



ईसीजीसी लिमिटेड
ECGC Limited



66 वीं वार्षिक रिपोर्ट
TH ANNUAL REPORT
2023 - 2024



ECGC Limited

Annual Report for the FY 2023-24

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Part A

BOARD OF DIRECTORS

1. Shri Sristiraj Ambastha,
Executive Director (Policy Matters)/Chairman-cum-Managing Director (Additional Charge), ECGC Limited (appointed as CMD (Addl. Charge) w.e.f. November 01, 2023)
(Appointed as a Director w.e.f. November 14, 2023)
2. Shri Sunil Joshi,
Executive Director (Policy Matters)/ Chairman-cum-Managing Director (Additional Charge), ECGC Limited (appointed as CMD (Addl. Charge) from August 11, 2023)
(Cessation w.e.f. October 31, 2023)
3. Shri M Senthilnathan,
Chairman-cum-Managing Director, ECGC Limited
(Cessation w.e.f. July 31, 2023)
4. Shri Siddharth Mahajan, IAS
Joint Secretary, Department of Commerce,
Ministry of Commerce & Industry
(Appointed w.e.f. April 16, 2024)
5. Shri Vipul Bansal, IAS
Joint Secretary, Department of Commerce,
Ministry of Commerce & Industry (Cessation w.e.f. April 16, 2024)
6. Smt. Aparna Bhatia, IES
Economic Adviser, Department of Economic Affairs,
Ministry of Finance
7. Shri Shirish Chandra Murmu,
Executive Director, Reserve Bank of India
8. Ms. Harsha Bangari,
Managing Director, Export Import Bank of India
9. Shri Ramaswamy Narayanan,
Chairman-cum-Managing Director, General Insurance Corporation of India
(Appointed w.e.f. October 30, 2023)
10. Shri Devesh Srivastava,
Chairman-cum-Managing Director, General Insurance Corporation of India
(Cessation w.e.f. September 30, 2023)
11. Shri Ashwani Kumar,
President, Federation of Indian Export Organisations
(Appointed w.e.f. May 07, 2024)
12. Dr. A. Sakthivel,
President, Federation of Indian Export Organisations
(Cessation w.e.f. December 26, 2023)
13. Shri Amit Kumar Agarwal
14. Smt. Pratibha Kushwaha
15. Shri Palaniappan Muthu (Appointed w.e.f. June 15, 2023)

COMPANY SECRETARY

Smt. Smita V. Pandit

BANKERS

Union Bank of India

IDBI Bank

APPOINTED ACTUARY

Smt. Priscilla Sinha

JOINT STATUTORY AUDITORS

1. **M/s. KBDS & Co.**
Chartered Accountants,
Firm Registration No. 323288E
2. **M/s. M. L. Puri & Co.**
Chartered Accountants,
Firm Registration No. 002312N

REGISTERED OFFICE: ECGC Bhawan, CTS No. 393, 393/1 to 45, M. V. Road, Andheri (East), Mumbai - 400069

SENIOR MANAGEMENT

Executive Director & Chairman-cum- Managing Director (Addl. Charge)

Shri Sristiraj Ambastha

Executive Director

Shri Subir Kumar Das

GENERAL MANAGERS

1. Shri Paramdeep Lal Thakur
2. Shri Ishnath Jha
3. Smt. Smita V. Pandit
4. Shri Anand Singh
5. Shri Abhishek Kumar Jain
6. Shri Gaurav Anshuman
7. Smt. Arpita Sen
8. Smt. Priscilla Sinha
9. Shri Sabyasachi Dash

DEPUTY GENERAL MANAGERS

1. Shri Balbir Singh Maan	9. Shri Rahul
2. Shri N. Subramanian	10. Shri Sachin Khanna
3. Shri R. K. Pandian	11. Shri Amit Kumar
4. Shri Kumar Anshuman	12. Smt. Sivasankari Murugan
5. Shri Yashwant B. Breed	13. Smt. Rachana Baberwal
6. Shri Y. Sudheer	14. Shri Rajesh Joshi
7. Shri Subhash Chandra Chahar	15. Ms. Aarti Pandey
8. Shri Niraj Gupta	16. Shri Amogh Deepak Zade

PERFORMANCE HIGHLIGHTS - THE PAST DECADE

(Rs. In Crores)

YEAR	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
VALUE OF BUSINESS COVERED										
Short Term Policies */**	356867.00	321767.00	269272.00	241934.17	215021.77	198872.00	177349.00	172788.00	135871.97	133983.00
Short Term ECIB ***/****	373252.00	338984.00	345676.00	354200.12	341826.72	455267.00	456684.00	448604.00	127534.80	138555.00
Medium & Long Term Covers	4709.00	2851.00	3896.97	6667.25	4757.37	5787.00	7415.57	6027.26	5979.06	7652.00
Total	734828.00	663602.00	618844.97	602801.54	561605.86	659926.00	641448.57	627419.26	269385.83	280190.00
PREMIUM INCOME										
Short Term Policies	572.02	540.22	485.45	429.99	405.17	412.26	367.95	359.99	382.99	383.87
Short Term ECIB	657.47	632.50	600.84	603.78	644.78	806.83	843.21	881.07	910.64	942.29
Medium & Long Term Covers	41.28	24.81	20.33	28.51	25.52	28.45	29.25	26.56	27.10	36.24
Total	1270.77	1197.53	1106.62	1062.28	1075.47	1247.54	1240.41	1267.62	1320.73	1362.40
CLAIMS PAID										
Short Term Policies	282.93	190.42	237.91	284.87	146.77	168.13	136.70	206.85	127.32	126.98
Short Term ECIB	158.35	415.70	443.42	761.87	261.64	813.39	1131.47	655.50	995.52	462.85
Medium & Long Term Covers	9.03	156.93	5.87	-	-	31.79	14.99	22.99	-	-
Total	450.31	763.05	687.20	1046.74	408.41	1013.31	1283.16	885.34	1122.84	589.83
RECOVERIES MADE										
Short Term Policies	19.36	10.55	16.53	9.77	10.21	21.47	18.55	9.77	7.80	9.61
Short Term ECIB	124.65	136.85	93.44	107.53	156.17	129.36	166.39	109.76	106.06	142.52
Medium & Long Term Covers	29.90	22.11	0.00	0.17	0.06	-	0.67	19.14	0.18	8.02
Total	173.91	169.51	109.97	117.47	166.44	150.83	185.61	138.67	114.04	160.15

Note:

* Comprises exposure under declaration based policies & exposure based policies. Value of business covered under exposure based policies for FY 2011-12 and onwards is the value estimated based on Aggregate Loss Limit fixed for each policy and that for years till FY 2010-11 the estimate of export turnovers.

** The RV for customised MBE Policies has been taken as 20 times of the Aggregate Loss Limit (ALL) the reason being under customized policies the ALL to Export Turnover (ETO) ratio is upto 5% unlike normal MBEPs where the ratio is 10% or more. The revised procedure of calculating the RV has been implemented with retrospective effect from 1.4.2017. To make the comparison equitable the figure w.e.f 1.4.2016 to 31.03.2017 has also been reworked.

*** Represents average outstanding under the limits sanctioned by banks which are covered by the Company for the financial years 2011-12 and onwards and the limits sanctioned till FY 2010-11.

**** The estimation has been done in compliance of the instruction of the Department of Economic Affairs Ministry of Finance. The estimates are based on data sourced from RBI and considering the fact that business cycle under short term exports is around 90 days. Accordingly the outstanding export credit covered by the Company is multiplied by a factor of four to arrive at the Risk Value.

निदेशकों की रिपोर्ट

Directors' Report

DIRECTORS' REPORT

Dear Members,

The Directors of ECGC Limited (ECGC) are pleased to present the 66th Annual Report of the Company, together with the audited financial statements, for the Financial Year (FY) ended on March 31, 2024.

FINANCIAL HIGHLIGHTS

Your Company's financial highlights for the period under review are given below:

(₹ In crore)

Particulars	2023-24	2022-23
Turnover (Gross Premium)	1270.77	1197.53
Profit Before Finance Charges, Tax, Depreciation/ Amortization (PBITDA)	2870.55	2770.49
Less: Finance Charges	-	-
Profit before Depreciation/ Amortization (PBTDA)	2870.55	2770.49
Less: Depreciation	11.60	9.32
Net Profit Before Taxation (PBT)	2858.95	2761.17
Provision for Taxation and Prior Period Adjustments	699.90	596.92
Profit/(Loss) After Taxation (PAT)	2159.05	2164.25

During the FY 2023-24, the total amount of claims paid by the Company was ₹450.31 crore against ₹763.05 crore in the previous FY. After adjusting for reinsurers' share, recoveries and provisions, the incurred claim decreased for the FY 2023-24 to ₹(974.47) crore against ₹(702.92) crore for the previous FY. Investment and other income have increased to ₹1204.89 crore in the FY 2023-24 from ₹1139.61 crore in the previous FY reflecting a growth of 5.73%.

