+B)	139,820	83,508
	(expense is disclosed in the line item – Employees’ remuneration and welfare benefit)		
VI	Movements in the liability recognised in the Balance Sheet:		
	Net Liability as per books (A)	788	(1,456)
	Shortfall/(Excess) in opening liability determined as per actuarial valuation (B)	Nil	Nil
	Opening net liability(A+B)	788	(1,456)
	Expense as above	139,820	83,508
	Net Liability / (Asset) Transfer In	Nil	Nil
	Net (Liability) / Asset Transfer Out	Nil	Nil
	Contribution paid	(142,514)	(81,264)
	Closing Net (Asset)/Liability	(1,906)	788
VII	Actual Return on Plan Assets		
	Expected return on Plan Assets	42,892	33,011
	Actuarial Gain/(Loss) on Plan Assets	14,615	(16,001)
	Actual return on Plan assets	57,507	17,010

Experience adjustments

(₹ '000)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Defined Benefit Obligation	721,889	587,542	540,599	481,316	452,296
Plan Assets	723,795	586,754	542,055	489,530	433,566
Surplus/(Deficit)	1,906	(788)	1,456	8,214	(18,730)
Experience Adjustment on Plan Liabilities	71,884	25,930	48,743	(67,395)	4,214
Experience Adjustment on Plan Assets	14,615	(16,002)	(6,512)	6,365	8,608

The Company’s gratuity funds are managed by HDFC Life Insurance Company Limited. Secure Managed Fund constitutes 72.50% (Previous year 92.88%), Defensive Managed Funds constitutes 27.50% (Previous year 7.12%) of the total fund balance.

Schedule-16 (Continued)

Notes To Accounts

Investment Pattern of Company's Gratuity Funds in HDFC Life Insurance Company Limited:

Particulars	Invested as on March 31, 2024		Invested as on March 31, 2023	
	Secured Managed Fund	Defensive Managed Fund	Secured Managed Fund	Defensive Managed Fund
Government Securities	62.29%	57.03%	48.14%	43.56%
Debentures/Bonds	34.53%	18.07%	48.40%	28.58%
Deposits, Money Market Securities and Net Current Assets	3.18%	2.10%	3.46%	7.22%
Equity	-	22.80%	-	20.64%
Total	100%	100%	100%	100%

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The contribution expected to be made by the Company during the financial year 2024-25, amounts to ₹ 91,827 thousand (Previous year ₹ 79,698 thousand).

20. RELATED PARTY DISCLOSURE

As per the Accounting Standard (AS) 18 on 'Related Party Disclosures', the related parties of the Company are as follows:

(a) Names of the related parties and description of relationship:

Holding Company (Refer Note 3)

Housing Development Finance Corporation Limited (HDFC Limited) (as on June 30, 2023)
HDFC Bank Limited (from July 01, 2023)

Fellow Subsidiaries (with whom Company has transactions) (Refer Note 3)

HDFC Asset Management Company Limited (From June 30, 2023)
HDFC Sales Private Limited (From June 30, 2023)
HDFC Credila Financial Services Limited (From June 30, 2023 to March 19, 2024)
HDFC Education and Development Services Private Limited (From June 30, 2023)
HDFC Capital Advisors Limited (From June 30, 2023)
HDFC Life Insurance Company Limited (From June 30, 2023)
HDFC Pension Management Company Limited (From July 01, 2023)
HDB Financial Services Limited (From July 01, 2023)
HDFC Securities Limited (From July 01, 2023)

Investing Party and its Group Company

Housing Development Finance Corporation Limited (HDFC Limited) (upto June 29, 2023*) (Refer Note 3)
ERGO International AG
Munich Re (Group Company of Investing Party)

Schedule-16 (Continued)

Notes To Accounts

Key Management Personnel and Relatives of Key Management Personnel (with whom Company has transactions)

Ritesh Kumar, Managing Director and CEO (MD & CEO)
 Saloni Agarwal, Daughter of Ritesh Kumar (MD & CEO)
 Amish Kumar Agarwal, Brother of Ritesh Kumar (MD & CEO)
 Anuj Tyagi, Joint Managing Director (Joint MD)
 Ramesh Tyagi, Father of Anuj Tyagi (Joint MD)
 Anya Tyagi, Daughter of Anuj Tyagi (Joint MD)
 Samir H. Shah, Executive Director & CFO (ED & CFO)
 Rashmi Shah, Spouse of Samir H. Shah (ED & CFO)
 Sukruti Shah, Daughter of Samir H. Shah (ED & CFO)
 Rachit Shah, Son of Samir H. Shah (ED & CFO)
 Meena H. Shah, Sister of Samir H. Shah (ED & CFO)
 Sanjay H. Shah, Brother of Samir H. Shah (ED & CFO)

*HDFC Limited inter alia purchased 3,642,290 equity shares of the Company increasing its effective holding to 50.5% on June 30, 2023. Accordingly, HDFC Limited became the Company's Holding Company as on the said date.

(b) Details of Transactions:

(₹ '000)

Particulars	Holding Company		Fellow Subsidiaries		Investing Party and its Group Company		Key Managerial Personnel (including relatives)	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
INCOME								
Interest, Dividend and Rent-Gross	556,474	-	30,986	-	173,355	589,484	-	-
Premium from direct business written - net of GST	1,658,202	-	121,084	-	51,920	202,658	382	388
Commission received on Reinsurance ceded	-	-	-	-	5,894,466	5,283,867	-	-
Claims on Re-insurance ceded	-	-	-	-	12,458,268	8,350,902	-	-
Other Income	-	-	-	-	-	135	-	-
Total	2,214,676	-	152,069	-	18,578,009	14,427,046	382	388
EXPENSES								
Rent, rates and taxes	48,361	-	-	-	16,120	65,349	-	-
Name Usage Fees	151,466	-	-	-	317,382	723,997	-	-
Electricity expenses	417	-	-	-	382	1,488	-	-

Schedule-16 (Continued)

Notes To Accounts

Particulars	Holding Company		Fellow Subsidiaries		Investing Party and its Group Company		Key Managerial Personnel (including relatives)	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Claims paid direct	1,573,308	-	6,180	-	-	34	90	13
Commission paid	3,137,366	-	1,068,582	-	-	-	-	-
Employees' remuneration and welfare benefits	-	-	-	-	-	-	197,623	165,276
Premium on Reinsurance ceded	-	-	-	-	26,703,765	23,674,723	-	-
Premium for Group Term Insurance	-	-	31,812	-	-	-	-	-
Interest on Debentures	-	-	13,373	-	40,299	15,741	-	-
Dividend	1,263,194	-	-	-	1,219,783	2,469,102	-	-
Charges for Banking Services.	119,217	-	-	-	-	-	-	-
Repairs (Office Maintenance)	2,093	-	-	-	1,456	6,710	-	-
Others	-	-	-	-	-	1,507	-	-
Total	6,295,422	-	1,119,947	-	28,299,187	26,958,651	197,714	165,289
ASSETS								
Transactions during the year								
Investment purchased during the year	7,058,109	-	-	-	64,738	-	-	-
Investment sold during the year	300,000	-	-	-	-	500,000	-	-
Account Balances: -								
Investments	10,287,530	-	-	-	-	8,900,126	-	-
Income accrued on investments	366,211	-	-	-	-	317,652	-	-
Prepaid Insurance Premium	-	-	35,825	-	-	-	-	-
Deposits Placed	219,765	-	-	-	-	-	-	-
Bank Balances	2,527,748	-	-	-	-	-	-	-
Other Receivable	-	-	1,031	-	-	-	-	-

Schedule-16 (Continued)
Notes To Accounts

Particulars	Holding Company		Fellow Subsidiaries		Investing Party and its Group Company		Key Managerial Personnel (including relatives)	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
LIABILITIES								
Account Balances:-								
Share Capital	3,609,126	-	-	-	3,509,418	7,055,112	-	-
Securities Premium	5,055,121	-	-	-	8,778,393	13,719,287	-	-
Debentures	-	-	250,000	-	960,000	-	-	-
Balance due to other insurance companies	-	-	-	-	22,205,466	18,770,390	-	-
Interest Payable on Debentures	-	-	7,003	-	40,299	-	-	-
Unallocated premium	17,573	-	39,478	-	-	36,681	-	-
Agents' Balances	641,973	-	155,157	-	-	-	-	-
Name Usage Fees Payable	52,333	-	-	-	43,611	155,701	-	-
Other Payables	-	-	-	-	-	-	-	-

Transactions included in (b) above which are in excess of 10% of the total related transactions of the same type are given below for the Financial Year 2023-24:

(₹ '000)

Particulars	Holding Company		Fellow Subsidiary			Investing Party and its Group Company		
	HDFC Limited (as on June 30 2023)	HDFC Bank Limited (From July 01, 2023)	HDFC Life (From June 30, 2023)	HDFC AMC Limited (From June 30, 2023)	HDFC Sales Private Limited (From June 30, 2023)	HDFC Limited (Up to June 29, 2023)	ERGO International AG	Munich Re
INCOME								
Premium from direct business written - net of GST.	32,130	1,626,072	14,394	63	95,750	51,920	-	-
Commission received on Reinsurance ceded.	-	-	-	-	-	-	-	5,894,466
Claims on Re-insurance ceded.	-	-	-	-	-	-	-	12,458,268
Interest Dividend and Rent – Gross	-	556,474	-	-	-	173,355	-	-
Total	32,130	2,182,546	14,394	63	95,750	225,275	-	18,352,733

Schedule-16 (Continued)
Notes To Accounts

Particulars	Holding Company		Fellow Subsidiary			Investing Party and its Group Company		
	HDFC Limited (as on June 30 2023)	HDFC Bank Limited (From July 01, 2023)	HDFC Life (From June 30, 2023)	HDFC AMC Limited (From June 30, 2023)	HDFC Sales Private Limited (From June 30, 2023)	HDFC Limited (Up to June 29, 2023)	ERGO International AG	Munich Re
EXPENSES								
Name Usage Fees	-	151,466	-	-	-	140,000	177,382	-
Claims paid direct	-	1,573,308	2,959	-	1,006	-	-	-
Premium on Reinsurance ceded	-	-	-	-	-	-	-	26,703,765
Interest on Debentures	-	-	13,373	-	-	-	40,299	-
Dividend	-	1,263,194	-	-	-	-	1,219,783	-
Commission Paid	-	3,137,366	-	-	946,831	-	-	-
Rent, Rates and Taxes	-	48,361	-	-	-	16,120	-	-
Electricity Expenses	-	417	-	-	-	382	-	-
Repairs (Office Maintenance)	-	2,093	-	-	-	1,456	-	-
Charges for Banking services	-	119,217	-	-	-	-	-	-
Premium paid for Group Term Insurance	-	-	31,812	-	-	-	-	-
Total	-	6,295,423	48,144	-	947,837	157,958	1,437,464	26,703,765
ASSETS:								
Transactions during the year								
Investment purchased during the year	-	7,058,109	-	-	-	64,738	-	-
Investment sold during the year	-	300,000	-	-	-	-	-	-
Account Balances								
Investments	-	10,287,530	-	-	-	-	-	-

Schedule-16 (Continued)
Notes To Accounts

Particulars	Holding Company		Fellow Subsidiary			Investing Party and its Group Company		
	HDFC Limited (as on June 30 2023)	HDFC Bank Limited (From July 01, 2023)	HDFC Life (From June 30, 2023)	HDFC AMC Limited (From June 30, 2023)	HDFC Sales Private Limited (From June 30, 2023)	HDFC Limited (Up to June 29, 2023)	ERGO International AG	Munich Re
Other Receivable	-	-	1,031	-	-	-	-	-
Interest accrued on investments	-	366,211	-	-	-	-	-	-
Prepaid Expenses	-	-	35,825	-	-	-	-	-
Deposits Placed	-	219,765	-	-	-	-	-	-
Balances with Bank	-	2,527,748	-	-	-	-	-	-
LIABILITIES:								
Account Balances								
Share Capital	-	3,609,126	-	-	-	-	3,509,418	-
Securities Premium	-	5,055,121	-	-	-	-	8,778,393	-
Debentures	-	-	250,000	-	-	-	960,000	-
Balance due to other insurance companies	-	-	-	-	-	-	-	22,205,466
Interest Payable on Debentures	-	-	7,003	-	-	-	40,299	-
Unallocated Premium	-	17,573	750	34,810	3,878	-	-	-
Agent Balances	-	641,973	-	-	153,411	-	-	-
Name Usage Fees Payable	-	52,333	-	-	-	-	43,611	-
Other Payables	-	-	-	-	-	-	-	-

