

Ref. No.: GIC Re/SE/2019-20/-OBM

Date: February 10, 2020

To,
The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street
Mumbai – 400001

The Manager
Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot C/ 1,
G Block, Bandra Kurla Complex
Mumbai - 400051

Scrip Code: (BSE – 540755/ NSE – GICRE)

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on February 10, 2020

- Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable requirements, we forward herewith a copy of the unaudited financial results(**Standalone and Consolidated**) for the quarter/period ended December 31, 2019 together with the Auditors Limited Review Report approved by the Board of Directors at its meeting held today.

A copy of the press release being issued in this connection is also attached.

- Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors at its meeting held today took note of the appointment of Mr. Sateesh N. Bhat as Appointed Actuary and Key Management Person of the Corporation as per the Insurance Regulatory and Development Authority of India (IRDAI) Corporate Governance Guidelines 2016. The appointment is effective from 20th January 2020 for a period of one year as approved by IRDAI. The profile of Mr. Sateesh Bhat is attached.



भारतीय साधारण बीमा निगम
(भारत सरकार की कंपनी)

General Insurance Corporation of India
(Government of India Company)
CIN NO.: L67200MH1972GOI016133 IRDA REGN No.: 112

“सुरक्षा”, 170, जे. टाटा रोड, चर्चगेट, मुंबई - 400 020.
“SURAKSHA”, 170, J. Tata Road, Churchgate,
Mumbai - 400 020. INDIA Tel.: +91-22-2286 7000
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एक कदम स्वच्छता की ओर



- Pursuant to Regulation 30 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and referring to the communication vide Letter No. GIC RE/SE/2019-20 dated November 11, 2019, we wish to inform you that the Board of Directors at its meeting held today has decided to extend the term of M/s. KFin Technologies Pvt. Ltd. upto 31st May 2020 as the process of handing over of RTA functions from KFin Technologies Pvt. Ltd to M/s. Alankit Assignments Ltd. could not be completed due to unavoidable circumstances.
- Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors at its meeting held today has approved the re-appointment of M/s S. N. Ananthasubramanian & Co., Company Secretaries as Secretarial Auditors of the Corporation for the Financial Year 2020-21.

We request you to kindly take the above information on record.

Thanking You

Yours sincerely

For General Insurance Corporation of India


(Suchita Gupta)
CS & CFO & Compliance Officer

Press Release

**GIC Re announces Financial Performance for the
Nine Months Ended December 31, 2019**

GIC Re records growth of 15.7 % in Gross Premium y-o-y

Total Assets increased by 7.66 % y-o-y

Mumbai, February 10, 2020: GIC Re declared its financial performance for the nine months ended December 2019, at the board meeting of the company held in Mumbai today.

Against the backdrop of severe claims worldwide during the year 2019-20, higher agriculture claims and flood claims in various parts of India, in the quarter ended 31.12.2019 underwriting performance resulted in underwriting loss to the Corporation.

Given the steps taken by the Corporation in revising premium rates for fire segment based on Insurance Information Bureau statistics, the fire segment is now on a sound footing. Coupled with global overall hardening of pricing environment the financial results for Q4 is expected to improve. Alongside, the corporation also pruned the portfolio based on more stringent profitability criteria.

We give below details of our financial performance for the nine months ended 31.12.2019:

- Growth in Gross Premium Income of the company was 15.7 % with premium of ₹41,812.29 crore for the nine months ended 31.12.2019 from ₹ 36,148.65 crore in corresponding period of previous year.
- Investment Income for the nine months period ended 31.12.2019 was increased to ₹ 5,216 crore as compared to ₹ 4,802.45 crore for the nine months ended 31.12.2018, showing a growth of 8.61%
- Net Worth of the company (without fair value change account) recorded as ₹ 19,350.67 crore on 31.12.2019 as against ₹ 21,720.89 crore on 31.12.2018.
- The company recorded Loss before tax of ₹ 1,547.06 crore in nine months ended 31.12.2019 as against Profit before tax of Rs ₹2,239.74 crore in the corresponding period of previous year. The reduction in profit is on account of provisioning for investments and increase in agriculture losses.
- Loss After Tax for the nine months period ended 31.12.2019 recorded as ₹ 1,556.50 crore as compared to Profit after Tax of ₹ 1,620.94 crore for the nine months ended 31.12.2018.
- Total Assets increased by 7.66 % from ₹ 119,367.26 crore as on 31.12.2018 to ₹ 1,28,509.76 crore as on 31.12.2019.
- Incurred claims Ratio increased from 91.8 % in the nine months ended 31.12.2018 to 99.1% in the nine months ended 31.12.2019.
- Underwriting Loss recorded ₹ 5903.60 crore in nine months ended 31.12.2019 as against loss of ₹ 2,312.62 crore in corresponding period of previous year.
- Combined Ratio is 115.76 % for the nine months ended 31.12.2019 as compared to 107.62 % for the corresponding period of previous year.
- Adjusted Combined Ratio is 104.97% for the nine months ended 31.12.2019 as compared to 96.96 % for the corresponding period of previous year.
- Solvency Ratio of 1.51 as on 31st December 2019.