The Gross Premium earned by the Company during the FY 2023-24 was ₹1270.77 crore against ₹1197.53 crore during the previous FY registering a growth of 6.12%. Post adjustment of Reinsurance Cession and Reserve for un-expired risks, the premium earned (Net) for the FY 2023-24 increased to ₹1079.76 crore against ₹938.72 crore for the previous FY, registering a growth of 15.02%.

PROFITS AND APPROPRIATIONS

During the FY 2023-24, total income from operations was ₹1549.75 crore against ₹1507.70 crore for the previous FY. During the FY 2023-24, the Company posted an Operating Profit of ₹2162.01 crore against ₹2215.33 crore in the previous FY. During the FY 2023-24, Profit Before Tax (PBT) was ₹2858.95 crore, against ₹2761.17 crore in the previous FY. After providing ₹699.90 crore towards income tax and prior period adjustments, Profit After Tax (PAT) available for appropriation in the FY 2023-24 was ₹2159.05 crore, against ₹2164.25 crore in the previous FY.

DIVIDEND

The Board of Directors are pleased to recommend a full and final dividend of ₹10 per Equity Share on the 43,38,00,000 Equity Shares of ₹100 each, amounting to ₹433.80 crore. The total dividend amounts to ₹433.80 crore representing a pay-out ratio of 20.09% of the PAT of ₹2159.05 crore.

RESERVES

The Board, at its 446th Meeting held on May 16, 2024, proposed to transfer ₹1725.25 crore to General Reserve.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

SHARE CAPITAL

As of March 31, 2024, the Company's Net Worth was ₹11841.89 crore (₹10116.64 crore as on March 31, 2023), comprising Paid-up Share Capital of ₹4338 crore and Reserves and Surplus of ₹7503.89 crore.

BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

SWEAT EQUITY SHARES

The Company has not issued any Sweat Equity Shares during the year under review.

BONUS SHARES

No Bonus Shares were issued during the year under review.

EMPLOYEES STOCK OPTION SCHEME

The Company has not provided any Stock Option Scheme to the employees.

MEMORANDUM OF ASSOCIATION OF THE COMPANY

During the Financial Year 2023-24, there was no change in the Memorandum of Association of the Company.

SOLVENCY MARGIN

The Solvency Ratio as on March 31, 2024 is 47.87 against the Insurance Regulatory and Development Authority of India (IRDAI) norm of 1.50. The details are as under:

Particulars	2023-24	2022-23
Required Solvency Margin (RSM) under Regulations (₹in crore)	235.92	195.98
Available Solvency Margin (ASM) (₹in crore)	11292.75	9394.14
Solvency Ratio (Total ASM / RSM)	47.87	47.93

MAXIMUM LIABILITY

The Maximum Liability (ML) that the Company can underwrite at any point of time, as approved by the Government of India under Article 72(b) of the Articles of Association of the Company, has been enhanced from ₹1,00,000 crore to ₹1,50,000 crore by the Government of India vide OM No. K-11015/2/2021-E&MDA-DoC dated 09th March, 2022. The ML as of March 31, 2024 was ₹1,18,010.21 crore.

INTRODUCTION OF NEW PRODUCTS

In the FY 2023-24, the Company introduced a new Product named 'Export Receivables (Factor's Risks) Insurance Cover in Foreign Currency (ERIC-FC)' providing protection to factoring companies against the losses they may incur in the event the bills factored by them had remained unrealized owing to overseas buyer's risk or political risks. The Company has also introduced 'Add-on cover of Pre-shipment risk' that provides protection to exporters for losses incurred by them at pre-shipment stage, owing to insolvency of the overseas buyer or political risks. Further, the Domestic Credit Insurance Policy (DCIP) for exporters was re-introduced after taking into account additional risk mitigation measures, that provides protection to the exporters for their domestic sales as well.

INVESTMENT

The investments of the Company are in conformity with the guidelines of the IRDAI.

MANAGEMENT EXPENSES

As per the Provisions under Section 40C of the Insurance Act, 1938, read with the relevant Rules, the management expenses incurred by the Company, as a percentage of the Gross Premium Income during the FY 2023-24 stood at 29.68% (previous FY 27.90%) which is within the IRDAI norms.

NATIONAL EXPORT INSURANCE ACCOUNT TRUST (NEIA)

The NEIA Trust has been established by the Government of India (GOI) with the objective of ensuring availability of credit risk cover for Medium and Long-Term exports (MLT) / project exports which are desirable from the point of view of national interest. The total grant-in-aid received by the Trust as of 31.03.2024 stands at ₹4,741 crore. The Trust has settled nine claims of ₹1,907.80 crore under the Buyer's Credit scheme of the NEIA Trust (BC-NEIA) during the FY 2023-24 to India Exim Bank under the facilities extended to Ghana, Sri Lanka, Suriname and Zambia. The underwriting capacity of the Trust is ₹80,000 crore of which 25% amounting to ₹20,000 crore has been earmarked for supporting MLT covers issued by the Company. Risk to the extent of ₹14,153.77 crore, in respect of 331 covers

supporting 213 projects with a total value of ₹43,571 crore in 54 countries, has been shared with the NEIA Trust. The balance 75% of ₹80,000 crore amounting to ₹60,000 crore is earmarked for the BC-NEIA. As of March 31, 2024, the Trust has issued 28 Buyer's Credit covers with an aggregate Maximum Liability of ₹25,091 crore for 28 projects of value ₹18,006 crore in the countries Cameroon, Cote D' Ivoire, Ghana, Iran, Maldives, Mauritania, Mozambique, Senegal, Sri Lanka, Suriname, Tanzania, Uganda, Zambia and Zimbabwe. In view of the claims admitted during the FY 2023-24 and provision for defaults reported under the cover issued / supported by the Trust, the corpus available for underwriting is NIL as of March, 31, 2024. The GOI is the sole settlor of the Trust and ECGC is the managing agency.

BOARD OF DIRECTORS

ECGC is a 100% Government of India (GOI)-owned Company. The general powers of superintendence, direction and management of the affairs and business of the Company are vested in the Board of Directors, presided over by the Chairman-cum-Managing Director. All the Directors on the Board other than the Chairman-cum-Managing Director and Executive Director (Policy Matters) are Non-Executive Directors. All Members of the Board including the Chairman-cum-Managing Director (CMD) and Executive Director (Policy Matters), are appointed by the President of India.

During the FY 2023-24, two Whole-Time Directors viz. Shri M. Senthilnathan, Chairman-cum-Managing Director and Shri Sunil Joshi, Executive Director (Policy Matters) and two Part-Time Directors namely Shri Devesh Srivastava, the past Chairman-cum-Managing Director, General Insurance Corporation of India and Dr. A. Sakthivel, the past President, Federation of Indian Exports Organisations ceased to be Directors of the Company. Shri Ramaswamy Narayanan, Chairman-cum-Managing Director, General Insurance Corporation of India and Shri Palaniappan Muthu, Independent Director were inducted on the Board as Part-Time Directors.

The Government of India has appointed Shri Siddharth Mahajan, IAS, Joint Secretary as a Government-nominee Director in place of Shri Vipul Bansal, IAS, Joint Secretary w.e.f. April 16, 2024 and also appointed Shri Ashwani Kumar, President, Federation of Indian Export Organisations as a Non-Executive Director w.e.f. May 07, 2024. As of date of this report, the position of one Whole-Time Director i.e. the Chairman-cum-Managing Director and four of the thirteen positions of Part-Time Directors on the Board remain vacant. The process of filling up these vacancies is being pursued with the Government of India.

Shri Sristiraj Ambastha, Executive Director (Policy Matters), ECGC Limited has been assigned additional charge of the post of Chairman-cum-Managing Director w.e.f. November 01, 2023. He has also been appointed as a Functional Director w.e.f. November 14, 2023. There was no Director who got re-elected/re-appointed during the year under review.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(2), (3) and (4) of the Companies Act, 2013 related to the appointment/ removal of Directors, formulating the criteria for determining the qualifications, positive attributes and independence of Directors and recommending the policy on remuneration of the Directors, Key Managerial Personnel and other officers of the Company and other considerations in formulating the policy for remuneration are not applicable to the Company being a Government Company and hence the Company has not devised any policy related to the appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013. All the Directors on the Board of the Company are appointed by the President of India. The Chairman, Managing Director or Chairman-cum-Managing Director (where the office is held by one and the same person), and Executive Director/ Executive Director (Policy Matters)/ Executive Director (Operations)/ Senior-most Executive Director so appointed shall receive such salary and/or allowances as the President may determine from time to time.