Transactions included in (b) above which are in excess of 10% of the total related transactions of the same type are given below for the Financial Year 2023-24:

(₹ '000)

Particulars	Ritesh Kumar (Incl. Relatives)	Anuj Tyagi (Incl. Relatives)	Samir H. Shah (Incl. Relatives)
INCOME			
Premium from direct business written - net of GST	171	186	25
Total	171	186	25

Schedule-16 (Continued)

Notes To Accounts

Particulars	Ritesh Kumar (Incl. Relatives)	Anuj Tyagi (Incl. Relatives)	Samir H. Shah (Incl. Relatives)
EXPENSES			
Claim paid direct	90	-	-
Employees remuneration and welfare benefits	110,861	52,063	34,700
Total	110,951	52,063	34,700

Transactions included in (b) above which are in excess of 10% of the total related transactions of the same type are given below for the Financial Year 2022-23:

(₹ '000)

Particulars	Investing Party and its Group Company		
	HDFC Limited	ERGO International AG	Munich Re
INCOME			
Premium from direct business written - net of GST.	202,658	-	-
Commission received on Reinsurance ceded.	-	-	5,283,867
Claims on Re-insurance ceded.	-	-	8,350,902
Interest Dividend and Rent – Gross	589,484	-	-
Other Income.	135	-	-
Total	792,277	-	13,634,769
EXPENSES			
Name Usage Fees	600,000	123,997	-
Claims paid direct	34	-	-
Premium on Reinsurance ceded	-	-	23,674,723
Interest on Debentures	-	-	15,741
Dividend	1,246,887	1,222,215	-
Commission Paid	-	-	-
Rent, Rates and Taxes	65,349	-	-
Electricity Expenses	1,488	-	-
Repairs (Office Maintenance)	6,710	-	-
Others	1,507	-	-
Total	1,921,975	1,346,212	23,690,464
ASSETS:			
Transactions during the year			
Investment purchased during the year	-	-	-
Investment sold during the year	500,000	-	-

Schedule-16 (Continued)
Notes To Accounts

Particulars	Investing Party and its Group Company		
	HDFC Limited	ERGO International AG	Munich Re
Account Balances			
Investments	8,900,126	-	-
Other Receivable	-	-	-
Interest accrued on investments	317,652	-	-
LIABILITIES:			
Account Balances			
Share Capital	3,563,069	3,492,043	-
Securities Premium	4,940,894	8,778,393	-
Debentures	-	-	-
Balance due to other insurance companies	-	-	18,770,390
Interest Payable on Debentures	-	-	-
Unallocated Premium	36,681	-	-
Agent Balances	-	-	-
Name Usage Fees Payable	124,284	31,417	-
Other Payables	-	-	-

Transactions included in (b) above which are in excess of 10% of the total related transactions of the same type are given below for the Financial Year 2022-23:

(₹ '000)

Particulars	Ritesh Kumar (Incl. Relatives)	Anuj Tyagi (Incl. Relatives)	Samir H. Shah (Incl. Relatives)
INCOME			
Premium from direct business written - net of GST	209	155	24
Total	209	155	24
EXPENSES			
Claim paid direct	-	-	13
Employees remuneration and welfare benefits	97,278	37,716	30,282
Total	97,278	37,716	30,295

21. LOAN RESTRUCTURING

The Company has not given any loans in the financial year 2023-24 (Previous year ₹ Nil).

22. SUMMARY OF FINANCIAL STATEMENTS

The summary of financial statements is provided in **Annexure 3**.

Schedule-16 (Continued)

Notes To Accounts

23. FOREIGN EXCHANGE GAIN/(LOSS) (NET)

- (a) During the year Foreign Exchange Gain (net) earned by the Company is ₹ 9,904 thousand (Previous year Gain (net) incurred of ₹ 28,850 thousand) (included in Schedule 4 - Operating Expenses, under the head “Miscellaneous Expenses”).
- (b) The year-end foreign currency exposure is ₹ Nil (Previous year ₹ Nil).

24. (a) CONTRIBUTION TO TERRORISM POOL

The Company is a participant in and has received the Terrorism Pool retrocession of premium in the current financial year. The maximum limit of risk cession to terrorism pool is ₹ 20,000,000 thousand.

(b) SOLATIUM FUND

The IRDAI had asked the General Insurance Council (“the Council”) to recommend the percentage of contribution to be made to a Solatium Fund and matters relating to the administration of the Fund. The Council has decided that The New India Assurance Company Limited would administer the fund. The Council in its meeting held on May 6, 2005 approved the contribution of 0.10% of the motor gross written premium with effect from the date of commencement of business, for private insurance companies.

The Council, vide letter dated July 26, 2010, recommended the companies to contribute 0.10% of all the third party premium written as Solatium Fund to the administrator on demand, with effect from April 1, 2010. During the year the Company has charged ₹ 26,454 thousand (Previous year ₹ 25,548 thousand) to the Revenue Accounts on an accrual basis (see accounting policy in paragraph 2(t) above) and disclosed under Current Liabilities.

(c) CONTRIBUTION TO ENVIRONMENT RELIEF FUND

During the year, an amount of ₹ 2,469 thousand (Previous year ₹ 2,631 thousand) was collected towards Environment Relief Fund for public liability policies and an amount of ₹ 2,481 thousand (Previous year ₹ 2,638 thousand) has been transferred to “United India Insurance Company Limited, Environment Fund Account” as per Notification of Environment Relief Fund (ERF) scheme under the Public Liability Insurance Act, 1991 as amended. The balance amount of ₹ 105 thousand (Previous year ₹ 118 thousand) is included under balance due to other Insurance Companies in Schedule 13.

(d) CONTRIBUTION TO MARINE CARGO POOL FOR EXCLUDED TERRITORIES – RUSSIA, UKRAINE, BELARUS (MCPET)

The Company has participated in the MCPET for all transactions accounted on or after June 1, 2022 and accordingly has recorded its share of the retrocession premium based on latest statement/information received.

25. EARNINGS PER SHARE (EPS)

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Net Profit After Tax for the year (₹ '000)	4,376,710	6,526,595
2	Number of Shares outstanding at the beginning of the year	712,780,035	712,780,035
3	Shares issued during the year	2,188,229	-
4	Number of Shares outstanding at the end of the year	714,968,264	712,780,035
5	Weighted Average No. of Equity Shares for Basic ('000)	714,761	712,780

Schedule-16 (Continued)

Notes To Accounts

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
6	Add: Number of potentially dilutive equity shares ('000)	1,943	1,949
7	Weighted Average No. of Equity Shares for Diluted ('000)	716,704	714,729
8	Basic Earnings per Share (₹)	6.12	9.16
9	Diluted Earnings per Share (₹)	6.11	9.13
10	Nominal Value per Share (₹)	10.00	10.00

26. As per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) the Micro and Small Enterprises have been identified by the Company from the available information. Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is as follows:

(₹ '000)

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	The principal amount remaining unpaid to any supplier as at the end of the year	28,340	22,596
2	Interest due on the above amount	-	-
3	The amount of interest paid by in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
4	Amounts of the payment made to the supplier beyond the appointed day during the year	672,769	294,600
5	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006	-	-
6	Amount of interest accrued and remaining unpaid at the end of the year	-	-
7	Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

27. PREMIUM DEFICIENCY

There is no premium deficiency for the Company on an overall basis in accordance with Para 2(2) of Schedule II of Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016 (Previous year ₹ Nil) as certified by the Appointed Actuary.

28. STATEMENT SHOWING THE AGE-WISE ANALYSIS OF THE UNCLAIMED AMOUNT OF POLICYHOLDERS

The statement of age-wise analysis of the unclaimed amount of policyholders is provided in **Annexure 4**.

29. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility

Schedule-16 (Continued)

Notes To Accounts

with effect from April 1, 2014. As per the provisions of the said Section read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Company has undertaken CSR initiatives during the financial year 2023-24.

The Company has defined all CSR projects/programmes, under the core themes of Education (Vidya), Road Safety (Supath), Healthcare (Niramaya) and Women Welfare (Roshini).

Under the Vidya-Education Initiative, the Company has undertaken reconstruction of Government schools and supported creation of infrastructure facilities at universities.

Under the Niramaya-Healthcare Programme, the Company has undertaken reconstruction of Government Hospital, upgradation of ICU facilities for cancer patients, organised health camps in rural and tribal areas, sponsored eye surgeries for children in addition to supporting surgeries, cochlear implants etc.

Under the Supath-Road Safety Initiative, the Company supports a project which aims at creating Zero Fatality Corridor to reduce accidents in addition to simulator-based training centre for safe two-wheeler riding.

Additionally, under programme Roshini-Women Welfare, the Company supports learning centres for girl child education, sustainable livelihoods for women through Nursing Assistant training Course, Solar powered business units to women collectives and women entrepreneurs.

(₹ '000)

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Gross amount required to be spent by the Company during the year	152,873	126,636
2	Amount approved by the Board to be spent during the year	152,873	126,636
3	Amount spent during the year on:		
	(i) Construction / acquisition of any asset	Nil	Nil
	(ii) On purposes other than (i) above	152,913	126,662
4	Amount paid to related Parties	Nil	Nil
5	Unspent amount as per Section 135 (5)	Nil	Nil
6	Excess amount Spent as per Section 135 (5)	Nil	Nil

7	Details of ongoing projects	For the year ended March 31, 2024
	Amount required to be spent during the year	74,243
	Amount spent during the year	74,243

30. PROVISION FOR FREE LOOK PERIOD

The provision for Free Look period is ₹ Nil (Previous year ₹ Nil), as certified by the Appointed Actuary.

Schedule-16 (Continued)
Notes To Accounts

31. DISCLOSURE ON OTHER WORK GIVEN TO AUDITORS

Pursuant to clause 7.1 of Corporate Governance Guidelines issued by IRDAI on May 18, 2016 the services of the statutory auditors are disclosed below:

(₹ '000)

Name of the auditor	Services rendered	For the year ended March 31, 2024	For the year ended March 31, 2023
G. M. Kapadia & Co	Review of quarterly financial Information	1,280	1,000
	Special purpose financial information related work	900	1,600
	Certifications	410	390
	Out of Pocket Expenses	75	126
B S R & Co. LLP	Review of quarterly financial Information	1920	500
	Special purpose financial information related work	700	-
	Out of Pocket Expenses	126	60

32. PENALTIES LEVIED BY VARIOUS GOVERNMENT AUTHORITIES

(₹ '000)

Sr. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	N.A. (N.A.)	Nil (Nil)	Nil (Nil)	Nil (Nil)
2	Goods & Service Tax Authorities	N.A. (N.A.)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3	Income Tax Authorities	N.A. (N.A.)	Nil (Nil)	Nil (Nil)	Nil (Nil)
4	Any other Tax Authorities	N.A. (N.A.)	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	N.A. (N.A.)	Nil (Nil)	Nil (Nil)	Nil (Nil)
6	Registrar of Companies/ NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013/1956	N.A. (N.A.)	Nil (Nil)	Nil (Nil)	Nil (Nil)
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	N.A. (N.A.)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8	Securities and Exchange Board of India	N.A. (N.A.)	Nil (Nil)	Nil (Nil)	Nil (Nil)
9	Competition Commission of India	N.A. (N.A.)	Nil (Nil)	Nil (Nil)	Nil (Nil)
10	Any other Central/State/Local Government/Statutory Authority	N.A. (N.A.)	Nil (Nil)	Nil (Nil)	Nil (Nil)

(Previous year's figures are in brackets)

Schedule-16 (Continued)

Notes To Accounts

- 33.** The Company, on September 18, 2023, exercised its call option and redeemed ₹ 740,000 thousand of its 10 years, 740 nos. of 10.25% Unsecured, Subordinated, Fully paid up, Listed, Redeemable Non - Convertible Debentures (NCDs) having face value of ₹ 1,000 thousand each.

The Board of Directors of the Company, at its meeting held on July 25, 2023, approved raising of capital by issuance of Unsecured, Redeemable, Non-Convertible Debentures (NCDs), in the nature of subordinated debt upto ₹ 3,200,000 thousand on a private placement basis, in accordance with the provisions of the IRDAI (Other Forms of Capital) Regulations, 2022, the Companies Act, 2013 and the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021. Accordingly, the Company has allotted 32,000 Unsecured, Subordinated, Fully Paid-up, Listed, Redeemable, Non-Convertible Debentures of the face value of ₹ 100 thousand each, for cash, at par, aggregating to ₹ 3,200,000 thousand. These NCDs have coupon of 8.15% per annum, payable annually and having maturity of 10 years with Call Option to the Company at the end of 5 years from the Date of Allotment and every year thereafter.

