

Ref. No.: GIC Re/SE/2020-21/Q1-OBM

Date: September 7, 2020

To,
The Manager
Listing Department
BSE Limited
PhirozeJeejeebhoy 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 September 7, 2020 through Video Conferencing

1. 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 ended June 30, 2020 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.

2. Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the SEBI (Prohibition of Insider Trading) Regulations, 2015("Regulations"), the Board in its meeting held today has approved amendment to the existing Code of conduct for prohibition of Insider trading in dealing with the securities of the Corporation and adopted "Code of Conduct for Prevention of Insider Trading-2020".

Further, in line with Regulation 8(2) of the said Regulations, the Board also approved revision in the existing Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The same forms part of the "Code of Conduct for Prevention of Insider Trading-2020".

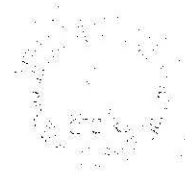
The Code of Conduct for Prevention of Insider Trading-2020 is available on the website of the Corporation i.e. www.gicofindia.com .

Request you to kindly take the above information on record.

Thanking You

For General Insurance Corporation of India


(Suchita Gupta)
CS & CFO & Compliance Officer



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
www.gicofindia.in



Press Release

GIC Re announces Financial Performance for the Quarter ended June, 2020

Mumbai, September 7, 2020: GIC Re announced financial performance for the Quarter Ended June 30, 2020 at a Board Meeting of company held in Mumbai today.

Global scenario for Insurance Industry for the FY 2020-21 has shown weak trends due to COVID-19 situation. GIC Re although has maintained its prominent position in Indian Insurance Sector, there has been reduction in business for the Q1 2020-21 partially due to strategic reduction of risk acceptance and partially due to reduction of overall Direct Premium in India. GIC Re however expects to see rebound in business during the rest of the year. GIC Re's gross premium for foreign business has shown a growth for the 1st Quarter 2020-21.

We give below details of our financial performance for the quarter ended 30.06.2020:

- Total Assets were ₹ 1,29,291.31 crore as on 30.06.2020 as compared to ₹ 1,28,776.54 crore as on 30.06.2019.
- Gross Premium Income of the company was ₹ 15,881.55 crore for the quarter ended 30.06.2020 as compared to ₹ 20,813.12 crore in the quarter ended 30.06.2019.
- Investment Income of Rs 1,142.83 crore for the quarter ended 30.06.2020 as compared to ₹ 1,401.90 crore for the quarter ended 30.06.2019.
- The company recorded Loss before tax of ₹ 811.22 crore in quarter ended 30.06.2020 as against Profit before tax of Rs ₹ 138.90 crore in the quarter ended 30.06.2019. The reduction in profit is attributable to higher underwriting loss and reduction in Investment Income.
- Loss After Tax for quarter ended 30.06.2020 recorded as ₹ 557.47 crore as compared to Profit after Tax of ₹ 108.60 crore for quarter ended 30.06.2019.
- Net Worth of the company (without fair value change account) recorded as ₹ 19,714.81 crore on 30.06.2020 as against ₹ 22,443.07 crore on 30.06.2019 and ₹20,529.45 crore as on 31.03.2020.
- Net Worth of the company (including fair value change account) recorded as ₹ 39,071.36 crore on 30.06.2020 as against ₹ 52,181.82 crore on 30.06.2019 and ₹ 35,425.87 crore as on 31.03.2020.
- Incurred Claims Ratio increased from 87.8 % in the quarter ended 30.06.2019 to 94.2 % in the quarter ended 30.06.2020 but improved from 97.5% as in Financial Year 2019-20.
- Underwriting Loss recorded ₹ 1,771.35 crore in quarter ended 30.06.2020 as against loss of ₹ 854.37 crore in quarter ended 30.06.2019.
- Combined Ratio is 112.16 % for the Quarter ended 30.06.2020 as compared to 102.63 % for the quarter ended 30.06.2019 and 114.38% for Financial Year 2019-20.
- Adjusted Combined Ratio is 105.88 % for the quarter ended 30.06.2020 as compared to 97.24 % for quarter ended 30.06.2019 and 102.47% for Financial Year 2019-20.
- Solvency Ratio of 1.52 as on 30.06.2020.