ANNUAL RETURN

The draft of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 is available under the Corporate Governance section of the website of the Company (www.ecgc.in).

DECLARATION OF INDEPENDENT DIRECTORS AND WOMAN DIRECTOR

The provisions of Section 149 pertaining to the appointment of Independent Directors and Woman Director(s) applicable to Public Limited Company were fully complied during the FY 2023-24.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had conducted Four Board Meetings during the Financial Year under review.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Audit Committee consists of the following Members:

S. No.	Name of the Director
1.	Shri Ramaswamy Narayanan (appointed as a Member since 30/10/2023 and as the Chairman since 09/11/2023)
2.	Shri Siddharth Mahajan (appointed as a Member since 16/04/2024)
3.	Smt. Aparna Bhatia (appointed as a Member since 16/11/2021)
4.	Shri Shirish Chandra Murmu (appointed as a Member since 10/01/2020)
5.	Ms. Harsha Bangari (appointed as a Member since 23/09/2021)
6.	Shri Ashwani Kumar (appointed as a Member since 07/05/2024)

7.	Shri Vipul Bansal (appointed as a Member since 16/11/2021) (ceased to be a Member since 16/04/2024)
8.	Dr. A. Sakthivel (appointed as a Member since 09/08/2021) (ceased to be a Member since 26/12/2023)
9.	Shri Devesh Srivastava (appointed as a Member since 21/01/2020 and as the Chairman since 15/07/2021) (ceased to be a Member and the Chairman since 30/09/2023)

The present composition of the Audit Committee headed by an Independent Director viz. Shri Ramaswamy Narayanan consists of Independent Directors viz. Shri Shirish Chandra Murmu, Ms. Harsha Bangari and Shri Ashwani Kumar who form the majority.

The Company has established a vigil mechanism and oversees, through the Audit Committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided contact details of the Chairman of the Audit Committee to employees for reporting issues concerning the interests of employees and the Company.

Details of the vigilance cases for the FY 2023-24:

Opening balance as on 01.04.2023	Vigilance cases received during 01.04.2023 to 31.03.2024	Disposed of	Balance
00	09	06	03

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company.

DEPOSITS

The Company has neither accepted nor renewed any deposit during the year under review.

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

During the year under review, neither any application was made nor any proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Not applicable.

THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has a policy in place to deal with Sexual Harassment complaints, in line with the requirement of The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. All employees are covered under the policy. One complaint was filed under the policy during the financial year 2023-24 and the same has been disposed of by the Company. There are no complaints outstanding for redressal as of 31.03.2024.

MEMORANDUM OF UNDERSTANDING (MOU) WITH THE GOVERNMENT OF INDIA (GOI)

As per the guidelines issued by the Department of Public Enterprises, every year a Memorandum of Understanding (MOU) is signed with the Department of Commerce, Ministry of Commerce and Industry, Government of India. Based on the assessment of various financial and non-financial parameters, the Company's performance has been rated as "Good" in the FY 2019-20, "Very Good" in the FY 2020-21, "Excellent" in the FY 2021-22 and "Very Good" in the FY 2022-23. The performance of the Company is expected to be rated as "Excellent" for the FY 2023-24.

The details of MOU parameters for the FY 2023-24, along with the target and estimated achievement by the Company under these parameters is as under:

Performance under the MoU based on estimates for the FY 2023-24

S. No.	Name of Parameter	Unit	Target	Achievement
1	Revenue from Operations (Total Income from Revenue Account)	Rs. In Cr.	1843	1549.75
2	No. of New Buyers Added	Number	21803	23221
3	EBITDA as a percentage of Revenue (PBT + Depreciation) / (Total Income from Revenue Account + Income from Profit and Loss Account) *100	%	60.40	125.65
4	Return on Net worth (PAT/Avg. Net Worth *100)	%	12.32	19.66
5	Assets Turnover Ratio (Total Income from Revenue Account + Income from Profit and Loss Account)/Total Assets *100	%	13.59	11.79
6	Procurement from GeM as % of total procurement	%	100	100
7	Earning per share (PAT/Weighted Avg. Number of Shares)	Rs.	24.43	49.77

Further, the Company has also complied with six out of eight 'Compliance Parameters'. The non-complied parameters are as under:

1. Procurement of goods or services through SC/ST MSEs as % of Total procurement of goods and services – 4%.
2. Compliance with provisions relating to TReDS as outlined in DPE OM No. DPE-7(4)/2007- Fin dated 04-05-2020.

PLACING OF ANNUAL REPORT BEFORE THE PARLIAMENT

Annual Report of the ECGC Ltd., Mumbai, for the FY 2022-23, along with Audited Accounts and Comments of the Comptroller and Auditor General thereon, was placed before the Lok Sabha and Rajya Sabha on December 20, 2023 and February 09, 2024 respectively, in compliance with the requirements under Section 394 of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

Particulars of the employees who were in receipt of remuneration in excess of remuneration drawn by the Whole-Time Director are provided below:

S. No	Name of the employee	Ms. Priscilla Sinha	Mr. Sabyasachi Dash	Mr. Amogh D. Zade
	Particulars			
1.	Designation of the employee	Appointed Actuary	Chief Technology Officer	Deputy Chief Technology Officer
2.	Remuneration received	₹1,07,38,456 in FY 2023-24	₹39,14,840 in FY 2023-24	₹16,05,218.97 in FY 2023-24
3.	Nature of employment, whether contractual or otherwise	Contractual on a fixed term basis.	Contractual on a fixed term basis.	Contractual on a fixed term basis.
4.	Qualifications	Fellow, Institute of Actuaries of India Diploma in Actuarial Techniques, Institute of Actuaries, UK	Exe. Master – Intl. Business, MSc. Software Systems, AMIE Electrical Engineering	M.Sc., Software Systems, B.E. Industrial Electronics
5.	Date of commencement of employment	18.04.2019	25.09.2023	07.12.2023
6.	Age of such employee	57	52	42
7.	Last employment held by such employee before joining the Company	GIC Re	AI-Tayer Group LLC, UAE	Reserve Bank IT Pvt. Ltd.
8.	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of	NIL	NIL	NIL

	sub-rule (2) above			
9.	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager	No	No	No

CUSTOMER CARE MECHANISM

The Company has set-up a Customer Care Department, at its Head Office in Mumbai and is headed by an officer of the rank of General Manager, for redressing grievances of its customers. The Customer Grievance Redressal Policy of the Company is placed on the Company's website. As per the policy, the decision taken by an official would be reviewed by a higher authority in case the earlier decision is to be reiterated. Since the FY 2021-22, the cases are being dealt with three times by different officials/Committees after which the cases are placed before the Independent Review Committee. In order to reduce the turnaround time to redress the grievances, the Board of the Company had revised its Customer Grievance Redressal policy to make the mechanism a four stage one from the earlier five stage one. An Apex Customer Grievance Committee (ACGC), consisting of senior executives at Head Office, is the highest in-house Appellate Authority for any customer complaint against the Company. The Committee met nineteen times and disposed of 59 cases during the FY 2023-24. The Company has a four-member Independent Review Committee (IRC) consisting of external experts from the fields of Judiciary, Banking, Foreign Trade and Credit Insurance and Civil Services, which met five times during the FY 2023-24 and disposed of 23 cases pertaining to grievance of the exporter customers in respect of decision taken by the ACGC. The Company is linked to the Bima Bharosa portal of the IRDAI, where customers can directly log on and lodge their complaints. Policyholders now have the option of registering their respective complaints either at the Bima Bharosa portal or through the Company's website. In addition, the Company is also linked to the

grievance redressal system operated by the Ministry of Personnel, Public Grievances & Pensions, Department of Administrative Reforms, Government of India at Centralized Public Grievance Redress and Monitoring System (CPGRAMS).

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, the Company has taken considerable steps for its Corporate Office Building - ECGC Bhawan at Andheri (East), Mumbai. The Company has taken the following initiatives for ECGC Bhawan:

- a) Provision of ample natural light in the building to reduce dependency on other sources of lights
- b) Motion sensing lights in major parts of the working place
- c) Displays with instructions to use stairs in place of lifts

Further, Electric Vehicles (EVs) were also procured through Energy Efficiency Services Limited (EESL) for the Company's Senior Officers. Based on the Company's submissions, it has been awarded with the prestigious 'Gold Certificate' by the U.S. Green Building Council & Green Business Certification Inc. called 'LEEDS Certificate' in the month of February, 2024 for fulfilling the requirements of the green building rating system certification.

Also, the Company has initiated steps for installation of 'Roof Top Solar' panels of 50 kwp capacity at ECGC Bhawan.

FOREIGN EXCHANGE EARNINGS & OUTGO

The Foreign exchange earnings of the Company during the Financial Year 2023-24 is ₹3.26 crore (₹30.83 crore in the previous Financial Year) while Foreign Exchange outgo during the Financial Year 2023-24 is ₹2.15 crore (₹2.19 crore in the previous Financial Year).