Based on the above, the Company has total borrowings by way of Non-Convertible Debentures (NCDs) amounting ₹ 10,750,000 thousand, details of which are as under:

Series	2023-24/1	2022-23/2	2022-23/1	2021-22/1
Type, Nature and Seniority of Instrument	Unsecured, Subordinated, Fully paid up, Listed, Redeemable Non-Convertible Debentures			
Face Value (per security) (₹)	100 thousand	100 thousand	1,000 thousand	1,000 thousand
Issue Size (₹)	3,200,000 thousand	3,000,000 thousand	800,000 thousand	3,750,000 thousand
Issue Date	September 26, 2023	February 20, 2023	September 19, 2022	November 09, 2021
Redemption Date	September 26, 2033	February 20, 2033	September 19, 2032	November 09, 2031
Call Option	September 26, 2028	February 20, 2028	September 19, 2027	November 09, 2026
Coupon Rate	8.15%	8.15%	7.72%	7.10%

The debentures of the Company are listed on the BSE Limited. In terms of the amendment to the Companies (Specification of definition details) Rules, 2014, w.e.f. April 1, 2021, the Company would no longer be a listed company as defined under the Companies Act, 2013. Accordingly, in terms of Rule 18(7)(b)(iv)(B) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Company would be required to create Debenture Redemption Reserve out of the profits available for payment of dividend as per the said rules. The balance of Debenture Redemption Reserve as at March 31, 2024 is ₹ 356,468 thousand. Thus, the Company is not required to create any additional reserves during the year.

- 34.** The Board of Directors, through a resolution dated September 18, 2023 and December 23, 2023 approved the payment of an interim dividend of ₹ 2.50 and ₹ 1 per equity share of ₹ 10 each (Previous Year ₹ 3.50 per equity share of ₹ 10 each) and accordingly an amount of ₹ 1,786,533 thousand and ₹ 714,968 thousand respectively (Previous Year ₹ 2,494,730 thousand) was paid to the shareholders.
- 35.** (i) The Company periodically reviews all its long-term contracts to assess for any material foreseeable loses. Based on such review, the Company has made adequate provisions for these long-term contracts in the books of account as required under applicable law/accounting standard.
- (ii) As at March 31, 2024, the company did not have any outstanding long-term derivative contracts (Previous year ₹ Nil).

Schedule-16 (Continued)

Notes To Accounts

- 36.** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020 and has been published in the Gazette of India. The Ministry of Labour and Employment has released draft rules ('Rules') for the Code on November 13, 2020, The final Rules and the Effective Date of the Code is awaited. The Company will assess the impact of the Code once the Rules are notified and will record any related impact in the period when the Code becomes effective.
- 37.** In terms of the information available with the Company, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or any other person or entities, including foreign entities ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in parties identified by or on behalf of the Company ('Ultimate beneficiaries). The Company has also not received any fund from any parties (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 Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38. PENDING LITIGATION

The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements (Refer Note 4 Contingent Liabilities). The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

39. INVESTOR EDUCATION AND PROTECTION FUND

During the year, no amount was required to be transferred to Investor Education and Protection Fund by the Company.

40. IND AS IMPLEMENTATION

Pursuant to notification of Indian Accounting Standards (Ind AS) by the Ministry of Corporate Affairs (for other than Banks and Insurance Companies) and further to International Accounting Standards Board (IASB) issuing IFRS 17 : Insurance Contracts, which replaced IFRS 4 with effect from January 1, 2023, IRDAI, vide letter no. 100/2/Ind AS-Mission Mode/2022-23/1 dated July 14, 2022 advised all insurers to set up Ind AS Steering Committee and working group for effective implementation of Ind AS in the Insurance Sector in India.

Accordingly, a Steering Committee and a working group comprising members from cross-functional areas including Finance & Accounts, Actuarial, Information Technology and Project Management was established to study the new standard and its implication on internal processes, systems and business decision making.

The Company appointed a knowledge partner to assist in carrying out initial impact analysis of Ind AS. The said activity is in advanced stage of conclusion.

Additionally, as required by the above Circular, the Company has been appraising its Audit Committee on a quarterly basis of the progress made towards Ind AS implementation and diagnostic analysis.

Schedule-16 (Continued)

Notes To Accounts

Signatures to the Notes to Accounts

For and on behalf of the Board of Directors

Keki M Mistry

Chairman
(DIN: 00008886)

Bernhard Steinruecke

Independent Director
(DIN: 01122939)

Sanjib Chaudhuri

Independent Director
(DIN: 09565962)

Anuj Tyagi

Joint Managing Director
(DIN: 07505313)

Renu S. Karnad

Non-Executive Director
(DIN: 00008064)

Mehernosh B. Kapadia

Independent Director
(DIN: 00046612)

Vinay Sanghi

Independent Director
(DIN: 00309085)

Samir H. Shah

Executive Director & CFO
(DIN: 08114828)

Dr. Oliver Martin Willmes

Non-Executive Director
(DIN: 08876420)

Arvind Mahajan

Independent Director
(DIN: 07553144)

Rajgopal Thirumalai

Independent Director
(DIN: 02253615)

Vyoma Manek

Company Secretary & Chief Compliance Officer
(Membership No.: ACS 20384)

Edward Ler

Non-Executive Director
(DIN: 10426805)

Ameet Hariani

Independent Director
(DIN: 00087866)

Ritesh Kumar

Managing Director & CEO
(DIN: 02213019)

Mumbai

Dated: April 16, 2024

Schedule-16 (Continued)
Notes To Accounts

ANNEXURE 1

Segmental Breakup of the Balance Sheet as at March 31, 2024

Segment revenue and segment results have been incorporated in the financial statements. However given the nature of business, segment assets and liabilities, have been allocated amongst various segments to the extent possible.

(₹ '000)

Particulars	Fire	Marine	Miscellaneous	Unallocated	Total
Claims Outstanding (Refer note 2(h))	4,637,168	1,738,021	96,315,294	-	102,690,482
	(3,209,525)	(1,726,026)	(76,488,129)	-	(81,423,680)
Reserve for Unexpired Risk	5,346,226	385,061	56,913,690	-	62,644,978
	(4,704,752)	(450,966)	(48,839,039)	-	(53,994,757)
Premium Received in Advance	5,350	16,786	9,552,524	-	9,574,660
	(4,999)	(18,164)	(9,639,678)	-	(9,662,841)
Outstanding Premium	-	-	14,711,711	-	14,711,711
	(152,427)	(125)	(13,070,938)	-	(13,223,490)

(Previous year's figures are in brackets)

Schedule - 16 (Continued)

Notes to Accounts

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2024

Annexure 1

	Fire	Marine Cargo	Marine Hull	Motor	Motor-OD	Motor-TP	Workmen's Compensation	Public Liability	Product Liability	Other Liabilities	Engineering	Aviation	Personal Accident	Health	Home	Specialty*	Weather/Crop	Others	Total
Premium Earned (Net) (Schedule - A)	3,107,315	1,539,904	1,801	34,105,356	21,353,705	12,751,651	200,036	9,040	1,089	403,405	343,874	64	3,886,347	34,392,613	235,999	1,219,359	15,124,934	1,064,667	95,735,003
Profit on Sale of Investments	231,987	55,485	232	2,215,080	420,074	1,795,006	9,223	489	354	18,598	21,702	1,324	179,385	765,692	33,262	37,884	2,662,286	61,360	3,898,334
Interest, Rent and Dividend (Net of Amortisation)	748,726	179,074	84	7,149,048	1,355,766	5,793,282	29,767	1,577	1,141	60,024	70,043	4,274	578,954	2,471,229	107,352	122,172	859,424	198,036	12,581,655
Investment Income from Pool	85,170	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	85,170
Other Income	499	258	-	5,713	3,577	2,136	34	2	-	68	57	-	668	5,761	40	204	2,534	178	16,014
Total Segmental Revenue	4,173,697	1,774,720	2,868	43,475,197	23,133,112	20,342,075	239,060	11,108	2,984	482,094	438,676	5,662	4,745,354	37,635,296	376,654	1,379,589	16,293,178	1,324,241	112,316,976
Claims Incurred (Net) (Schedule - B)	2,714,885	1,391,397	(1,522)	34,312,639	17,736,209	16,576,430	162,923	2,304	10,331	247,201	413,244	51	1,826,093	29,251,546	57,226	839,467	11,602,489	1,134,109	83,964,385
Commission (Net) (Schedule - C)	(935,947)	206,781	(3,989)	8,720,770	7,615,282	1,105,488	42,296	270	(44)	22,638	(160,468)	(5,159)	7,855	2,340,392	138,793	(129,158)	(1,307,589)	215,616	9,153,059
Operating Expenses Related to Insurance Business (Schedule - D)	1,386,849	174,479	11,720	5,684,707	2,876,103	2,808,605	21,975	4,603	307	84,597	174,532	12,817	568,346	5,844,685	71,474	383,955	1,694,714	263,477	16,353,236
Premium Deficiency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Segmental Expenditure	3,165,787	1,772,657	6,209	48,718,116	28,227,593	20,490,523	227,194	7,177	10,594	334,436	427,307	7,710	2,402,294	37,436,623	267,493	1,094,264	11,979,615	1,613,202	109,470,681
Segmental Profit/(Loss)	1,007,910	2,063	(3,341)	(5,242,918)	(5,094,471)	(148,448)	11,865	3,931	(8,101)	147,658	8,368	(2,048)	2,343,059	198,673	109,161	285,326	4,273,564	(288,961)	2,846,295

* Includes - 1. Directors' and officers' liability
2. Mutual fund assets protection

Schedule - A to Annexure 1

	Fire	Marine Cargo	Marine Hull	Motor	Motor-OD	Motor-TP	Workmen's Compensation	Public Liability	Product Liability	Other Liabilities	Engineering	Aviation	Personal Accident	Health	Home	Specialty	Weather/Crop	Others	Total
PREMIUM EARNED (NET)	17,959,630	1,701,064	162,556	52,753,507	26,299,293	26,654,214	271,106	42,208	2,475	1,185,691	2,556,955	196,209	5,633,022	59,746,544	759,095	4,823,575	34,037,457	3,632,494	185,675,578
Premium from direct business written net of GST	1,939,903	36,182	-	-	-	-	-	359	-	76,193	104,559	-	-	-	-	181,744	-	473	2,341,412
Add: Premium on Re-insurance accepted	(16,150,743)	(262,839)	(161,153)	(44,904,496)	(1,174,846)	(13,729,650)	(46,484)	(34,257)	(1,481)	(779,920)	(2,216,418)	(196,155)	(2,192,141)	(22,462,083)	(142,029)	(3,745,381)	(18,898,728)	(1,446,657)	(83,630,966)
Less: Premium on Re-insurance ceded	3,746,790	1,474,397	1,403	37,849,011	25,124,446	12,724,565	224,622	8,310	994	483,963	455,096	54	3,440,881	37,286,461	617,065	1,259,938	15,148,729	2,386,310	104,386,024
Net Premium	(641,475)	65,507	398	(3,743,655)	(3,770,741)	27,086	(24,865)	731	94	(80,559)	(111,221)	10	545,465	(2,993,848)	(381,066)	(40,578)	(23,795)	(1,321,643)	(8,650,221)
Add/(Less): Adjustment for changes in reserve for unrequired risks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Premium Earned	3,107,315	1,539,904	1,801	34,105,356	21,353,705	12,751,651	200,036	9,040	1,089	403,405	343,874	64	3,886,347	34,392,613	235,999	1,219,359	15,124,934	1,064,667	95,735,003

Schedule - 16 (Continued)

Notes to Accounts

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2024 (Continued)