Summary of Revenue and Profit and Loss Account

(₹ crore)

S No	Particulars	Nine Months ended 31.12.2019	Half Year ended 30.09.2019	Nine Months ended 31.12.2018	Year Ended 31 March, 2019
1	Gross Premium	41,812.29	30,272.33	36,148.65	44,238.00
2	Net Premium	38,215.52	28,442.76	33,221.19	38,995.97
3	Earned Premium	36,476.66	28,648.19	32,622.80	37,679.08
4	Incurred Claims	36,148.44	27,661.77	29,956.63	33,739.95
5	Incurred Claims Ratio (on earned premium)	99.1%	96.6%	91.8%	89.5%
6	Net Commission	6,089.09	3,968.50	5,057.75	6,105.43
7	Net Commission Percentage (on Net Premium)	15.9%	14.0%	15.2%	15.7%
8	Expenses of Management	281.58	228.73	188.99	256.07
9	Expenses of Management Ratio (on net premium)	0.7%	0.8%	0.6%	0.7%
10	Profit/(Loss) on Exchange	171.27	105.32	272.81	216.18
11	Premium Deficiency	32.42	48.79	4.86	5.29
12	Underwriting Profit/(Loss)	(5,903.60)	(3,154.28)	(2,312.62)	(2,211.46)
13	Investment Income	5,216.00	3,197.01	4,802.45	6,401.34
14	Other Income less Outgoings	(859.46)	(523.86)	(250.09)	(756.06)
15	Profit / (loss) Before Tax	(1,547.06)	(481.13)	2,239.74	3,433.82
16	Provision for Taxation	9.44	5.73	618.80	1,209.51
17	Profit / (Loss) After Tax	(1,556.50)	(486.86)	1,620.94	2,224.31
18	Combined Ratio %	115.76%	111.3%	107.6%	105.9%



International and Domestic Business Composition

(₹ crore)

Gross Premium	Period Ended 31.12.2019	Share (%)	Period Ended 31.12.2018	Share (%)	Growth (%)	FY 2018-19
Domestic	31,264.75	74.8	26,269.26	72.7	19.0%	30,972.21
International	10,547.53	25.2	9,879.39	27.3	6.8%	13,265.79
Total	41,812.29	100 %	36,148.65	100.0%	15.7%	44,238.00

Breakup of Gross Premium

Gross Premium	Nine months ended 31.12.2019 ₹ crore	Nine months ended 31.12.2018 ₹ crore	Growth %
A) Fire	9,014.70	7,584.21	18.9%
B) Miscellaneous - Total	30,666.84	26,900.57	14.0%
Misc – Motor	7,318.56	6,284.54	16.5%
Misc – Health	4,435.41	4,135.90	7.2%
Misc – Agriculture	14,835.56	12,869.18	15.3%
Misc - Other LOBs	4,077.31	3,610.95	12.9%
C) Marine	1,444.98	1,252.77	15.34%
Marine – Cargo	749.10	525.28	42.6%
Marine – Hull	695.88	727.49	-4.3%
D) Life	685.77	411.10	66.8%
Total – A+B+C+D	41,812.29	36,148.65	15.7%

Note: Combined Ratio = (Net incurred claims/ Net earned premium) + (Management expenses + Commission on reinsurance)/ Net written premium

Net Commission = Commission paid on reinsurance accepted - Commission on reinsurance ceded.



Consolidated Financials of GIC Re

GIC Re's group includes subsidiary companies namely, GIC Re South Africa, GIC Re Corporate Member, London, GIC Perestrakhovanie LLC, Moscow and three associate companies namely GIC Re Bhutan, India International Insurance Pte Ltd, Singapore and Agriculture Insurance Corporation of India. The group performance highlights, on the basis of consolidated financial statements for the nine months ended 31st December 2019 are given below:

- Growth in Consolidated Gross Premium Income of the company was 13.7 % with premium of ₹ 42,229.51 crore in the nine months ended 31.12.2019 from ₹ 37,142.34 crore in the same period of previous year.
- Investment Income of the group recorded to ₹ 5,298.66 crore for the nine months ended 31.12.2019 as compared to ₹ 4,816.93 crore in the same period of previous year.
- Consolidated Loss After Tax for the nine months ended 31.12.2019 was ₹ 1,496.08 crore compared to consolidated profit after tax of ₹ 1,868.69 crore during same period of last year.
- Incurred claims Ratio increased from 91.9% in the nine months ended 31.12.2018 to 99.0% in the nine months ended 31.12.2019.
- Net Worth of the group (without fair value change account) as on 31.12.2019 is ₹ 21,558.04 crore as compared to ₹ 23,624.30 crore on 31.12.2018.