Credit Rating

During the financial year, the Company was rated B++ in FSR (Financial Strength Ratings), bbb+ in ICR (Issuer Credit Ratings) and aaa.IN in NSR

(National Scale Ratings) parameters by AM Best, the global credit agency specialising in the insurance industry and insurance-linked securities.

APPOINTED ACTUARY

A full-time Actuary was appointed on a contract basis by the Company with approval of the Insurance Regulatory and Development Authority of India (IRDAI) effective from 18.04.2019.

ACTUARIAL DEPARTMENT

A separate “Actuarial Department” was set up in the FY 2012-13. This department primarily supports the Appointed Actuary in performing defined regulatory responsibilities.

The Department functions under the supervision of a full time Appointed Actuary. The Appointed Actuary functions in accordance with the “IRDAI (Appointed Actuary) Regulations”.

Actuarial Department engages in estimation of claims reserves such as Incurred But Not Reported (IBNR) claims and other reserves including Incurred But Not Enough Reported (IBNER) claims and Premium Deficiency Reserve (PDR). In addition, the department prepares actuarial reports and forms prescribed for submission to the Insurance Regulator (IRDAI) namely, IBNR Report, Financial Condition Report (FCR), Economic Capital Statement, Product Performance Report and Asset-Liability Management Statements.

Other activities of the department include support to domain departments for product design, pricing and solvency assessment. Actuarial Department also assists domain departments in preparation and submission of various statistical reports to IRDAI. Analytical reports on business performance, experience studies etc. is provided for the purpose of decision-making. The reports and observations of the Appointed Actuary (AA) contribute towards the overall risk management strategies of the Company.

STATUTORY AUDITORS

The Joint Statutory Auditors and the Branch Auditors were appointed by the Comptroller and Auditor General of India (C&AG) for Audit of Accounts

of the Company for the Financial Year (FY) 2023-24 vide their letter dated September 21, 2023, the same was taken on record by the Board at its meeting held on November 09, 2023 and the audit fees for each of the appointed auditors by C&AG were approved by the Board as was recommended by the Audit Committee. The Board was authorized by the Shareholders vide its resolution passed at the 65th AGM held on July 28, 2023 to fix and approve the remuneration of the Joint Statutory Auditors to be appointed by the Comptroller & Auditor General of India under Section 139(5) of the Companies Act, 2013, for the Head Office, Regional Offices and Branch Offices of the Company for the FY 2023-24 and necessary certificate from the Joint Statutory Auditors for the FY 2023-24 has been obtained as required under Section 141 of the Companies Act, 2013.

AUDITORS' REPORT

The Company has in place an audit mechanism comprising Concurrent Audit, Internal Audit and Audit of Investment transactions and related Systems, which is in line with the nature of its business and the size of its operations. The Auditors Report covers the processes as well as transactions at the Head Office and across various branches of the Company. The audit comments are periodically reviewed by the Audit Committee of the Board of Directors. M/s. KBDS & Co. Chartered Accountants, Mumbai, Firm Registration No. 323288E and M/s. M.L. Puri & Co. Chartered Accountants, Mumbai, Firm Registration No. 002312N, are the Joint Statutory Auditors appointed by the Comptroller & Auditor General of India, to audit the Head Office Accounts and the consolidated accounts of the Company for the FY 2023-24. The Report of the Auditors to Shareholders is appended to the Audited Financial Statements.

COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA (C&AG) ON THE ACCOUNTS OF THE COMPANY

Comments of the C&AG shall be forming part of the Directors Report as an addendum to the same.

CORPORATE GOVERNANCE

The Corporate Governance philosophy of the Company is to comply with all the relevant statutory and regulatory prescriptions on time, as also to

formulate and adhere to sound Corporate Governance practices. A detailed Corporate Governance Report along with Certificate from Ragini Chokshi & Co., Practising Company Secretary (FCS 2390, COP 1436), on Corporate Governance is annexed to and forms an integral part of this Directors' Report (**Annexure I**).

SECRETARIAL AUDIT

The Secretarial Audit Report of the Company (Form No. MR-3) for the Financial Year 2023-24 received from Ragini Chokshi & Co., Secretarial Auditor (FCS 2390, COP 1436) is placed at **Annexure II**. There are no qualifications made by the Secretarial Auditor.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

NIL

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company is in the export credit risk insurance business and is registered as a non-life insurance company with IRDAI. Aggregation of export credit risks is inherent in the nature of business. The Company has reviewed its Risk Management Policy to establish an enterprise-wide information system and regulate the risk profile of the Company, through its internal risk management framework. As part of risk management, the Company endeavours to obtain adequate reinsurance from reinsurers and support from the Government of India, in addition to implementing exposure norms for prudential limits in its business. The Risk Management Committee of Board (RMC) monitors the implementation of exposure norms for prudential limits and developments that affect the risk profile of the business of the Company. The Company manages an investment portfolio that comprises of Shareholders' and Policyholders' funds. The investment risks are managed by investing across industries and securities, to ensure that liquidity risks are minimized with optimum return on the investment and are monitored by the Investment Committee of the Board.

The Company also follows the Board-approved Asset-Liability Management (ALM) Policy. The ALM position is reported to the RMC of the Board on a quarterly basis.

The Company has initiated action to further improve its risk management functions to make it more dynamic. With the help of external consultants, the Company drafted its Enterprise Risk Management Policy and designed various tools to periodically monitor and analyse the risks associated with its operational and non-operational units. The tools developed are being implemented in a phased manner to improve the risk management functions of the Company.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Please refer to **Annexure III**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Nil

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Details of contracts or arrangements or transactions at arm's length basis in the ordinary course of business:

The NEIA Trust is a Public Trust formed by Government of India. ECGC is administering the Trust. CMD is the Chairman of the Trust and Executive Director (Policy Matters) is the Managing Trustee. ECGC is entitled to 5% of premium income to meet administrative expenditure. ECGC has been managing the Trust since 2006.

Mr. Amit Kumar Agarwal, Independent Director on the Board of the Company is also a partner in M/s Kumar International, which is a policy holder of ECGC. Form AOC-2 with particulars of contract/ arrangement entered into by the Company with the related party during the FY 2023-24 is given at **Annexure VIII**.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors subscribe to the Directors' Responsibility Statement and confirm that –

(a) The Company had, in the preparation of the annual accounts, followed the applicable accounting standards, along with the proper explanations relating to material departures, if any;

(b) the Directors had selected such 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 profit of the Company for the FY ended March 31, 2024;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the accounts for the FY ended March 31, 2024, on a 'going concern' basis;

(e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Board of Directors places on record its gratitude to the Department of Commerce, Ministry of Commerce & Industry; Department of Economic Affairs, Department of Expenditure, Department of Financial Services and Department of Public Enterprises, Ministry of Finance; Ministry of External Affairs, Government of India; Insurance Regulatory & Development Authority of India (IRDAI); The Comptroller & Auditor General of India; Reserve Bank of India, National Institution for Transforming India (NITI) Aayog and offices of the Indian Embassies and High Commissions in various countries, for their continued support and guidance to the Company and the keen interest exhibited in the affairs and growth of the Company. The Directors are grateful to Exporters, Banks and Reinsurers for their

continued trust reposed in the Company. The Directors thank the Rating Agencies and Debt Collection Agents who have contributed to the Company's underwriting and recovery efforts respectively. The Directors thank and place on record, the feedback and support received from the Federation of Indian Export Organisations, various Export Promotion Councils, Industrial Organisations, Chambers of Commerce, Trade Organisations and Insurance intermediaries. The Directors place on record, their thanks to the Auditors for the valuable advice and support received from time to time. The Directors express their deep sense of appreciation to all officers and staff who continue to display outstanding dedication and commitment, enabling the Company to retain market leadership in its business operations.

For and on behalf of the Board of Directors

Sd xxx

Sristiraj Ambastha

Executive Director (Policy Matters)/

Chairman-cum-Managing Director (Additional Charge)

DIN 10375617

Place: Mumbai

Date: May 16, 2024

CORPORATE GOVERNANCE

ECGC'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company ensures transparency and integrity in communication and makes complete, accurate and precise information available to all its stakeholders. The Company is committed to and is continuously striving to ensure compliance with international standards and best practices of Corporate Governance, as relevant to the Government of India-owned entities.

The Company considers itself as a Trustee of its stakeholders and acknowledges its responsibility towards them for creation and safeguarding the stakeholders' wealth and interests. During the Financial Year under review, the Company continued its pursuit of achieving its objectives through formulation and execution of corporate strategies, specific business plans, underwriting policies/procedures, prudent risk management policies/practices and accounting policies. All policies/procedures are framed conforming to legal and ethical responsibilities.