Schedule - B to Annexure 1

	(₹ '000)																			
	Fire	Marine Cargo	Marine Hull	Motor	MotorOD	MotorTP	Workmen's Compensation	Public Liability	Product Liability	Other Liabilities	Engineering	Aviation	Personal Accident	Health	Home	Specialty	Weather/Crop	Others	Total	
CLAIMS INCURRED (NET)																				
Claims paid direct	5,459,402	1,815,710	263,347	28,450,782	17,791,911	10,658,871	1,26,052	323	16,421	953,157	1,398,398	3,489	2,408,594	40,127,337	42,152	751,441	20,398,923	1,609,503	10,326,631	
Add: Claims on Re-insurance accepted	352,738	25,877	-	-	-	-	-	-	-	-	25,801	478	65	-	-	16,098	-	1,815	422,871	
Less: Re-insurance ceded	(4,524,596)	(463,789)	(263,285)	(8,320,396)	(890,112)	(7,430,285)	(5,277)	(261)	(7,909)	(828,742)	(1,132,253)	(3,477)	(605,687)	(11,474,843)	(3,032)	(500,493)	(12,732,280)	(685,617)	(44,551,918)	
Net Claims paid	1,287,243	1,377,818	62	20,130,386	16,901,799	3,228,587	120,775	63	8,512	124,415	291,945	490	1,803,972	28,652,494	39,120	267,046	7,667,643	925,702	62,897,584	
Add: Claims Outstanding at the end of the year	4,637,168	1,730,884	7,338	72,517,480	3,972,751	68,944,729	280,784	15,834	14,174	632,820	663,322	50,831	2,242,602	5,215,719	126,071	1,270,182	11,725,992	1,189,481	102,890,481	
Less: Claims Outstanding at the beginning of the year	(3,209,525)	(4,717,105)	(8,922)	(58,335,227)	(3,138,341)	(55,596,886)	(238,638)	(13,593)	(12,355)	(510,034)	(531,924)	(51,270)	(2,220,480)	(4,616,686)	(107,964)	(687,761)	(7,791,146)	(961,073)	(84,423,681)	
Total Claims Incurred	2,714,885	1,391,397	(1,522)	34,312,639	17,736,209	16,576,430	162,923	2,304	10,331	247,201	413,244	51	1,826,083	29,251,546	57,226	839,467	11,602,489	1,134,109	83,564,386	

Schedule - C to Annexure 1

	(₹ '000)																			
	Fire	Marine Cargo	Marine Hull	Motor	MotorOD	MotorTP	Workmen's Compensation	Public Liability	Product Liability	Other Liabilities	Engineering	Aviation	Personal Accident	Health	Home	Specialty	Weather/Crop	Others	Total	
COMMISSION PAID (NET)																				
Commission paid direct	2,074,211	229,431	668	12,207,086	7,815,274	4,391,813	49,696	4,077	410	177,528	331,592	10,268	1,007,208	9,067,185	145,938	605,912	65,704	427,992	26,404,905	
Add: Commission paid on Re-insurance accepted	201,374	4,911	-	-	-	-	-	81	-	14,656	12,554	-	-	-	-	26,643	-	64	260,283	
Less: Commission received on Re-insurance ceded	(3,211,532)	(27,561)	(4,656)	(3,486,315)	(199,991)	(3,286,224)	(7,400)	(3,887)	(454)	(689,546)	(504,614)	(15,426)	(999,353)	(6,726,793)	(7,145)	(761,713)	(1,373,293)	(212,441)	(17,512,128)	
Net commission paid/(received)	(935,947)	206,781	(3,989)	8,720,770	7,615,282	1,105,488	42,296	270	(44)	22,638	(160,468)	(5,159)	7,855	23,402,92	1,817,93	(129,159)	(1,307,589)	215,616	9,153,059	

Schedule - 16 (Continued) Notes to Accounts

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2024 (Continued) Schedule - D to Annexure 1

(₹ 000)

	Fire	Marine Cargo	Marine Hull	Motor	Motor-OD	Motor-TP	Workers' Compensation	Public Liability	Product Liability	Other Liabilities	Engineering	Aviation	Personal Accident	Health	Home	Specialty	Weather/Crop	Others	Total	
OPERATING EXPENSES RELATED TO INSURANCE BUSINESS																				
Employees' remuneration and welfare benefits (Refer note 11 of Schedule 16)	827,983	124,475	7,747	3,617,453	1,840,429	1,776,724	13,410	2,706	202	34,432	106,408	8,136	347,476	3,806,347	43,567	246,439	532,305	152,736	9,673,521	
Traffic conveyance and vehicle running expenses	32,197	41,444	316	147,892	75,153	72,839	488	71	7	1,529	4,036	347	10,898	122,601	1,825	10,288	35,900	6,512	378,949	
Training expenses	6,172	501	42	35,039	22,600	12,599	97	14	1	347	760	50	2,906	32,741	361	1,538	8,686	1,360	90,776	
Rents, rates and taxes	46,419	6,226	344	186,934	94,165	92,770	680	152	9	2,304	6,263	395	18,237	186,805	2,419	11,530	68,074	9,385	546,175	
Repairs	19,494	2,271	120	94,269	47,137	47,132	314	86	5	824	2,307	134	9,467	94,215	1,222	4,685	15,805	4,031	249,247	
Printing and stationery	19,787	1,049	22	50,263	23,135	27,128	329	301	7	591	1,388	28	12,871	52,446	563	1,625	32,815	1,963	176,049	
Communication	5,731	428	16	44,370	23,298	21,072	123	30	2	173	489	18	4,195	44,788	577	1,228	2,449	1,465	106,082	
Legal and professional charges	88,894	8,451	989	107,653	60,199	47,454	1,130	194	6	6,312	12,534	1,173	23,611	216,256	1,255	22,842	93,030	13,622	597,954	
Auditors' fees, expenses etc																				
(a) as auditors	1,344	117	11	3,563	1,776	1,787	18	3	-	85	180	13	380	4,036	51	338	2,299	259	12,700	
(b) as advisor or in any other capacity in respect of:																				
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity (Refer Note 31 of Schedule 16)	573	50	5	1,518	757	761	8	1	-	36	77	6	162	1,720	22	144	980	110	5,411	
Advertisement and publicity	63,994	3,284	94	580,640	289,437	291,203	1,508	161	23	1,903	5,116	114	47,680	536,184	8,455	15,209	210,972	20,465	1,555,803	
Interest and bank charges	19,898	1,342	90	1,21,914	60,770	61,144	378	47	5	900	2,084	109	10,537	126,985	1,771	4,863	270,758	5,201	566,881	
Others:																				
Electricity expenses	11,914	1,167	85	39,287	19,663	19,624	174	46	2	643	1,490	101	4,442	42,016	536	2,816	15,349	2,258	122,325	
Office expenses	2,297	140	3	12,518	3,451	9,068	40	35	1	68	165	4	1,105	8,764	63	192	5,059	223	30,677	
Miscellaneous expenses	8,770	757	66	39,550	18,523	21,027	113	19	1	441	1,115	68	3,184	34,267	378	2,127	25,365	1,563	117,786	
Information technology expenses	125,079	10,940	1,026	327,395	163,215	164,180	1,698	267	16	7,964	16,824	1,238	35,112	371,599	4,716	31,887	214,772	24,018	1,174,550	
Postage and courier	15,660	743	4	36,694	13,739	22,956	258	275	6	414	968	7	10,656	32,771	309	807	2,206	1,142	102,920	
Loss/(Profit) on sale of assets (net)	(166)	(14)	(1)	(480)	(240)	(241)	(2)	-	-	(10)	(22)	(2)	(50)	(536)	(7)	(42)	(310)	(33)	(1,676)	
Depreciation	90,808	8,408	740	238,274	118,896	119,378	1,212	195	12	5,642	12,348	879	25,875	270,681	3,391	23,440	148,201	17,197	847,105	
Total Operating Expenses	1,386,849	174,479	11,720	5,684,707	2,876,103	2,808,605	21,975	4,803	307	64,597	174,532	12,817	588,346	5,844,685	71,474	385,985	1,684,714	263,477	16,353,236	

Schedule - 16 (Continued) Notes to Accounts

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2023 Annexure 1

	Fire	Marine Cargo	Marine Hull	Motor	Motor-OD	Motor-TP	Workmen's Compensation	Public Liability	Product Liability	Other Liabilities	Engineering	Aviation	Personal Accident	Health	Home	Specialty *	Weather/Corp	Others	Total
Premium Earned (Net) (Schedule - A)	2,721,522	1,592,505	907	29,205,578	17,160,856	12,044,723	158,564	7,536	587	144,459	322,808	117	4,008,153	30,536,045	191,585	1,021,451	9,232,230	915,548	80,349,593
Profit on Sale of Investments	45,320	10,225	62	436,395	76,898	359,497	1,877	106	78	3,228	4,199	376	46,431	159,357	5,824	5,996	42,436	10,083	771,993
Interest, Rent and Dividend (Net of Amortisation)	614,350	138,612	843	5,915,748	1,042,427	4,873,322	25,443	1,432	1,055	43,758	56,928	5,097	629,420	2,160,235	78,952	81,285	575,258	136,688	10,465,104
Investment Income from Pool	53,023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53,023
Other Income	1,788	1,078	1	19,774	11,619	8,155	107	5	-	96	214	-	2,714	20,676	130	692	6,448	620	54,342
Total Segmental Revenue	3,436,002	1,742,420	1,812	35,577,496	18,291,799	17,285,696	185,981	9,079	1,720	188,541	384,149	5,590	4,886,718	32,878,313	276,490	1,109,423	10,147,371	1,062,939	91,694,085
Claims Incurred (Net) (Schedule - B)	1,590,463	2,173,217	725	22,807,746	13,357,949	9,449,797	109,100	1,281	128	271,159	376,138	(15,092)	1,305,029	26,000,476	79,848	481,844	8,134,824	912,645	64,229,530
Commission (Net) (Schedule - C)	(1,954,068)	242,039	(4,998)	1,960,530	3,539,007	(1,577,477)	23,354	(668)	(8)	2,492	(163,514)	(5,688)	(531,002)	753,814	69,963	(191,557)	(2,499,635)	(86,258)	(2,385,184)
Operating Expenses Related to Insurance Business (Schedule - D)	2,569,967	282,542	26,903	6,329,992	2,848,012	3,481,981	29,010	4,826	265	132,818	279,750	25,151	812,565	6,975,554	67,474	611,327	4,718,610	252,962	23,122,719
Premium Deficiency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Segmental Expenditure	2,206,363	2,697,798	22,621	31,098,268	19,743,968	11,364,301	161,465	5,439	385	406,469	492,374	4,391	1,586,592	33,732,844	217,285	901,614	10,263,799	1,079,349	84,967,065
Segmental Profit/(Loss)	1,229,640	(955,378)	(20,809)	4,479,227	(1,452,169)	5,931,395	24,526	3,640	1,336	(217,928)	(108,224)	1,199	3,100,126	(854,531)	59,205	207,809	(206,428)	(16,411)	6,726,990
Exceptional Item	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Segmental Profit/(Loss) (after exceptional item)	1,229,640	(9,55,378)	(20,809)	4,479,227	(1,452,169)	5,931,395	24,526	3,640	1,336	(217,928)	(108,224)	1,199	3,100,126	(854,531)	59,205	207,809	(206,428)	(16,411)	6,726,990

* Includes: 1. Directors and officers' liability
2. Mutual fund assets protection

Schedule - A to Annexure 1

	Fire	Marine Cargo	Marine Hull	Motor	Motor-OD	Motor-TP	Workmen's Compensation	Public Liability	Product Liability	Other Liabilities	Engineering	Aviation	Personal Accident	Health	Home	Specialty	Weather/Corp	Others	Total
PREMIUM EARNED (NET)																			
Premium from direct business written-net of GST	17,100,148	2,001,113	197,394	46,443,848	20,896,173	25,547,675	212,852	34,257	1,943	956,038	2,001,644	184,539	5,961,879	51,202,409	495,087	4,156,231	33,554,267	1,854,517	166,358,142
Add: Premium on Re-insurance accepted	1,892,347	73,377	-	-	-	-	-	1,152	-	18,460	57,259	-	-	-	-	329,144	-	1,495	2,373,234
Less: Premium on Re-insurance ceded	(15,020,164)	(401,941)	(196,593)	(13,617,435)	(888,102)	(12,729,332)	(39,011)	(27,689)	(1,203)	(844,940)	(1,735,140)	(184,446)	(2,445,614)	(16,378,004)	(78,152)	(3,352,637)	(23,870,239)	(1,131,113)	(79,922,994)
Net Premium	3,372,332	1,672,548	1,801	32,826,413	20,008,071	12,818,343	173,840	8,140	740	129,558	323,760	93	3,516,265	34,824,405	416,915	1,132,738	9,683,937	724,899	86,808,385
Add/(Less): Adjustment for changes in reserve for unexpired risks	(650,810)	(80,044)	(894)	(3,620,835)	(2,847,215)	(773,620)	(15,276)	(604)	(152)	11,901	(952)	24	491,888	(4,266,360)	(225,331)	(111,288)	(160,708)	190,649	(8,458,792)
Total Premium Earned	2,721,522	1,592,505	907	29,205,578	17,160,856	12,044,723	158,564	7,536	587	144,459	322,808	117	4,008,153	30,536,045	191,585	1,021,451	9,232,230	915,548	80,349,593