Summary of Revenue and Profit and Loss Account

₹ crore

S No	Particulars	Three Months ended		Year ended	
		30 June 2020	30 June 2019	31 March 2020	31 March 2019
1	Gross Premium	15,881.55	20,813.12	51,030.13	44,238.00
2	Net Premium	14,625.28	19,644.06	46,655.41	38,995.97
3	Earned Premium	13,661.83	16,737.12	44,145.43	37,679.08
4	Incurred Claims	12,868.74	14,700.69	43,035.86	33,739.95
5	Incurred Claims Ratio (on earned premium)	94.2%	87.8%	97.5%	89.5%
6	Net Commission	2,559.87	2,845.33	7,508.35	6,105.43
7	Net Commission Percentage (on Net Premium)	17.5%	14.5%	16.1%	15.7%
8	Expenses of Management	67.65	63.47	373.01	256.07
9	Expenses of Management Ratio (on net premium)	0.5%	0.3%	0.8%	0.7%
10	Profit/(Loss) on Exchange	70.60	31.98	424.03	216.18
11	Premium Deficiency	7.52	13.98	19.42	5.29
12	Underwriting Profit/(Loss)	(1,771.35)	(854.37)	(6,367.18)	(2,211.46)
13	Investment Income (Net of Exp)	1,142.83	1,401.90	7,125.48	6,401.34
14	Other Income less Outgoings	(182.69)	(408.64)	(1,204.28)	(756.06)
15	Profit Before Tax	(811.22)	138.90	(445.97)	3,433.82
16	Provision for Taxation	(253.75)	30.31	(86.88)	1,209.51
17	Profit After Tax	(557.46)	108.59	(359.09)	2,224.31
18	Combined Ratio %	112.16	102.63	114.38	105.86
19	Adjusted Combined Ratio	105.88	97.24	102.47	93.98



२०२१

International and Domestic Business Composition

₹ crore

Gross Premium	Quarter Ended 30.06.2020	Share (%)	Quarter Ended 30.06.2019	Share (%)	Growth (%)	FY 2019-20
Domestic	11,897.67	74.92%	17,400.38	83.60%	-31.62%	36,233.84
International	3,983.87	25.08%	3,412.74	16.40%	16.74%	14,796.29
Total	15,881.55	100%	20,813.12	100%	-23.69%	51,030.13

Particulars	Incurred Claims (₹ crore)		Combined Ratio	
	Q1 FY20-21	Q1 FY19-20	Q1 FY20-21	Q1 FY19-20
Domestic	9,483.09	12,110.94	109.64	101.89
International	3,385.65	2,589.75	119.93	107.56
Total	12,868.74	14,700.69	112.16	102.63

Breakup of Gross Premium

Gross Premium	Quarter ended 30.06.2020	Quarter ended 30.06.2019	Growth %
	₹ crore	₹ crore	
A) Fire	3,925.92	3,134.14	25.3%
B) Miscellaneous - Total	11,144.83	16,943.22	-34.2%
Misc – Motor	1,726.24	2,361.87	-26.9%
Misc – Health	843.47	2,402.62	-64.9%
Misc – Agriculture	6,983.24	10,676.40	-34.6%
Misc - Other LOBs	1,591.89	1,502.33	6.0%
C) Marine	475.03	514.90	-7.7%
Marine – Cargo	359.22	217.36	65.3%
Marine – Hull	115.81	297.54	-61.1%
D) Life	335.77	220.86	52.0%
Total – A+B+C+D	15,881.55	20,813.12	-23.7%

Particulars	Agriculture	Fire	Motor	Health	Cargo	Hull	Life
Incurred Claims (₹ crore)							
Domestic	5,322.56	1,660.30	810.46	720.85	74.14	2.16	220.66
International	169.13	1,600.97	665.11	15.08	147.26	216.92	35.11
Total	5,491.69	3,261.26	1,475.57	735.93	221.40	219.08	255.77
Combined Ratio							
Domestic	93.86	129.35	129.95	157.20	96.21	5.51	88.89
International	207.39	139.76	96.86	22.24	100.86	115.03	105.31
Total	95.51	134.26	115.55	142.86	99.59	138.55	90.86