In the Financial Year 2023-24, the Company has been graded 'Excellent' for compliance with the Department of Public Enterprises (DPE) corporate governance guidelines during the Financial Year 2022-23, reflecting the highest standards of corporate governance and best practices.

BOARD OF DIRECTORS

The Board of Directors formulates strategies, policies and reviews the performance of the Company periodically. The composition of the Board of Directors of the Company is governed by Article 57 read with Article 63 of the Articles of Association (AOA) of the Company. Articles 57 and 63 of the AOA provide that the Board of Directors shall consist of a Chairman, a Managing Director or a Chairman-cum-Managing Director (where the office is held by one and the same person), an Executive Director/ Executive Director (Policy Matters)/ Executive Director (Operations)/ Senior-most Executive Director and not less than three and not more than thirteen other

directors representing the Government of India, Reserve Bank of India, Export-Import Bank of India, General Insurance Corporation of India, Public Sector Banks, Federation of Indian Export Organizations, Export Promotion Councils and Individuals connected with exports. The Company being a Government Company, the appointment of Directors is being done by the Government of India. As of date of this report, the position of one Whole-Time Director i.e. the Chairman-cum-Managing Director and four of the thirteen positions of Part-Time Directors on the Board remain vacant. The process of filling up these vacancies is being pursued with the Government of India.

The Board of Directors has an optimum combination of Executive/Functional Directors and Non-Executive Directors. The Independent Directors (Non-Executive Part-Time Non-Government Directors i.e. Non-Official Directors as per the DPE Guidelines) have submitted their disclosure to the Board that they fulfil all the requirements so as to consider them as Independent Directors under the provisions of the Companies Act, 2013.

The Board-approved Related Party Transactions (RPT) Policy of the Company ensures that all related party transactions in the normal and ordinary course of business are brought to the notice/approval of the Audit Committee and/or Board. The Board Members as well as Key Managerial Personnel (KMP) are required to declare their interest in all the contracts in which they are interested.

The Board periodically reviews and takes remedial action to implement the risk management plan.

The name of Directors on the Board during the Financial Year 2023-24 along with their qualification, dates of appointment and categories under which they were appointed, are furnished in **Table 1** below:

Table 1

S. No.	Name of the Directors	Qualification	Date of Appointment on the Board (DD/MM/YYYY)	Category
1.	Shri Sristiraj Ambastha Executive Director (Policy Matters)/ Chairman-cum- Managing Director (Additional Charge), ECGC Ltd.	M.A, MBA, Post Graduate in HRM	14/11/2023 (CMD Additional Charge w.e.f. 01/11/2023)	Functional Director (Whole-Time Director)
2.	Shri Vipul Bansal, IAS	B.Com., CA	16/11/2021	Non-Executive Part-Time Government Director (Ministry of Commerce & Industry, GOI)
3.	Smt. Aparna Bhatia, IES	Post Graduate in Economics, M. Phil.	16/11/2021	Non-Executive Part-Time Government Director (Ministry of Finance, GOI)
*4.	Shri Shirish Chandra Murmu, Executive Director, RBI	M.Sc., CAIB	10/01/2020	Non-Executive Part-Time Non- Government Director
*5.	Ms. Harsha Bangari, MD, Exim Bank	B.Com., CA	23/09/2021	Ex-Officio Non- Executive Part- Time Non- Government Director
*6.	Shri Ramaswamy Narayanan CMD, GIC Re	B. Com	30/10/2023	Ex-Officio Non- Executive Part- Time Non- Government Director

*7.	Shri Amit Kumar Agarwal	Post Graduate in Commerce	03/11/2021	Non-Executive Part-Time Non-Government Director
*8.	Smt. Pratibha Kushwaha	Post Graduate in Humanities	11/11/2021	Non-Executive Part-Time Non-Government Director
*9.	Shri Palaniappan Muthu	BA., BL, D. Pharm, ML	15/06/2023	Non-Executive Part-Time Non-Government Director
*10.	Dr. A. Sakthivel, President, FIEO	Diploma in Automobile Engineering	09/08/2021 (Ceased to be a Director w.e.f. 26/12/2023)	Ex-Officio Non-Executive Part-Time Non-Government Director
11.	Shri Sunil Joshi, Executive Director (Policy Matters), ECGC Ltd.	M.Sc. (Physics)	09/07/2020 (Ceased to be a Director w.e.f. 31/10/2023)	Functional Director (Whole-Time Director)
*12.	Shri Devesh Srivastava, CMD, GIC Re	M.Sc.(Physics) PGDBM	21/01/2020 (Ceased to be a Director w.e.f. 30/09/2023)	Ex-Officio Non-Executive Part-Time Non-Government Director
13.	Shri M. Senthilnathan Chairman-cum-Managing Director, ECGC Ltd.	B.Sc., MBA	30/12/2015 CMD w.e.f. 29/04/2020 Ceased to be the Chairman and a Director w.e.f. 31/07/2023)	Functional Director (Whole-Time Director)

* Non-Official (Independent) Directors

BRIEF DESCRIPTION OF NEW DIRECTORS

1. Shri Sristiraj Ambastha

Shri Sristiraj Ambastha is the Executive Director in ECGC Limited since 01.09.2023 and Chairman-cum-Managing Director (Additional Charge) since 01.11.2023. His 28-year career at ECGC, the premier export credit agency of India, spans a broad range of areas in both the short-term and medium-and-long-term lines of businesses, ranging from product and policy development, marketing, audit and compliance, human resource development, training, underwriting methods, international relations, and the launch of the new generation information technology platform of ECGC. As the head of International Relations, he has been key to ECGC's interactions at various bilateral and multilateral forums. He has represented the Company at various international forums. He has been a speaker at many national and international conferences.

He is a Whole-Time Director on the Board of the Company as well as the Managing Trustee of the National Export Insurance Account (NEIA), set up by the Government of India to promote project exports. He is a Director on the Board of India EXIM Bank.

He has served as a Chief Vigilance Officer (CVO) of ECGC during the period 2020 to 2023. During his tenure as CVO, he took a lot of initiatives to ensure greater transparency in the systems and processes.

He holds a Master's degree in Political Science and holds a professional qualification of MBA in Marketing and Post Graduate Diploma in Human Resource Management.

He is a Director on the Board of the Company since November 14, 2023.

2. Shri Siddharth Mahajan, IAS

Shri Siddharth Mahajan, IAS is an Indian Administrative Service officer of the 2003 batch. During his glorious two-decade career, he held various positions in the Government of Rajasthan in the areas of Investment Promotion, Plan, local self-Government, Finance, Food & Civil Supplies, Consumer Affairs, Panchayati Raj, Medical & Health and Family Welfare, Disaster Management & Relief and Civil Defence etc. Prior to his posting in the Department of Commerce, Ministry of Commerce & Industry, Government of India, he served as a Joint Secretary in the Lok Sabha Secretariat for a brief period.

Shri Mahajan contributed as a Director since January 2012 on the Boards of numerous Rajasthan State Public Sector Enterprises spread across Power, Finance, Urban Transport, Smart Cities, Industrial Development, Renewable Energy, Tourism and Small Industries and Health. He has rich experience of serving as a Managing Director of Rajasthan State Industrial Development and Investment Corporation Ltd., Rajasthan State Power Finance and Financial Services Corporation Ltd. in the year 2013 and 2014 respectively, and Chairman, Rajasthan Medical Services Corporation Limited.

Shri Mahajan is presently posted in the Department of Commerce, Ministry of Commerce & Industry, Govt. of India and handling the portfolios of Trade Finance, Foreign Trade (ASEAN), Export Promotion (Gems & Jewellery), Kimberley Process, EXIM Bank along with ASEAN-India Trade negotiations, Foreign Trade (South Asia/SAARC/Iran), etc.

Shri Mahajan is a Law graduate and holds a Bachelor degree in Economics.

He joined as a Director on the Board of the Company on April 16, 2024.

3. Shri Ramaswamy Narayanan

Shri Ramaswamy Narayanan joined GIC as a direct recruit officer in 1988 and over the last three decades, he has been involved in various functions within GIC.

In his association with the reinsurance function, he has handled all the non-life classes like Fire, Engineering, Miscellaneous, Motor, Liability, Aviation, Marine and Agriculture and also most of the territories around the world. While handling the business portfolio in the Indian insurance market, he has handled many challenges in the fast-changing non-tariffed portfolio, which included quoting for and leading many treaties, as well as providing out-of-the-box solutions to clients to cater to both protecting the portfolio as well as providing capital relief.

In his tenure of four and half years as CEO, UK he was involved in handling the operations of the Branch, the newly setup Lloyds syndicate of GIC (GIC 1947) as well as the Corporate Member of GIC.