Schedule - 16 (Continued)

Notes to Accounts

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2023 (Continued)

Schedule - B to Annexure 1

	Fire	Marine Cargo	Marine-Hull	Motor	Motor-OD	Motor-TP	Workmen's Compensation	Public Liability	Product Liability	Other Liabilities	Engineering	Aviation	Personal Accident	Health	Home	Specialty	Weather/Crop	Others	Total	
CLAIMS INCURRED (NET)																				
Claims paid direct	5,003,900	2,154,247	8,306	21,714,487	14,025,197	7,689,289	93,825	10	--	152,892	886,685	4,218	2,060,620	36,202,174	31,678	905,870	18,060,008	1,045,105	88,324,025	
Add: Claims on Re-insurance accepted	442,627	29,032	--	--	--	--	--	--	--	--	22,392	1,669	1,060	--	--	--	--	169	496,949	
Less: Re-insurance ceded	(4,311,743)	(940,904)	(7,942)	(6,489,202)	(643,000)	(5,846,202)	(4,556)	(5)	--	(76,500)	(609,483)	(1,459)	(528,113)	(9,728,020)	(15,19)	(672,270)	(12,564,391)	(251,575)	(36,187,663)	
Net Claims paid	1,134,784	1,242,375	364	15,225,285	13,382,197	1,843,088	89,269	5	--	76,392	2,99,583	4,427	1,533,568	26,474,154	30,158	233,600	5,495,618	793,689	52,633,290	
Add: Claims Outstanding at the end of the year	3,209,525	1,717,105	8,922	58,735,227	3,138,341	55,596,886	238,636	13,993	12,355	510,034	531,924	51,270	2,220,480	46,666,666	107,964	687,761	7,791,146	961,073	81,423,681	
Less: Claims Outstanding at the beginning of the year	(2,753,846)	(786,263)	(8,561)	(51,152,766)	(3,162,659)	(47,990,177)	(218,805)	(12,316)	(12,226)	(315,267)	(455,379)	(70,789)	(2,449,020)	(5,090,344)	(58,274)	(449,518)	(5,151,939)	(842,128)	(69,827,439)	
Total Claims Incurred	1,590,463	2,173,217	725	22,807,746	13,357,949	9,449,797	109,100	1,281	128	271,159	376,138	(15,092)	1,305,029	26,000,476	79,848	481,044	8,134,824	912,645	64,229,532	

Schedule - C to Annexure 1

	Fire	Marine Cargo	Marine-Hull	Motor	Motor-OD	Motor-TP	Workmen's Compensation	Public Liability	Product Liability	Other Liabilities	Engineering	Aviation	Personal Accident	Health	Home	Specialty	Weather/Crop	Others	Total	
COMMISSION PAID (NET)																				
Commission paid direct	1,730,505	2,60,509	2,266	4,146,140	3,663,419	482,720	28,846	2,610	262	131,152	204,533	6,894	809,302	6,864,340	73,638	519,485	43,402	79,206	14,923,091	
Add: Commission paid on Re-insurance accepted	189,212	8,377	--	--	--	--	--	239	--	2,744	9,717	--	--	--	--	44,556	--	15	254,859	
Less: Commission received on Re-insurance ceded	(8,873,785)	(26,846)	(7,264)	(2,185,609)	(125,412)	(2,060,197)	(5,491)	(3,517)	(270)	(131,404)	(377,764)	(12,583)	(1,340,304)	(6,130,526)	(3,676)	(755,587)	(25,43,037)	(165,480)	(17,563,133)	
Net commission paid/(received)	(1,954,068)	2,42,039	(4,998)	1,960,530	3,538,007	(1,577,477)	23,354	(668)	(8)	2,492	(163,544)	(5,688)	(531,002)	755,814	69,963	(194,587)	(24,99,635)	(86,298)	(2,385,183)	

Schedule - 16 (Continued)

Notes to Accounts

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2023 (Continued)

Schedule - D to Annexure 1

	Fire	Marine Cargo	Marine Hull	Motor	Motor-OD	Motor-P	Workmen's Compensation	Public Liability	Product Liability	Other Liabilities	Engineering	Aviation	Personal Accident	Health	Home	Specialty	Weather/Crop	Others	Total	
OPERATING EXPENSES RELATED TO INSURANCE BUSINESS																				
Employees' remuneration and welfare benefits (Refer note 11 of Schedule 16)	974,678	107,156	10,203	2,400,694	1,080,128	1,320,566	11,002	1,830	100	50,372	106,097	9,539	308,171	2,646,665	25,590	231,850	1,734,429	95,938	8,714,316	
Travel, conveyance and vehicle running expenses	54,598	6,002	572	134,478	60,505	73,573	616	103	6	2,822	5,943	534	17,263	148,256	1,433	12,987	97,156	5,374	488,144	
Training expenses	25,087	2,759	263	61,815	27,812	34,003	283	47	3	1,297	2,732	246	7,935	68,148	659	5,970	44,659	2,470	224,382	
Rents, rates and taxes	66,150	7,273	692	162,932	73,307	89,625	747	124	7	3,419	7,201	647	20,915	179,625	1,737	15,735	117,713	6,511	591,428	
Repairs	27,564	3,030	289	67,893	30,547	37,346	311	52	3	1,425	3,000	270	8,715	74,849	724	6,557	49,051	2,713	246,446	
Printing and stationery	27,226	2,993	285	67,060	30,172	36,888	307	51	3	1,407	2,964	266	8,608	73,931	715	6,476	48,449	2,680	243,423	
Communication	10,737	1,180	112	26,446	11,899	14,548	121	20	1	555	1,169	105	3,395	29,156	282	2,554	19,107	1,057	95,998	
Legal and professional charges	385,920	42,428	4,040	950,546	427,673	522,873	4,356	725	40	19,945	42,009	3,777	122,019	1,047,937	10,132	91,800	686,741	37,986	3,450,401	
Auditors' fees, expenses etc																				
(a) as auditors	839	92	9	2,066	930	1,137	9	2	-	43	91	8	265	2,278	22	200	1,493	83	7,500	
(b) as advisor or in any other capacity in respect of:																				
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity (Refer Note 31 of Schedule 16)	411	45	4	1,013	456	557	5	1	-	21	45	4	130	1,116	11	98	732	40	3,615	
Advertisement and publicity	735,463	80,857	7,699	1,611,493	815,033	996,460	8,302	1,381	76	38,009	80,058	7,198	232,537	1,997,085	19,310	174,947	1,306,748	72,392	6,575,564	
Interest and bank charges	30,725	3,378	322	75,677	34,049	41,628	347	58	3	1,588	3,345	301	9,714	83,431	807	7,309	200,057	3,024	420,084	
Others:																				
Electricity expenses	11,456	1,259	120	28,217	12,696	15,522	129	22	1	592	1,247	112	3,622	31,109	301	2,725	20,396	1,128	102,427	
Office expenses	2,087	231	22	5,166	2,324	2,842	24	4	-	108	228	21	663	5,695	55	499	3,732	206	18,751	
Miscellaneous expenses	30,542	3,358	320	75,226	33,846	41,380	345	57	3	1,578	3,325	299	9,657	82,933	802	7,265	54,348	3,006	273,064	
Information Technology expenses	99,607	10,951	1,043	245,338	110,393	134,955	1,124	187	10	5,148	10,843	975	31,493	270,475	2,615	23,694	177,249	9,804	890,555	
Postage and courier	10,382	1,141	109	25,573	11,506	14,067	117	19	1	537	1,130	102	3,283	28,193	273	2,470	18,475	1,022	92,826	
Loss/(Profit) on sale of assets (net)	666	73	7	1,641	738	903	8	1	-	34	73	7	211	1,809	17	158	1,185	66	5,956	
Depreciation	75,808	8,334	794	185,720	84,010	102,710	855	142	8	3,918	8,252	742	23,969	205,851	1,990	18,033	134,899	7,462	677,777	
Total Operating Expenses	2,569,967	282,542	26,903	6,529,992	2,846,012	3,461,981	29,010	4,826	265	132,818	279,750	25,151	812,565	6,978,554	67,474	611,327	4,715,610	252,992	23,122,719	

Schedule - 16 (Continued)

Notes to Accounts

Annexure - 2 RATIOS FOR NON-LIFE COMPANIES

Sr. No.	Performance Ratio	As on March 31, 2024			As on March 31, 2023			Total
		Fire	Marine	Miscellaneous	Fire	Marine	Miscellaneous	
1	Gross premium growth rate (refer note 1a and 1b) Gross Premium for Current period / Gross Premium for Previous period	5.03%	-15.23%	12.78%	28.54%	26.76%	22.61%	23.25%
2	Gross Premium to shareholders' fund ratio Gross Premium for Current period / (Paid up Capital plus Free Reserves)	NA	NA	NA	NA	NA	NA	4.60
3	Growth rate of shareholders' funds Shareholders' funds as at the current balance sheet date / Shareholders' funds at the previous balance sheet date	NA	NA	NA	NA	NA	NA	12.58%
4	Net retention ratio (refer note 1a and 1b) Net Premium / Gross Premium	18.84%	77.68%	59.66%	17.76%	73.70%	56.80%	52.63%
5	Net commission ratio (refer note 1a and 1b) Net Commission / Net Premium	-24.97%	13.74%	9.97%	-57.94%	14.16%	-0.80%	-2.69%
6	Expenses of Management to gross direct Premium ratio Operating Expenses + Gross Commission / Gross Premium	19.27%	22.34%	23.44%	25.15%	26.03%	22.56%	22.87%
7	Expenses of Management to Net written Premium ratio Operating Expenses + Gross Commission / Net Premium	92.32%	28.21%	39.21%	127.52%	34.18%	39.60%	42.84%
8	Net Incurred Claims to Net Earned Premium Net incurred Claim / Net earned premium	87.37%	90.15%	87.67%	58.44%	136.43%	79.52%	79.94%
9	Combined ratio Net incurred Claim; Net Commission plus Operating Expense / Net Premium + Net earned premium	99.40%	116.51%	112.55%	76.70%	169.07%	102.89%	103.29%
10	Technical reserves to net Premium ratio Reserve for Unexpired Risks plus Deficiency Reserve plus Reserve for Outstanding Claims / Net Premium	2.66	1.44	1.55	2.35	1.30	1.50	1.52
11	Underwriting balance ratio Underwriting Profit / Net Premium	-0.02	-0.15	-0.15	0.19	-0.71	-0.05	-0.06
12	Operating profit ratio Underwriting Profit plus Investment Income / Net Premium	32.44%	-0.08%	2.02%	45.18%	-61.26%	8.51%	8.37%
13	Liquid assets to liabilities ratio Liquid Assets of the Insurer / Policyholders' Liabilities	NA	NA	NA	NA	NA	NA	0.23
14	Net earnings ratio Profit after Tax / Net Premium	NA	NA	NA	NA	NA	NA	7.35%
15	Return on net worth Profit After Tax / Net Worth	NA	NA	NA	NA	NA	NA	18.05%
16	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ASM / RSM	NA	NA	NA	NA	NA	NA	1.81
17	Gross NPA ratio* Gross NPA / Gross Investment	NA	NA	NA	NA	NA	NA	0.99%
	Net NPA ratio* Net NPA / Net Investment	NA	NA	NA	NA	NA	NA	0.00%

*Pertains to Non - Performing Investments

Schedule - 16 (Continued)

Notes to Accounts

Annexure - 2 RATIOS FOR NON-LIFE COMPANIES (Continued)

Notes:

1a. Miscellaneous Breakup for the year ended March 31, 2024

Sr. No.	Particulars	Miscellaneous													Total Miscellaneous		
		Motor			Workmen Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others					
		Motor-OD	Motor-TP	Motor Total								Other Liability	Home	Specialty		Weather/ Cop	Others
1	Gross premium growth rate Gross Premium for Current period / Gross Premium for Previous period	25.86%	3.55%	13.55%	27.37%	23.21%	27.43%	28.24%	6.32%	-5.52%	16.65%	24.02%	53.33%	16.06%	1.44%	106.66%	127.8%
2	Net retention ratio Net Premium / Gross Premium	95.53%	48.00%	71.75%	82.85%	19.52%	40.17%	17.04%	0.03%	61.08%	62.41%	38.23%	81.29%	25.17%	44.51%	62.26%	59.66%
3	Net commission ratio Net Commission / Net Premium	30.31%	8.69%	23.04%	18.83%	3.26%	-4.39%	-35.26%	-95.650%	0.23%	6.28%	4.68%	22.49%	-10.25%	-8.63%	9.04%	9.97%