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, and GIC Perestrakhovanie LLC, Moscow. The group also includes three associate companies namely GIC Re Bhutan, India International Insurance Pte Ltd, Singapore and Agriculture Insurance Company of India Ltd. The group performance highlights, on the basis of consolidated financial statements for the quarter ended 30.06.2020 are given below:
- Consolidated Gross Premium Income of the company was ₹ 15,982.75 crore in the quarter ended 30.06.2020 as compared to ₹ 21,110.36 crore in the quarter ended 30.06.2019.
- Investment Income of the group was ₹ 1,178.22 crore for quarter ended 30.06.2020 as compared to ₹ 1,412.67 crore for the quarter ended 30.06.2019.
- Consolidated Loss After Tax for the quarter ended 30.06.2020 was ₹ 497.02 crore compared to Profit after Tax of ₹ 192.07 crore for corresponding quarter of previous year.
- Incurred claims Ratio increased from 87.6% in the quarter ended 30.06.2019 to 94.9% in the quarter ended 30.06.2020.
- Group's net worth (without fair value change account) for quarter ended 30.06.2020 was ₹ 22,017.25 crores as against ₹ 24,559.76 crore for corresponding quarter of previous year.

Summary of Revenue and Profit and Loss Account of consolidated financials

(₹ crore)

S No	Particulars	Quarter Ended	Quarter Ended	2019-20
		30.06.2020	30.06.2019	
1	Gross Premium	15,982.75	21,110.36	51,515.02
2	Net Premium	14,657.03	19,698.88	46,765.41
3	Earned Premium	13,657.26	16,841.22	44,351.02
4	Incurred Claims	12,956.49	14,755.72	43,150.42
5	Incurred Claims Ratio (on earned premium)	94.9%	87.6%	97.3%
6	Net Commission	2,560.84	2,886.60	7,561.85
7	Net Commission Percentage (on Net Premium)	17.5%	14.7%	16.2%
8	Expenses of Management	73.16	66.76	392.60
9	Expenses of Management Ratio (on net premium)	0.5%	0.3%	0.8%
10	Profit/(Loss) on Exchange	77.46	35.58	429.03
11	Premium Deficiency	7.52	13.98	19.42
12	Underwriting Profit/(Loss)	(1,863.30)	(846.25)	(6,344.22)



भारतीय साधारण बीमा निगम

General Insurance Corporation of India

आयकरने रक्षित्वमि
GIC Re

13	Investment Income net of expenses	1,178.22	1,412.67	7,146.88
14	Other Income less Outgoings	(98.28)	(406.97)	(1,168.33)
15	Profit Before Tax	(783.37)	159.44	(365.67)
16	Taxation	(243.33)	5.99	(87.38)
17	Share of Profit in Associate Companies	43.01	38.62	91.84
18	Profit After Tax	(497.02)	192.07	(186.46)

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 12th largest global reinsurer group based on figures for 2019-20 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 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. The pandemic has created significant uncertainties in regard to the growth trajectory.

On the operational side, the business could be continued essentially through work from home across the globe by the insurers, intermediaries and reinsurers. On the financial side, the uncertainties remain in regard to its impact on business and economic growth and its resultant impact on premium volume, particularly from small and medium size industries. There could be some shrinkage of purchase of insurance with a potential for cascading effect on reinsurance. The specialty classes of business such as event cancellation, travel, credit / surety / mortgage, agriculture, directors & officers, and business interruption are expected to get adversely affected.

2017 and 2018 saw record level of catastrophes globally. Alternative capital took a pause in its deployment in reinsurance sector in 2019. With significant catastrophe activity in 2019 as well, the reinsurance market has shown significant signs of hardening during last few months. The pandemic Covid-19 has propelled the market towards rate hardening.

In Indian context, as the insurers get listed and market consolidates 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. The general insurance business in India has penetration level at under 1% thus indicating great potential. 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.





भारतीय साधारण बीमा निगम

General Insurance Corporation of India

असतो मा सद्गमय
GIC Re

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.



१२
१०२