Back in Head Office, he was involved in implementing the ambitious 'Project Parivartan', an HR initiative, which should prove to be a game changer in GIC, going forward.

He joined as a Director on the Board of the Company on October 30, 2023.

4. Shri Ashwani Kumar, Independent Director

Shri Ashwani Kumar is the President of the Federation of Indian Export Organizations (FIEO) and also a Governing Body Member of National Institute of Technology (NIT), Jalandhar (NIT J TBI) since July 13, 2023. A staunch votary of exporters issues, Shri Ashwani Kumar has earlier also served as an Associate Member of FIEO (Northern Region) for a term of two years from 2022-2024, as the Regional Chairman of FIEO (Northern Region) for a term of two years from 2018-2020 and 2021-2022 and he was also elected as a Member of the Managing Committee of FIEO from the year 2014-2016.

A visionary in trade and an industry leader with experience over decades in exports, he has travelled extensively since 1979 for expansion of business and played an active role as a Member of Jalandhar Focal Point Industries Association, Secretary of Jalandhar Effluent Treatment Society, Chairman of Jalandhar Management Association which is affiliated to All India Management Association (AIMA), New Delhi.

Shri Ashwani Kumar has contributed immensely to the growth of exports, and strongly encouraged exports by MSMEs. He is an active member of the Integrated Association of SME of India, Jalandhar Chapter.

Shri Kumar is Managing Partner of Victor Forgings, Jalandhar.

Shri Kumar is a Commerce Graduate.

He joined as a Director on the Board of the Company on May 07, 2024.

5.Shri Palaniappan Muthu

Shri Palaniappan Muthu is a practicing advocate for more than 25 years. He is a member of the Bar Council of Tamil Nadu since 1997. His legal practice spanned across Pudukkottai, Chennai and Madurai.

His education qualifications are BA, BL, D.Pharm and M.L.

He joined as a Director on the Board of the Company on June 15, 2023.

He served as the representative from ZRUCC Southern Railway to National Railway Users' Consultative Council (NRUCC) for the period from April 1, 2022 to January 31, 2023.

DETAILS OF FAMILIARISATION & TRAINING PROGRAMMES FOR DIRECTORS

At the time of induction of a new Director, a welcome letter is addressed to the new Director along with details of duties and responsibilities required to be performed as a Director, in addition to the compliances required by him/her under the Companies Act, 2013 and other applicable statutes/rules/regulations including the Department of Public Enterprises (DPE) and Insurance Regulatory and Development Authority of India (IRDAI) applicable guidelines. Relevant Disclosures are taken from the Director. The Management of the Company familiarises the new Director regarding the Company, its operations, important policies and processes followed by various sectors/departments of the Company, including their roles and responsibilities, the governance and internal control processes and other relevant important information concerning the Company. The Directors are also regularly encouraged and sponsored for attending important training programmes pertaining to Board-related practices and orientation programmes etc. conducted by various Institutes of repute like National Insurance Academy (NIA), Insurance Regulatory and Development Authority of India (IRDAI), Standing Conference of Public Enterprises (SCOPE), Indian Institute of Corporate Affairs (IICA), Department of Public Enterprises (DPE) etc.

All Directors are regularly updated on the various provisions related to corporate governance and other applicable rules and regulations of the Company during the Board/Committee meetings as per the internal training policy for the Directors of the Company.

Due to pre-occupation/busy schedule of the Directors on the dates of training organised by various Institutions from time-to-time, the Company could not impart training to all the Directors till date except to the following Directors during Financial Year 2023-24:

S. No.	Details of Training Program	Directors Nominated
1.	Familiarization program for Independent Directors organised by the Indian Institute of Corporate Affairs (IICA) from July 28-	Shri Palaniappan Muthu

	29, 2023 in Kovalam, Thiruvananthapuram, Kerala.	
2.	Induction Workshop for Independent Directors organized by the Department of Public Enterprises on 5 th and 6 th October, 2023 in New Delhi	Shri Palaniappan Muthu
3.	Orientation Program for Independent Directors organised by the Indian Institute of Corporate Affairs (IICA) from November 27-28, 2023 in Goa.	Shri Palaniappan Muthu
4.	Masterclass for Directors organised by Institute of Directors (IOD) from January 06-07, 2024 & January 13-14, 2024 (Virtual training).	Shri Sristiraj Ambastha
5.	Masterclass for Directors organised by Institute of Directors (IOD) from January 12-14, 2024 in Mumbai.	Shri Ramaswamy Narayanan
6.	Orientation Program for functional directors of CPSEs organized by the Department of Public Enterprises (DPE) from January 19-20, 2024 at Guwahati, Assam.	Shri Sristiraj Ambastha
7.	Training Programme for Independent Directors of the Central Public Sector Enterprises (CPSEs) organized by the Department of Public Enterprises from March 21-22, 2024 at Varanasi, Uttar Pradesh.	(a) Shri Amit Kumar Agarwal (b) Smt. Pratibha Kushwaha

DETAILS OF THE MEETINGS OF THE BOARD OF DIRECTORS FOR FINANCIAL YEAR 2023-24

The Board of Directors is required to meet at least four times every year in such a manner that not more than 120 days or such extended period shall intervene between two consecutive meetings of the Board, pursuant to the provisions of Section 173 of the Companies Act, 2013. The Company sends

to all Directors notices, agenda and notes to agenda which are exhaustive in nature in compliance with Secretarial Standards on Board Meeting issued by the Institute of Company Secretaries of India. Pursuant to Section 174 of the Companies Act, 2013, the Company provides video conferencing/ Other Audio-Visual Means (OAVM) facility to the Directors to enable them to participate in the Board/ Committee meetings, if they so desire. During the Financial Year 2023-24, the Board of Directors of the Company was re-constituted on 15/06/2023, 31/07/2023, 30/09/2023, 30/10/2023, 31/10/2023, 14/11/2023 and 26/12/2023 due to change in the composition of Directors. Shri Sristiraj Ambastha, Executive Director (Policy Matters)/ Chairman-cum-Managing Director (Additional Charge) is the Chairman of the Board of Directors w.e.f. November 14, 2023. Smt. Smita Pandit, Company Secretary of the Company is the Secretary to the Board of Directors.

The Board of Directors met four times during the Financial Year 2023-24. The details of the attendance of the Directors at the Board Meetings along with the date of Meetings of the Board are furnished below in **Table 2**:

Table 2

S. No.	Meeting Number	Date of the Meeting	Board Strength	No. of Directors present
1.	442	04/05/2023	10	9
2.	443	27/07/2023	11	10
3.	444	09/11/2023	9	5
4.	445	09/02/2024	9	6

Details of attendance of the all the Directors at the Board Meetings and Annual General Meeting are furnished below in **Table 3** and **Table 4** respectively.

DETAILS OF ATTENDANCE OF THE DIRECTORS AT THE BOARD MEETINGS

Table 3

Name of the Director	Nature of Directorship	Designation in the Board	Meeting dated 04/05/2023	Meeting dated 27/07/2023	Meeting dated 09/11/2023	Meeting dated 09/02/2024
Shri Sristiraj Ambastha*	Executive Director	Chairman (Additional Charge) (w.e.f. 14/11/2023)	NA	NA	NA	Present
Shri Vipul Bansal	Non-Executive Director	Government Director	Absent	Absent	Absent	Present
Smt. Aparna Bhatia	Non-Executive Director	Government Director	Present	Present	Absent	Absent
Shri S.C. Murmu	Non-Executive Director	Independent Director	Present	Present	Absent	Absent
Ms. Harsha Bangari	Non-Executive Director	Independent Director	Present	Present	Present	Present
Shri Ramaswamy Narayanan	Non-Executive Director	Independent Director (w.e.f. 30/10/2023)	NA	NA	Absent	Present
Shri Amit Kumar Agarwal	Non-Executive Director	Independent Director	Present	Present	Present	Absent
Smt. Pratibha Kushwaha	Non-Executive Director	Independent Director	Present	Present	Present	Present
Shri Palaniappan Muthu	Non-Executive Director	Independent Director (w.e.f. 15/06/2023)	NA	Present	Present	Present
Dr. A. Sakthivel	Non-Executive Director	Independent Director (ceased w.e.f. 26/12/2023)	Present	Present	Present	NA
Shri Sunil Joshi	Executive Director	Whole-Time Director	Present	Present	NA	NA

		(ceased w.e.f. 31/10/2023)				
Shri Devesh Srivastava	Non-Executive Director	Independent Director (ceased w.e.f. 30/09/2023)	Present	Present	NA	NA
Shri M. Senthilnathan	Executive Director	Chairman (Whole-Time) (ceased w.e.f. 31/07/2023)	Present	Present	NA	NA

*Assigned Additional Charge as Chairman-cum-Managing Director w.e.f. 01/11/2023.