1b. Miscellaneous Breakup for the year ended March 31, 2023

Sr. No.	Particulars	Miscellaneous													Total Miscellaneous		
		Motor			Workmen Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others					
		Motor-OD	Motor-TP	Motor Total								Other Liability	Home	Specialty		Weather/ Cop	Others
1	Gross premium growth rate Gross Premium for Current period / Gross Premium for Previous period	35.95%	26.96%	30.86%	27.11%	-2.07%	32.92%	9.03%	1.71%	-0.43%	17.95%	14.48%	-32.15%	61.58%	23.73%	18.65%	22.61%
2	Net retention ratio Net Premium / Gross Premium	95.75%	50.17%	70.68%	81.67%	22.89%	38.07%	15.72%	0.05%	58.98%	68.01%	13.23%	84.21%	25.25%	28.86%	39.06%	56.80%
3	Net commission ratio Net Commission / Net Premium	17.68%	-12.31%	5.97%	13.43%	-8.21%	-1.15%	-50.50%	-694.36%	-15.10%	2.16%	1.92%	16.78%	-16.91%	-25.81%	-11.90%	-0.80%

2. Gross Premium represents Gross Direct Premium
3. Net Premium represents Gross Direct Premium including Premium accepted on reinsurance less reinsurance ceded
4. Underwriting Profit represents Segmental Profit / (Loss) excluding Investment Income
5. Liquid Assets represent Cash and Cash Equivalents and Short Term Investments.

Schedule - 16 (Continued)

Notes to Accounts

SUMMARY OF FINANCIAL STATEMENTS

Annexure - 3

Sr. No.	Particulars	2023-24 (₹ '000)	2022-23 (₹ '000)	2021-22 (₹ '000)	2020-21 (₹ '000)	2019-20 (₹ '000)
	OPERATING RESULTS					
1	Gross Written Premium	188,016,988	168,731,374	137,071,444	124,439,338	97,600,965
2	Net Premium Income	104,386,024	88,808,383	71,068,776	65,042,858	48,668,660
3	Income from Investments (net)	16,479,989	11,237,098	10,358,679	9,540,196	7,318,655
4	Other Income	101,184	107,365	62,715	118,832	78,665
5	Total Income	120,967,196	100,152,846	81,490,171	74,701,886	56,065,980
6	Commission (net)	9,153,060	(2,385,182)	(2,770,514)	(1,983,344)	(2,119,040)
7	Operating Expenses	16,353,234	23,122,720	19,424,800	19,868,937	14,809,749
8	Premium Deficiency	-	-	-	-	-
9	Net Incurred Claims	83,964,387	64,229,533	57,810,582	48,520,486	35,241,187
10	Change in Unexpired Risk Reserve	8,650,220	8,458,791	2,282,301	987,052	4,165,145
11	Operating Profit/(Loss)	2,846,295	6,726,984	4,743,002	7,308,755	3,968,939
	NON-OPERATING RESULTS					
12	Total Income under shareholder's account	2,937,224	1,957,469	1,934,694	608,935	620,710
13	Profit/(Loss) before tax	5,783,520	8,684,452	6,677,695	7,917,692	4,589,649
14	Provision for tax	1,406,809	2,157,859	1,676,379	2,001,182	1,320,231
15	Profit/(Loss) after tax	4,376,711	6,526,593	5,001,316	5,916,510	3,269,418
	MISCELLANEOUS					
16	Policyholders' Account :					
	Total Funds	208,745,525	180,404,772	146,765,923	136,900,703	115,988,644
	Total Investments (Refer note 2 (p) and 10 of schedule 16)	208,745,525	180,404,772	146,765,923	136,900,703	115,988,644
	Yield on Investments	8.8%	7.1%	7.4%	7.3%	8.1%
17	Shareholders' Account :					
	Total Funds	38,520,172	36,159,558	32,118,923	29,268,562	25,429,010
	Total Investments (Refer note 2 (p) and 10 of schedule 16)	48,873,236	42,011,314	37,204,597	29,528,835	19,780,184
	Yield on Investments	8.8%	7.1%	7.4%	7.3%	8.1%
18	Paid up equity capital	7,149,683	7,127,800	7,127,800	7,115,649	6,058,421
19	Net worth	38,520,172	36,159,558	32,118,923	29,268,562	25,429,010
20	Total Assets	38,520,172	36,159,558	32,118,923	29,268,562	25,429,010
21	Yield on Total Investments	8.8%	7.1%	7.4%	7.3%	8.1%
22	Earnings per Share (Basic) (₹)	6.12	9.16	7.02	8.32	5.32
23	Book Value per Share (₹)	53.88	50.73	45.06	41.13	41.97
24	Total Dividend	2,501,501	2,494,730	2,316,535	2,134,695	-
25	Dividend per Share (₹)	3.50	3.50	3.25	3.00	-

Schedule-16 (Continued)
Notes To Accounts

ANNEXURE 4

A) Statement showing the Age-wise Analysis of the Unclaimed amount of Policyholders

(₹ '000)

Particulars	Total Amount	AGE-WISE ANALYSIS								
		0-6* months	7-12* months	13-18 months	19-24 months	25-30 months	31-36 months	37-120 months	More than 120 Months	
Claims settled but not paid to the policyholders/insured's due to any reasons except under litigation from the insured/policyholders	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)
Sum due to the insured/policyholders on maturity or otherwise	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)
Any excess collection of the premium/tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	29,368 (46,381)	— (—)	— (7,773)	1,419 (12,209)	3,896 (15,437)	6,265 (1,304)	9,702 (2,360)	7,988 (7,298)	98 (—)	
Cheques issued but not encashed by the policyholder/insured (refer note below)	221,228 (289,915)	— (—)	— (18,586)	12,315 (21,848)	10,955 (14,098)	13,939 (15,069)	10,638 (17,132)	161,877 (190,953)	11,504 (12,230)	
TOTAL	250,596 (336,296)	— (—)	— (26,359)	13,734 (34,057)	14,851 (29,535)	20,204 (16,373)	20,340 (19,492)	169,865 (198,251)	11,602 (12,230)	

(Previous year's figures are in brackets)

Notes:

1. The Policy Holder due includes ₹ 70,353 thousand (Previous year ₹ 97,518 thousand) pertains to "Litigation & Others" cases.
2. In case of crop insurance under the Government schemes, the payments are made as prescribed by the Government and hence the same is not included under the unclaimed account.
3. The Policyholder due includes NIL amount (Previous year ₹ 2,200 thousand) pertains to cheques reissued but not encashed by the policyholder/insured.

*Pursuant to Modified Circular IRDAI/Life/CIR/Misc/41/2/2024 on unclaimed amount of Policy Holder due's issued by IRDAI on February 16, 2024, the Company has considered the unclaimed amount which are payable to Policy Holders remaining unclaimed beyond twelve months from the settlement date or due date whichever is earlier. Accordingly, there are no additions in the unclaimed amount of Policy Holder dues in the category of 0-12 months.

Schedule-16 (Continued)

Notes To Accounts

- B) Statement showing movement of Unclaimed Amount and Investment Income as per IRDAI Circular no. IRDA/F&A/CIR/MISC/282/11/2020 dated November 18, 2020 read with Circular no. IRDAI/Life/CIR/MISC/41/2/2024 dated February 16, 2024.

(₹ '000)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Policy Dues	Income Accrued	Policy Dues	Income Accrued
Opening Balance	285,500	48,495	284,107	43,572
Add : Amount transferred to unclaimed fund	36,745	-	130,918	-
Add : Cheques issued out of the unclaimed amount but not encashed by the policyholders (to be included only when the cheques are stale)	836	-	2,330	-
Add: Investment Income on unclaimed Fund	-	13,786	-	11,695
Less: Amount of claims paid during the year	107,232	3,990	119,432	1,211
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	15,375	8,168	12,423	5,561
Closing Balance of Unclaimed Amount Fund	200,474	50,123	285,500	48,495

“Unclaimed amount of policyholders (Investment) ₹ 130,121 thousand (Previous year ₹ 189,070 thousand) and “Income on Unclaimed Amount of Policyholders (Investment)” ₹ 50,123 thousand (Previous year ₹ 48,583 thousand) are disclosed under Schedule 12 – Advances and Other Assets.

HDFC ERGO GENERAL INSURANCE COMPANY LIMITED

IRDAI Registration No: 146

Date of Registration with the IRDAI: July 09, 2010.

MANAGEMENT REPORT

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

1. We confirm the validity of Certificate of Registration granted by the Insurance Regulatory and Development Authority of India to transact general insurance business.
2. To the best of our knowledge and belief, all the material dues payable to the statutory authorities have been duly paid.
3. We confirm that the shareholding pattern and the transfer of shares during the year ended March 31, 2024 are in accordance with the statutory or regulatory requirements.
4. We declare that funds of holders of policies issued in India have not been directly or indirectly invested outside India.
5. We confirm that the Company has maintained the required solvency margins laid down by Insurance Regulatory and Development Authority of India.
6. We certify that the all assets of the Company have been reviewed on the date of the Balance Sheet and to the best of our knowledge and belief the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the several headings – “Loans”, “Investments”, “Agents balances”, “Outstanding Premiums”, “Interest, Dividends and Rents outstanding”, “Interest, Dividends and Rents accruing but not due”, “Amounts due from other persons or Bodies carrying on insurance business”, “Sundry Debtors”, “Bills Receivable”, “Cash” and the several items specified under “Other Accounts” except debt securities which are stated at cost / amortised cost.
7. The Company is exposed to a variety of risks associated with general insurance business such as quality of risks undertaken, fluctuations in value of assets and higher expenses in the initial years of operation. The Company monitors these risks closely and effective remedial action is taken wherever deemed necessary.

The Company has, through an appropriate reinsurance program kept its risk exposure at a level commensurate with its capacity.
8. The Company does not have operations outside India.
9. a. For ageing analysis of Gross Claims outstanding (excluding provision for IBNR / IBNER and claims relating to inward re-insurance from terrorism pool) during the preceding five years, please refer Annexure 1.
b. For average claims settlement time during the preceding five years, please refer Annexure 2.
10. Details of payments to individuals, firms, Companies and organisations in which directors are interested during the year ended on March 31, 2024:

Sr. No.	Name of the Director	Entity in which Director is interested	Interested As	Payment during the year (₹ '000)
1.	Keki M. Mistry	HDFC Bank Limited	Director	7,081,032
		HDFC Life Insurance Company Limited	Director	63,252
		Tata Consultancy Services Limited	Independent Director	192,412
		Torrent Power Limited	Independent Director	1,684
2.	Renu Sud Karnad	HDFC Bank Limited	Nominee Director	7,081,032
3.	Dr. Oliver Martin Willmes	ERGO International AG	Chairman of the Board of Management	1,437,464
4.	Mehernosh B. Kapadia	Tata Capital Housing Finance Limited	Director	216,001
5.	Vijay Sanghi	Suraj Sanghi Service Centre	Partner	9
6.	Ameet Hariani	Mahindra Logistics Limited	Independent Non-Executive Director	1,861
7.	Bernhard Steinruecke	ERGO Technology & Services Private Limited	Director	61
8.	Ritesh Kumar	Insurance Information Bureau of India	Member	1,613

11. We certify that all debt securities excluding Additional Tier I Bonds and non -convertible preference shares are considered as 'held to maturity' and accordingly stated at historical cost subject to amortisation of premium or accretion of discount on constant yield to maturity basis to the extent of policyholders funds in the Revenue Accounts and to the extent of shareholders funds in the Profit and Loss Account over the period of maturity/holding. Money market instruments like Commercial Papers, Certificate of Deposits, Treasury Bills and TREPS are stated at historical cost subject to accretion of discount on constant yield to maturity basis. Government Securities traded under Reverse repurchase (reverse repo) are recorded at historical cost.

All mutual fund investments are valued at net asset value as at Balance Sheet date.