Summary of Revenue and Profit and Loss Account of consolidated financials

(₹ crore)

S No	Particulars	Nine Months Ended 31.12.2019	Nine Months Ended 31.12.2018	Year 2018-19
1	Gross Premium	42,229.51	37,142.34	45,611.32
2	Net Premium	38,325.39	33,483.07	39,390.86
3	Earned Premium	36,686.61	32,914.19	38,250.06
4	Incurred Claims	36,318.53	30,236.30	33,969.58
5	Incurred Claims Ratio (on earned premium)	99.0%	91.9%	88.8%
6	Net Commission	6,150.13	5,022.02	6,116.44
7	Net Commission Percentage (on Net Premium)	16.1%	15.0%	15.5%
8	Expenses of Management	295.04	202.47	272.66
9	Expenses of Management Ratio (on net premium)	0.77%	0.60%	0.69%
10	Profit/(Loss) on Exchange	174.37	300.96	230.47
11	Premium Deficiency	32.42	4.86	5.29
12	Underwriting Profit/(Loss)	(5,935.14)	(2,250.50)	(1,883.44)
13	Investment Income net of expenses	5,298.66	4,816.93	6,447.75
14	Other Income less Outgoings	(852.38)	(232.15)	(709.97)
15	Profit/ (Loss) Before Tax	(1,488.86)	2,334.29	3,854.34
16	Taxation	49.46	619.80	1,215.87
17	Share of Profit in Associate Companies	42.24	154.20	119.10
18	Profit / (Loss) After Tax	(1,496.08)	1,868.69	2,757.57





About General Insurance Corporation of India (GIC Re)

GIC Re has steadfastly maintained its leadership position in the Indian reinsurance market. It is the largest reinsurer in the domestic reinsurance market in India. It leads most of the domestic companies' treaty programmes and facultative placements. While foreign reinsurers have opened branch operations in India since early 2017, GIC Re is expected to maintain its market leadership and market share.

Internationally, GIC Re is an effective reinsurance partner for the Afro-Asian region, leading the reinsurance programmes of several insurance companies in Middle East and North Africa, and Asia including SAARC countries. GIC Re is 11th largest global reinsurer group based on figures for 2018-19 and 7th largest non-life reinsurer globally. It has branch offices in London, Dubai and Kuala Lumpur. In April 2018, syndicate fully capitalised by GIC Re became operational at Lloyd's of London. This syndicate in its second year is expected to scale up over the next few years towards achieving the medium term objective of management of achieving 60:40 domestic : international risk portfolios.

The global economic environment is a key driver for insurance markets. Worldwide, insurance premiums are expected to grow at about 3% in next couple of years. A major growth engine for this sector will be the emerging markets, with their economic growth significantly higher than global average. In contrast, premium development in industrialised countries is characterised by lower economic growth and weak growth in insurance penetration.

After two years of record catastrophes globally in 2017 and 2018 together with alternative capital taking a pause in its deployment in reinsurance sector in 2019, the reinsurance market has shown significant signs of hardening during last few months. This will be fully reflected in GIC Re financials in next 4-8 quarters.

The general insurance business in India continues to grow at a healthy rate. Penetration remains low at under 1%, and this is an area of great opportunity. Spurred by Government initiatives such as PMFBY, crop insurance is the third largest line of non-life insurance business after motor and health insurance. As the government health scheme Aayushman Bharat adopts insurance driven model, GIC Re can be expected to benefit from emerging opportunities in this space.

As the insurers get listed, market consolidates and merger of public sector insurance companies as envisaged by the government is implemented in the backdrop of declining interest rates, the pricing discipline in the market can be expected to strengthen.

GIC Re maintains a diversified risk portfolio that includes property, motor, agriculture, marine, engineering, aviation, health, liability. Reinsurance premiums are expected to touch ₹ 70,000 crore by 2022. Its dominance of the Indian market stems from a long-term and broad-based relationship with the Indian market. This is supported by continued obligatory cessions and order of preference. Its strength lies in its geographical and business diversification, long term relationships, prudent risk selection and effective exposure management. Its investment portfolio is also well diversified, with effective asset-liability management. Quite importantly for business that runs on human talent, GIC Re has the right talent pool with a low attrition rate.

GIC benchmarks its performance against the best-in-class global players. With the competitive advantage that it enjoys and with a domestic market growth momentum, on the strength of its balance sheet size and customer servicing, it can be expected to further strengthen its position globally.

Disclaimer: Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors. That could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. GIC Re will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstance



2021