DETAILS OF ATTENDANCE OF THE DIRECTORS AT THE ANNUAL GENERAL MEETING

Table 4

Name of the Director	Nature of Directorship	Designation on the Board	65 th Annual General Meeting held on July 28, 2023
Shri M. Senthilnathan (Ceased w.e.f. 31/07/2023)	Executive Director	Chairman (Whole-Time)	Present
Shri Sristiraj Ambastha (Appointed w.e.f. 14/11/2023)	Executive Director	Chairman (Additional Charge) (w.e.f. 01/11/2023)	NA
Shri Vipul Bansal	Non-Executive Director	Government Director	Present
Smt. Aparna Bhatia	Non-Executive Director	Government Director	Present
Shri S.C. Murmu	Non-Executive Director	Independent Director	Absent
Ms. Harsha Bangari	Non-Executive Director	Independent Director	Absent
Shri Devesh Srivastava	Non-Executive Director	Independent Director	Present
Shri Ramaswamy Narayanan (Appointed w.e.f. 30/10/2023)	Non-Executive Director	Independent Director	NA
Dr. A. Sakthivel	Non-Executive Director	Independent Director	Present

Shri Amit Kumar Agarwal	Non-Executive Director	Independent Director	Present
Smt. Pratibha Kushwaha	Non-Executive Director	Independent Director	Present
Shri Palaniappan Muthu	Non-Executive Director	Independent Director	Present
Shri Sunil Joshi	Executive Director	Whole-Time Director	Present

DETAILS OF OTHER DIRECTORSHIPS HELD BY THE DIRECTORS AS OF MARCH 31, 2024 ARE FURNISHED BELOW IN TABLE 5.

Table 5

Name of the Director	No. of other Directorships held *
Shri M. Senthilnathan (Ceased w.e.f. 31/07/2023)	0
Shri Sristiraj Ambastha (Appointed w.e.f. 14/11/2023)	0
Shri Vipul Bansal	2
Smt. Aparna Bhatia	0
Shri S.C. Murmu	0
Ms. Harsha Bangari	0
Shri Devesh Srivastava (Ceased w.e.f. 30/09/2023)	4
Shri Ramaswamy Narayanan (Appointed w.e.f. 30/10/2023)	2
Dr. A. Sakthivel (Ceased w.e.f. 26/12/2023)	5
Shri Amit Kumar Agarwal	0
Smt. Pratibha Kushwaha	0
Shri Palaniappan Muthu (Appointed w.e.f. 15/06/2023)	0
Shri Sunil Joshi (Ceased w.e.f. 31/10/2023)	0

*Directorship in companies registered under the Companies Act, 2013, excluding directorships in private companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

AUDIT COMMITTEE - COMPOSITION AND ATTENDANCE

The objective of the Audit Committee is to oversee and provide direction to the total audit functions of the Company i.e. supervision of internal audit and inspection within the Company and follow up action taken on points raised by the statutory/ external auditors of the Company and the Comptroller & Auditor General of India.

During the Financial Year 2023-24, the Audit Committee of the Company was re-constituted on 30/09/2023, 30/10/2023 and 26/12/2023. The constitution of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013. As of 31/03/2024, the Audit Committee of the Company comprises of five Non-Executive Directors out of which two are Government Directors and three are Independent Directors.

Shri Ramaswamy Narayanan, Non-Executive Independent Director is the Chairman of the Audit Committee w.e.f. November 09, 2023. Smt. Smita Pandit, Company Secretary of the Company is the Secretary to the Audit Committee. The Audit Committee met four times during the Financial Year 2023-24. The details of the attendance of the Members at the Audit Committee meetings along with the date of meetings of the Committee are furnished below in **Table 6**:

Table 6

Name of the Director	Nature of Directorship	Designation in the Committee	Meeting dated 03/05/2023	Meeting dated 25/07/2023	Meeting dated 08/11/2023	Meeting dated 07/02/2024
Shri Ramaswamy Narayanan	Non-Executive Director	Chairman (w.e.f. 09/11/2023) Member w.e.f. 30/10/2023	NA	NA	Present	Present
Shri Vipul Bansal	Non-Executive Director	Government Director	Absent	Absent	Absent	Absent
Smt. Aparna Bhatia	Non-Executive Director	Government Director	Absent	Present	Absent	Present

Shri S.C. Murmu	Non-Executive Director	Independent Director	Absent	Absent	Absent	Absent
Ms. Harsha Bangari	Non-Executive Director	Independent Director	Present	Present	Present	Present
Dr. A. Sakthivel	Non-Executive Director	Independent Director (ceased w.e.f. 26/12/2023)	Present	Present	Present	NA
Shri Devesh Srivastava	Non-Executive Director	Chairman (Independent) (ceased w.e.f. 30/09/2023)	Present	Present	NA	NA

INVESTMENT COMMITTEE - COMPOSITION AND ATTENDANCE

The objective of the Investment Committee is to ensure that the investment operations are conducted within the framework of Investment Policy and Investment Strategy complying with the Standard Operating Procedure as approved by the Board.

During the Financial Year 2023-24, the Investment Committee of the Company was re-constituted on 07/06/2023, 08/06/2023, 31/07/2023, 30/09/2023, 30/10/2023, 31/10/2023, 02/11/2023 and 14/11/2023. The Investment Committee met four times during the Financial Year 2023-24. Shri Sristiraj Ambastha, Executive Director (Policy Matters)/ Chairman-cum-Managing Director (Additional Charge) is the Chairman of the Investment Committee w.e.f. November 14, 2023. Smt. Smita Pandit, Company Secretary of the Company is the Secretary to the Investment Committee. The details of the attendance of the Members of the Investment Committee Meetings along with the date of the meetings are furnished below in **Table 7:**

Table 7

Name of the Director/ KMP	Nature of Directorship/ Position of KMP	Designation in the Committee	Meeting dated 03/05/2023	Meeting dated 25/07/2023	Meeting dated 08/11/2023	Meeting dated 07/02/2024
Shri Sristiraj Ambastha	Executive Director	Chairman (Additional Charge) (w.e.f. 14/11/2023)	NA	NA	NA	Present
Shri Vipul Bansal	Non-Executive Director	Government Director	Absent	Absent	Absent	Absent
Smt. Aparna Bhatia	Non-Executive Director	Government Director	Present	Present	Absent	Present
Shri S.C. Murmu	Non-Executive Director	Independent Director	Absent	Absent	Absent	Absent
Ms. Harsha Bangari	Non-Executive Director	Independent Director	Present	Present	Present	Present
Shri Ramaswamy Narayanan	Non-Executive Director	Independent Director (w.e.f. 30/10/2023)	NA	NA	Absent	Present
Shri Abhishek Jain	CFO	Member (w.e.f. 07/06/2023)	NA	Present	Present	Present
Shri Gaurav Anshuman	CRO	Member (w.e.f. 02/11/2023)	NA	NA	Present	Present
Smt. Priscilla Sinha	Appointed Actuary	Member	Present	Present	Present	Present
Shri Yashwant Breed	CIO	Member	Present	Present	Present	Present
Shri P.L. Thakur	CRO	Member (w.e.f. 08/06/2023) (ceased w.e.f. 02/11/2023)	NA	Present	NA	NA

Shri Sunil Joshi	Executive Director	Whole-Time Director (ceased w.e.f. 31/10/2023)	Present	Present	NA	NA
Shri Devesh Srivastava	Non-Executive Director	Independent Director (ceased w.e.f. 30/09/2023)	Present	Present	NA	NA
Shri M. Senthilnathan	Executive Director	Chairman (Whole-Time) (ceased w.e.f. 31/07/2023)	Present	Present	NA	NA
Shri Anand Singh	CRO	Member (ceased w.e.f. 08/06/2023)	Present	NA	NA	NA
Shri Ish Nath Jha	CFO	Member (ceased w.e.f. 07/06/2023)	Present	NA	NA	NA

CRO – Chief Risk Officer, CFO – Chief Financial Officer, CIO – Chief Investment Officer, KMP – Key Managerial Person.

POLICYHOLDERS’ INTERESTS PROTECTION COMMITTEE - COMPOSITION AND ATTENDANCE

The objective of the Policyholders’ Interests Protection Committee shall be to safeguard the interests of the policyholders which entails for adoption of prudent and healthy market practices in terms of sales, marketing, advertisements, promotion, publicity, redressal of customer grievances and consumer awareness and education.

During the Financial Year 2023-24, the Policyholders’ Interests Protection Committee of the Company was re-constituted on 31/07/2023, 30/09/2023, 30/10/2023, 31/10/2023, 14/11/2023 and 26/12/2023. The Policyholders’ Interests Protection Committee of the Company met four times during the Financial Year 2023-24.