Equity shares actively traded as at the Balance Sheet date are stated at fair value, being the last quoted closing price on the National Stock Exchange (NSE) being selected as Primary exchange as required by IRDAI circular number IRDA/F&I/INV/CIR/213/10/2013 dated October 30, 2013. However, in case of any stock not being listed on NSE, the same is valued based on the last quoted closing price on Bombay Stock Exchange (BSE). Unlisted equity shares are measured at historical cost.

Additional Tier I Bond Investments are fair valued at market yield rates published by rating agency registered with the Securities and Exchange Board of India (SEBI).

In accordance with the Regulations, any unrealized gains/losses arising due to change in fair value of mutual fund investments, listed equity shares and Additional Tier I Bonds are accounted in "Fair Value Change Account" and carried forward in the Balance Sheet and is not available for distribution.

12. The Company has adopted a prudent investment policy which is reviewed every half year with emphasis on optimizing return with minimum risk. Emphasis was towards low risk investments such as Government securities, rated debt instruments and liquid and Money Market instruments in order to maintain optimum liquidity. Investments are managed in consonance with the investment policy laid down by the board from time to time and are within the investment regulation and guidelines of IRDAI. The Company has carried out periodic review of the investment portfolio and where found necessary, has made provision for diminution in value of investments or written them off.

13. The Management of HDFC ERGO General Insurance Company Limited certifies that:

The financial statements have been prepared in accordance with the applicable provisions of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999, circulars/notifications issued by IRDAI from time to time (including Circular No. IRDA/F&A/CIR/CPM/056/03/2016 dated April 04, 2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated January 12, 2017), the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read together with Rule 7 of Companies (Accounts) Rule 2014 dated March 31, 2014 and Companies (Accounting Standards) amendment Rules 2016 dated March 30, 2016 to the extent applicable and the relevant provisions of the Companies Act, 2013, and disclosures have been made, wherever the same is required. There is no material departure from the said standards, principles and policies.

- i. The Company has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the operating profit for the year ended on that date.
- ii. 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, (4 of 1938) as amended by Insurance Laws (Amendment) Act, 2015 / Companies Act, 1956, (1 of 1956)/ the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iii. The financial statements of the Company have been prepared on a going concern basis.
- iv. The Company's internal audit is conducted by an in-house audit team and appointed audit firms. The scope of work of internal audit is commensurate with the size and nature of the Company's business. The management has ensured that an internal audit system commensurate with the size and nature of business exists and is operating effectively.

Signatures to the Management Report

For and on behalf of the Board of Directors

Keki M Mistry

Chairman
(DIN: 00008886)

Bernhard Steinruecke

Independent Director
(DIN: 01122939)

Sanjib Chaudhuri

Independent Director
(DIN: 09565962)

Anuj Tyagi

Joint Managing Director
(DIN: 07505313)

Renu S. Karnad

Non-Executive Director
(DIN: 00008064)

Mehernosh B. Kapadia

Independent Director
(DIN: 00046612)

Vinay Sanghi

Independent Director
(DIN: 00309085)

Samir H. Shah

Executive Director & CFO
(DIN: 08114828)

Dr. Oliver Martin Willmes

Non-Executive Director
(DIN: 08876420)

Arvind Mahajan

Independent Director
(DIN: 07553144)

Rajgopal Thirumalai

Independent Director
(DIN: 02253615)

Vyoma Manek

Company Secretary & Chief Compliance Officer
(Membership No.: ACS 20384)

Edward Ler

Non-Executive Director
(DIN: 10426805)

Ameet Hariani

Independent Director
(DIN: 00087866)

Ritesh Kumar

Managing Director & CEO
(DIN: 02213019)

Mumbai

Dated: April 16, 2024

ANNEXURE TO MANAGEMENT REPORT

Annexure 1 Details of ageing analysis of Gross Claims outstanding Outstanding As on 31.03.2024 (F. Y. 2023-24)

Period	Fire		Marine Cargo		Marine Hull		Motor OD		Motor TP		Workemens Compensation		Public liability		Product Liability		Other Liabilities	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)	
0-30 days	102	494,696	239	5,727	1	450	16,413	686,726	4,404	2,836,235	106	16,264	-	-	-	-	15	5,495
31 days to 6 months	307	4,459,253	359	281,446	10	30	4,650	5,177,24	3,845	2,671,215	203	34,405	3	805	-	-	49	27,949
6 months to 1 year	152	2,587,524	89	1,07,807	5	3,410	102	33,264	7,368	5,753,333	27	7,633	4	1,820	-	-	48	16,196
1 year to 5 years	46	4,825,522	101	763,115	2	50,590	-	-	23,893	20,552,564	16	8,664	7	2,600	-	-	184	157,757
5 years and above	1	407,444	43	96,136	-	19,556	-	-	9,279	6,040,002	24	11,267	2	878	1	45,594	11	45,439
Total	608	12,774,438	831	1,300,201	18	74,036	21,165	1,237,714	48,789	37,853,349	376	78,233	16	6,103	1	45,594	307	252,835

Period	Engineering		Aviation		Personal Accident		Health		Home		Specialty		Weather/Crop		Others		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)	
0-30 days	113	68,287	1	400	440	203,585	25,666	1,615,324	14	1,782	24	74,976	911	12,528	134	103,855	48,583	6,172,331
31 days to 6 months	175	5,716,814	4	1,872	196	123,224	2,949	2,17,340	4	352	73	3,79,694	5,482	7,271	202	483,232	18,511	9,782,594
6 months to 1 year	84	1,363,898	1	453	-	-	62	-	4	5,415	78	51,303	15,826	104,950	35	185,268	23,824	10,222,335
1 year to 5 years	30	953,605	25	34,177	-	-	-	-	-	-	252	208,166	22,238	212,520	36	200,676	46,830	27,969,957
5 years and above	7	118,604	3	46,241	-	-	-	-	-	-	30	185,436	262	787,478	-	5,926	9,663	8,231,000
Total	409	3,081,208	34	504,443	636	326,810	28,616	1,832,726	22	7,549	457	899,574	44,719	1,124,748	407	978,956	147,411	62,378,217

Outstanding As on 31.03.2023 (FY 2022-23)

Period	Fire		Marine Cargo		Marine Hull		Motor OD		Motor TP		Workemens Compensation		Public liability		Product Liability		Other Liabilities	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)	
0-30 days	96	448,609	567	113,258	1	275	14,474	528,936	4,520	1,630,446	62	7,566	1	115	-	-	5	1,800
31 days to 6 months	221	5,267,521	1,131	3,11,444	3	773	4,778	526,312	4,060	1,680,830	221	50,024	-	-	-	-	34	759,520
6 months to 1 year	144	2,085,638	241	2,73,828	-	621	540	1,32,125	6,354	3,035,021	56	11,703	2	600	-	-	39	12,803
1 year to 5 years	39	3,520,097	76	920,453	1	403,543	-	-	21,539	12,589,727	34	14,032	8	3,271	-	107	182	80,087
5 years and above	1	398,963	19	59,118	-	19,556	-	-	9,148	5,818,603	17	6,294	-	7	1	53,119	4	31,465
Total	501	11,720,828	2,034	1,678,101	5	431,168	19,792	1,187,373	45,621	24,754,597	390	89,619	11	3,993	1	53,226	264	885,675

Period	Engineering		Aviation		Personal Accident		Health		Home		Specialty		Weather/Crop		Others		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)		₹ '000)	
0-30 days	149	57,453	1	408	544	1,77,751	23,912	1,447,815	24	6,200	25	5,488	7,240	28,449	129	123,788	51,750	4,578,027
31 days to 6 months	249	3,41,381	1	2,145	320	98,920	4,660	257,221	18	7,626	93	38,344	20,098	121,980	88	386,820	35,975	9,857,261
6 months to 1 year	77	1,127,873	1	2,015	-	-	14	679	4	461	74	55,390	10,384	70,051	49	75,302	17,979	6,884,110
1 year to 5 years	33	573,005	26	47,086	-	-	-	-	1	61	194	157,469	10,588	132,227	30	111,037	32,751	18,552,202
5 years and above	7	1,31,900	-	458,759	-	-	-	-	-	-	22	283,162	245	787,445	1	8,459	9,465	8,056,850
Total	515	2,231,612	29	510,413	864	276,671	28,586	1,705,715	47	14,348	408	539,853	48,555	1,139,852	297	705,406	147,920	47,928,450

ANNEXURE TO MANAGEMENT REPORT (Continued)

(₹ '000)

Outstanding As on 31.03.2022 (F. Y. 2021-22)

Period	Fire		Marine Cargo		Marine Hull		Motor OD		Motor TP		Workmen's Compensation		Public liability		Product Liability		Other Liabilities	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
0-30 days	104	134,332	262	87,390	4	1,036	13,516	502,779	1,140	398,360	81	14,997	-	-	-	-	12	3,600
31 days to 6 months	219	1,428,803	240	196,332	-	948	3,633	433,418	5,859	2,367,705	217	36,604	2	800	-	-	40	95,112
6 months to 1 year	135	2,403,935	76	82,412	1	523	113	62,127	4,471	1,907,254	109	40,032	1	400	-	-	36	22,075
1 year to 5 years	58	5,486,023	49	1,583,698	5	754,605	-	-	19,663	11,413,233	66	5,335	7	2,875	-	-	163	30,316
5 years and above	3	3,32,318	19	53,379	-	15,639	-	-	9,809	5,682,124	15	21,461	-	7	1	53,119	7	10,419
Total	519	9,785,412	646	2,003,210	10	772,751	17,262	998,323	40,942	21,768,677	488	118,430	10	4,082	1	53,225	258	161,521

(₹ '000)

Period	Engineering		Aviation		Personal Accident		Health		Home		Specialty		Weather/Crop		Others		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
0-30 days	130	74,719	-	3,610	1,412	509,841	22,549	1,523,634	27	2,401	6	2,000	14,085	61,986	664	63,451	53,992	3,384,136
31 days to 6 months	213	257,266	19	48,897	46	30,048	238	24,944	12	2,229	46	615,719	29,466	175,228	89	39,435	40,339	5,753,487
6 months to 1 year	81	329,944	3	14,518	11	15,119	17	1,385	1	13	40	46,905	10,547	90,967	12	6,821	15,654	5,024,428
1 year to 5 years	45	750,956	-	422,647	4	7,499	11	2,372	-	-	171	164,346	8,103	113,541	156	443,169	28,501	21,180,723
5 years and above	7	124,566	5	2,763	-	-	-	-	-	-	21	12,567	245	787,445	-	6,183	10,132	710,191
Total	476	1,537,451	27	492,435	1,473	562,506	22,815	1,552,334	40	4,643	284	841,537	62,446	1,229,168	921	559,058	148,618	42,444,765

Outstanding As on 31.03.2021 (F. Y. 2020-21)

(₹ '000)

Period	Fire		Marine Cargo		Marine Hull		Motor OD		Motor TP		Workmen's Compensation		Public liability		Product Liability		Other Liabilities	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
0-30 days	99	972,707	147	103,916	2	7510	11,942	698,735	1,360	447,458	64	12,064	2	760	-	-	9	2,820
31 days to 6 months	132	1,013,281	91	103,668	4	53,475	5,111	632,750	4,719	1,825,600	190	39,633	-	-	-	-	27	9,669
6 months to 1 year	86	1,776,277	13	1,538,188	1	50,007	337	114,644	1,813	662,644	110	26,792	-	-	-	-	33	17,687
1 year to 5 years	40	5,271,345	48	273,365	2	702,237	1	10	20,257	12,176,993	180	59,616	6	2,482	-	-	138	151,973
5 years and above	2	277,635	5	3,745	-	14,040	-	-	772	3,995,514	10	3,335	-	400	1	64,221	5	31,960
Total	359	9,311,245	304	2,056,883	9	827,268	17,391	1,446,138	35,321	19,108,209	554	141,441	8	3,642	1	69,661	212	214,110

(₹ '000)

Period	Engineering		Aviation		Personal Accident		Health		Home		Specialty		Weather/Crop		Others		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
0-30 days	198	36,462	-	-	1,533	322,118	31,501	2,310,929	22	3,915	14	5,120	2,250	23,785	600	151,482	49,743	5,099,782
31 days to 6 months	130	300,808	5	2,979	961	338,764	13,541	1,150,462	8	6,295	40	68,556	9,000	89,329	237	213,980	34,196	5,845,249
6 months to 1 year	22	235,261	6	5,708	65	48,291	496	88,287	-	-	61	22,990	5,863	86,618	55	169,385	8,961	4,842,780
1 year to 5 years	21	954,429	11	60,704	53	67,057	1,144	232,539	-	-	164	373,915	993	150,043	64	291,776	23,122	20,638,924
5 years and above	-	1,01,482	2	412,514	11	12,168	235	32,606	-	-	19	110,698	245	787,445	-	763	7,707	5,882,525
Total	371	1,628,442	24	481,904	2,623	788,398	46,917	3,814,824	30	10,210	298	581,278	18,351	1,002,221	956	827,387	123,729	42,315,261

ANNEXURE TO MANAGEMENT REPORT (Continued)

Outstanding As on 31.03.2020 (F. Y. 2019-20)

Period	Fire		Marine Cargo		Maine Hull		Motor OD		Motor TP		Workemens Compensation		Public liability		Product Liability		Other Liabilities	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
0-30 days	92	407,077	248	12,170	1	15	10,712	604,204	705	22,856	66	11,270	-	-	-	-	9	6,067
31 days to 6 months	148	1,552,915	277	283,876	6	135,688	6,661	894,205	5,118	1,781,036	226	47,582	2	800	-	-	52	19,807
6 months to 1 year	98	1,268,098	21	127,451	1	17,999	516	116,357	4,711	2,002,960	138	38,121	2	800	-	-	37	59,946
1 year to 5 years	34	4,359,012	55	258,332	7	726,357	38	12,753	15,783	10,298,747	116	31,442	2	882	-	907	59	61,362
5 years and above	2	170,456	-	15,763	-	6,417	-	-	6,034	3,110,935	5	1,994	-	400	1	64,221	3	22,396
Total	374	7,757,557	601	807,129	15	886,206	17,927	162,7518	32,351	17,415,534	551	130,378	6	2,882	1	65,127	160	169,578

Period	Engineering		Aviation		Personal/Accident		Health		Home		Specialty		Weather/Crop		Others		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
0-30 days	180	26,272	-	3,876	841	178,478	25,924	1,818,897	1	-	23	7,200	18,052	247,730	509	209,805	57,363	3,864,454
31 days to 6 months	118	570,668	-	824	761	234,788	3,243	30,4563	2	2,070	59	22,921	11,286	102,543	287	471,297	28,246	6,425,581
6 months to 1 year	35	472,256	7	63,990	15	12,941	273	40,495	2	495	46	282,743	18	617	22	56,532	5,942	4,561,999
1 year to 5 years	22	333,754	5	152,488	30	53,690	1,029	155,247	1	155	103	207,095	22	41	15	244,357	17,321	16,896,593
5 years and above	1	99,018	2	331,246	8	11,075	197	20,064	-	-	40	26,565	245	787,445	-	265	6,538	4,667,989
Total	356	1,501,968	14	552,425	1,655	490,973	30,666	2,339,266	6	2,720	271	545,924	29,623	1,138,376	833	982,256	115,410	36,415,816

ANNEXURE TO MANAGEMENT REPORT

Annexure 2 Details of Average Claims Settlement Time

(₹ '000)

Line of Business	F.Y 2023-24*		F.Y 2022-23*		F.Y 2021-22*		F.Y 2020-21*		F.Y 2019-20	
	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)
Fire	2,621	72	2,076	97	1,666	113	1,853	75	1,762	4
Marine Cargo	20,732	11	19,332	25	11,891	17	11,103	12	12,471	5
Marine Hull	1	294	1	1,922	4	263	8	461	9	4
Motor OD	534,695	6	520,468	5	435,626	6	356,087	17	487,550	2
Motor TP	11,356	964	8,909	1,024	5,680	974	4,030	901	3,308	29
Workmens Compensation	701	118	584	208	362	209	314	198	564	2
Public liability	3	94	1	119	1	72	2	23	4	5
Product Liability	-	-	-	-	-	-	-	-	-	-
Other Liabilities	20	312	17	633	7	362	6	175	19	26
Engineering	9,973	30	18,036	9	29,702	7	43,585	3	50,330	1
Aviation	2	573	-	-	1	786	1	426	-	-
Personal Accident	7,248	21	7,368	34	9,137	9	7,635	28	12,107	3
Health	837,681	8	789,164	7	662,826	6	425,183	13	197,022	5
Home	376	27	331	45	279	35	172	18	31	3
Specialty	14,602	12	3,822	5	14	375	42	163	14	2
Weather/Crop	3,757,880	2	3,535,297	4	2,519,765	1	1,410,985	3	703,193	1
Others	8,987	56	24,121	10	20,830	17	26,550	14	27,917	6
Total	5,206,879		4,929,527		3,697,791		2,287,556		1,496,301	

*Date of intimation of claims is considered for computation of 'Average Settlement Time' basis Authority's mail dated March 26, 2021.

OUR PRODUCTS

Retail Products



Motor Insurance



Health Insurance



Travel Insurance



Home Insurance



Personal Accident

Rural Products



Cattle Insurance



Weather Insurance



Crop Insurance



HDFC ERGO Farm Yield Insurance Policy

Commercial Products



Liability Insurance

CASUALTY LINES

- Product Liability
- Public Liability
- Public Liability Act
- Errors and Omission (Tech)
- Commercial General Liability
- Employee Compensation Insurance
- Professional Indemnity

FINANCIAL LINES

- Directors and Officers Liability
- Venture Capital Asset Protection Policy
- Public Offering of Securities Insurance
- Employment Practices Liability
- Multimedia Liability Insurance
- Commercial Crime Insurance
- Cyber Insurance
- Financial Institution Professional Indemnity Policy

SPECIALTY LINES

- Trade Credit Insurance Policy (Commercial)
- Surety Insurance Policy

Commercial Products



Engineering Insurance

- Erection All Risks Insurance
- Contractor's All Risk Insurance
- Advance Loss of Profit
- Contractor's Plant & Machinery Insurance
- Machinery Breakdown Insurance
- Electronic Equipment Insurance
- Boiler and Pressure Plant Insurance



Property Insurance

- Standard Fire and Special Perils Policy
- Consequential Loss (Fire) Insurance
- Industrial All Risks Policy (Commercial)
- Business Suraksha Classik – Laghu Udyam
- HDFC ERGO Business Secure - Sookshma Udyam
- HDFC ERGO Business Secure - Laghu Udyam



Accidental and Health Insurance

- Sarv Suraksha Plus
- my: Optima Secure
- Optima Restore
- HDFC ERGO Group Health Insurance
- HDFC ERGO Explorer
- my:health Koti Suraksha
- my:health Medisure Super Top Up Insurance



Marine Cargo Products

- Marine Specific Policy
- Marine Open Policy
- Sales Turnover Policy



Miscellaneous Products

- Payment Protection Package



Innovative Covers

- HDFC ERGO Cyber Sachet Insurance
- e@Secure
- Contractual Liability Insurance
- Business Kisht Suraksha
- Mosquito Disease Protection Policy – Group
- TravelX
- my: Health Comprehensive Suraksha – Group
- Object Insurance
- CHOMP
- HDFC Ergo Paws n Claws
- Optima Wellbeing



Regulatory Products

HEALTH

- Arogya Sanjeevani Policy, HDFC ERGO
- Arogya Sanjeevani Policy, HDFC ERGO (Group)
- Saral Suraksha Bima, HDFC ERGO

PROPERTY INSURANCE

- HDFC ERGO - Bharat Griha Raksha
- HDFC ERGO - Bharat Laghu Udyam Suraksha
- HDFC ERGO - Bharat Sookshma Udyam Suraksha

GLOSSARY

Sr. No.	Terms	Description
1	Accretion	Incremental growth over a period of time.
2	Actuary	A person skilled in determining the present effects of future contingent events or in finance modelling and risk analysis in different areas of insurance, or calculating the value of life interests and insurance risks, or designing and pricing of policies, working out the benefits, recommending rates relating to insurance business, annuities, insurance and pension rates on the basis of empirically based tables and includes a statistician engaged in such technology, taxation, employees' benefits and such other risk management and investments and who is a fellow member of the Institute of Actuaries.
3	Appropriations	Money set aside for specific purpose.
4	Bad debts written off	Bad debt expense is the amount of an account receivable that is considered to be not collectible.
5	Book Value Per Share	This is computed as networth divided by number of outstanding shares.
6	Company or We or Us	Means HDFC ERGO General Insurance Company Limited (IRDAI Regn. 146).
7	Claim	A request by a policyholder for payment following the occurrence of an insured event. A claim does not necessarily lead to a payment.
8	Co-insurance	Method of sharing insurance risk between several insurers. The policyholder will deal with the Lead insurer who issues documents and collects premiums. The policy will detail the shares held by each company.
9	Combined Ratio	Incurred Claims Ratio plus Expense Ratio.
10	Commission paid	Amount paid to intermediaries for acquiring business.
11	Customer Information Sheet	It is a document provided by the Insurer along with the policy document that explains in simple words, basic features of a policy at one place.
12	Deferred Tax Asset	An asset that is used to represent lower amount of tax that a company will have to pay in a later tax period.
13	Deferred Tax Liability	A tax liability that a company owes and does not pay at the current point, although it will be responsible for paying it in a later tax period.
14	EPS	Earning Per Share (EPS) is arrived at by dividing Net Profit After Tax by the weighted average number of shares.
15	Expense Ratio	Expense Ratio is a proportion of the sum of all expenses (acquisition & operating) and net commission received on reinsurance to net written premium expressed as a percentage.
16	Fair Value Change Account	It represents unrealized gains or losses at the end of the period with respect to listed equity securities, derivative instruments and mutual fund investments.
17	Gross Written Premium (GWP)	Gross Written Premium is the sum of gross direct premium and the reinsurance premium accepted.
18	Incurred But Not Reported (IBNR)	A reserve created by insurer and certified by an Actuary to cover the estimated cost of losses that might have incurred but not yet reported.
19	Incurred But Not Enough Reported (IBNER)	Losses that might have incurred but have not yet been enough reported.
20	Incurred Claims	It is claims paid during the period plus the change in outstanding claims at the end of the period versus at the beginning of the period.
21	Incurred Claims Ratio	Proportion of incurred claims to premiums earned during a period.

Sr. No.	Terms	Description
22	Industry Market Share	Proportion of gross written premium of an insurer to the total gross premium written of the General Insurance Industry - expressed as a percentage.
23	IRDAI	Insurance Regulatory and Development Authority of India (IRDAI) established under IRDA Act, 1999 to protect the interests of the policyholders, to regulate, develop, promote and ensure orderly growth of the insurance industry.
24	Loss on sale	Loss on sale of assets when an asset is sold below its book value.
25	Net Premiums Earned	Net premium written adjusted for the change in unexpired risks reserve.
26	Net Premiums Written	Gross written premium less reinsurance premium ceded.
27	Net Worth	Paid up share capital (+/-) reserves/ accumulated losses (-) preliminary expenses.
28	Operating Expenses	Expenses for carrying out insurance / reinsurance business.
29	Operating Profit or Loss	Surplus/ Deficit from carrying out insurance business activities i.e. profit before tax excluding investment income and other income.
30	Policy	The legal document issued by an Insurance Company to a policyholder which outlines the terms and conditions of the insurance.
31	Policy Holder [Insured]	A person who pays a premium to an insurance company in exchange for the insurance protection provided by a policy of insurance.
32	Premium Deficiency	Premium deficiency is recognised as the sum of expected claim costs, related expenses and maintenance cost that exceeds related reserve for unexpired risks.
33	Reinsurance	Transfer of an insurance (or part of the risk covered) from one insurance company to another for a premium, not necessarily with the knowledge of the policyholder.
34	Retention	The amount of risk retained by the insurer on its own account.
35	Solvency Margin	A ratio of Available Solvency Margin (ASM)/ Required Solvency Margin (RSM) (calculated as per IRDAI Guidelines).
36	Technical Reserves	Amount set aside in the balance sheet to meet liabilities arising out of insurance contracts, including claims provision (whether reported or not) and reserve for unexpired risks.
37	Treaty Reinsurance	It means a reinsurance arrangement between the cedant and the reinsurer, usually for one year or longer, which stipulates the technical particulars and financial terms applicable to the reinsurance of defined class or classes of business.
38	Underwriting	The process of selecting applicants for insurance and classifying them according to their degrees of insurability so that the appropriate premium rates may be charged. The process includes rejection of unacceptable risks.
39	Unexpired Risks Reserve	Portion of premium with respect to the unexpired insurance contracts as at the end of the period.

Note: The definitions of the ratios in the glossary above are used in this report unless specifically defined otherwise.

AWARDS





NOTES

NOTES



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