Shri Ramaswamy Narayanan, Non-Executive Independent Director is the Chairman of the Policyholders' Interests Protection Committee w.e.f. November 09, 2023. Smt. Smita Pandit, Company Secretary of the Company is the Secretary to the Policyholders' Interests Protection Committee. The details of the attendance of the Members at the Policyholders' Interests Protection Committee Meetings along with the date of the meetings are furnished below in **Table 8**:

Table 8

Name of the Director	Nature of Director-ship	Designation in the Committee	Meeting dated 03/05/2023	Meeting dated 25/07/2023	Meeting dated 08/11/2023	Meeting dated 07/02/2024
Shri Ramaswamy Narayanan	Non-Executive Director	Chairman (Independent) (w.e.f. 09/11/2023)	NA	NA	Present	Present
Shri Sristiraj Ambastha	Executive Director	Whole-Time Director (w.e.f. 14/11/2023)	NA	NA	NA	Present
Shri Vipul Bansal	Non-Executive Director	Government Director	Absent	Absent	Absent	Absent
Shri S.C. Murmu	Non-Executive Director	Independent Director	Present	Absent	Absent	Absent
Ms. Harsha Bangari	Non-Executive Director	Independent Director	Present	Present	Present	Present
Dr. A. Sakthivel	Non-Executive Director	Independent Director (ceased w.e.f. 26/12/2023)	Present	Present	Present	NA
Shri Sunil Joshi	Executive Director	Whole-Time Director (ceased w.e.f. 31/10/2023)	Present	Present	NA	NA
Shri Devesh Srivastava	Non-Executive Director	Chairman (Independent) (ceased w.e.f. 30/09/2023)	Present	Present	NA	NA

Shri M. Senthilnathan	Executive Director	Whole-Time Director (ceased w.e.f. 31/07/2023)	Present	Present	NA	NA
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RISK MANAGEMENT COMMITTEE – COMPOSITION AND ATTENDANCE

The objective of the Risk Management Committee is to establish appropriate systems to regulate the risk appetite and risk profile of the Company.

During the Financial Year 2023-24, the Risk Management Committee of the Company was re-constituted on 31/07/2023, 30/09/2023, 30/10/2023, 31/10/2023 and 14/11/2023. The Risk Management Committee of the Company met four times during the Financial Year 2023-24.

Shri Sristiraj Ambastha, Executive Director (Policy Matters)/ Chairman-cum-Managing Director (Additional Charge) is the Chairman of the Risk Management Committee w.e.f. November 14, 2023. Smt. Smita Pandit, Company Secretary of the Company is the Secretary to the Risk Management Committee. The details of the attendance of the Members at Risk Management Committee Meetings along with the date of the meetings are furnished below in **Table 9**:

Table 9

Name of the Director	Nature of Director-ship	Designation in the Committee	Meeting dated 03/05/2023	Meeting dated 25/07/2023	Meeting dated 08/11/2023	Meeting dated 07/02/2024
Shri Sristiraj Ambastha	Executive Director	Chairman (Additional Charge) (w.e.f. 14/11/2023)	NA	NA	NA	Present
Shri Vipul Bansal	Non-Executive Director	Government Director	Absent	Absent	Absent	Absent
Smt. Aparna Bhatia	Non-Executive Director	Government Director	Present	Present	Absent	Present
Shri S.C. Murmu	Non-Executive Director	Independent Director	Absent	Absent	Absent	Absent

Ms. Harsha Bangari	Non-Executive Director	Independent Director	Present	Present	Present	Present
Shri Ramaswamy Narayanan	Non-Executive Director	Independent Director (w.e.f. 30/10/2023)	NA	NA	Present	Present
Shri Sunil Joshi	Executive Director	Whole-Time Director (ceased w.e.f. 31/10/2023)	Present	Present	NA	NA
Shri Devesh Srivastava	Non-Executive Director	Independent Director (ceased w.e.f. 30/09/2023)	Present	Present	NA	NA
Shri M. Senthilnathan	Executive Director	Chairman (Whole-Time) (ceased w.e.f. 31/07/2023)	Present	Present	NA	NA

NOMINATION AND REMUNERATION COMMITTEE:

ECGC Ltd. being a Government Company, the appointment and the terms and conditions of appointment (including remuneration), of the Whole-time Directors are decided by the Government of India. However, the Board has constituted a Nomination and Remuneration Committee. No meeting of the Nomination and Remuneration Committee was held during the Financial Year 2023-24.

Smt. Harsha Bangari, Non-Executive Independent Director is the Chairman of the Nomination and Remuneration Committee w.e.f. November 18, 2021. Smt. Smita Pandit, Company Secretary of the Company is the Secretary to the Nomination and Remuneration Committee. The composition of Nomination and Remuneration Committee is furnished below in **Table 10:**

Table 10

Name of the Director	Nature of Directorship	Designation in the Committee	Date of appointment as Member (DD/MM/YYYY)
Ms. Harsha Bangari	Non-Executive Director	Chairperson (w.e.f.18/11/2021)	23/09/2021
Shri Vipul Bansal	Non-Executive Director	Government Director	16/11/2021
Shri Sristiraj Ambastha	Executive Director	Whole-Time Director	14/11/2023
Shri Shirish Chandra Murmu	Non-Executive Director	Independent Director	10/01/2020
Shri Ramaswamy Narayanan	Non-Executive Director	Independent Director	30/10/2023
Dr. A. Sakthivel	Non-Executive Director	Independent Director	09/08/2021 (Ceased w.e.f. 26/12/2023)
Shri Sunil Joshi	Executive Director	Whole-Time Director	09/07/2020 (Ceased w.e.f. 31/10/2023)
Shri Devesh Srivastava	Non-Executive Director	Independent Director	21/01/2020 (Ceased w.e.f. 30/09/2023)

ECGC Ltd. is a 100% Government of India (GOI)-owned Company. Appointment of all Directors including the Chairman-cum-Managing Director is done by the President of India as per recommendation of the Department of Commerce, Ministry of Commerce & Industry in compliance with the Department of Public Enterprises Guidelines. The Board takes on record all such appointments and necessary forms are filed with the Registrar of Companies including informing the IRDAI. Remuneration of the Whole Time Directors is fixed by the Government of India.

The Government Nominee Directors are appointed (as Non-Executive Part-Time Government Directors) by the Ministry of Commerce & Industry and they are not entitled to any remuneration/ sitting fees. The Non-Executive Part-Time Non-Government Directors (Independent Directors) are

appointed by the GOI and they (excluding Directors appointed under the category of (i) Reserve Bank of India; (ii) Chairman/ Managing Director of EXIM Bank; (iii) Chairman/Managing Director of Nationalised banks to be nominated by the Government; and (iv) Chairman/ Managing Director of General Insurance Corporation of India) are entitled to sitting fees for attending the Board/ Committee Meetings as prescribed by the Board in adherence with the Government directives/ statutory rules and regulations.

The Company has not paid any commission to its Directors. The Company has not issued any stock options to its Directors. The Pay Scales and allowances of Officers and Staff of ECGC Ltd. are approved by the GOI. The details of Sitting Fees paid to the eligible Independent Directors for attending the Board/ Committees Meetings during the Financial Year 2023-24 are furnished below in **Table 11**:

Table 11

S. No.	Name of Director	Sitting Fees Paid (in ₹)
1.	Dr. A. Sakthivel	1,50,000
2.	Shri Amit Kumar Agarwal	60,000
3.	Smt. Pratibha Kushwaha	80,000
4.	Shri Palaniappan Muthu	60,000

REMUNERATION DETAILS OF DIRECTORS

S.NO	Particulars of	Total Amount (in ₹)		
	Remuneration	Name of MD/WTD/ Manager		
		Shri. M. Senthilnathan Chairman-cum- Managing Director (up to 31/07/2023)	Shri. Sunil Joshi Executive Director (Policy Matters) (up to 31/10/2023)	Shri Sristiraj Ambastha Executive Director (Policy Matters)/ Chairman-cum- Managing Director (Additional Charge)*
1	Total Gross salary (₹)	29,01,848.69	58,53,479.92	50,10,906.92
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	14,14,877.00	26,06,220.00	39,73,321.00
	(i) Leave Encashment	-	1,74,383.00	-
	(ii) Leave Encashment on Retirement	-	17,41,577.00	-
	(iii) Arrears of Salary (29-04-2020 to 30-06-2023)	8,85,567.77	-	-
	(iv) PLLI	76,330.92	76,330.92	76,330.92
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	5,25,073.00	12,54,969.00	9,61,255.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others	-	-	-
	Total	29,01,848.69	58,53,479.92	50,10,906.92
	Ceiling as per the Act	Not applicable to the Company as it is a wholly-owned Government company.		

*Gross Salary and perquisites have been given for the full year though the officer was Director for part of the Financial Year.

S. No.	Name of KMP	Designation	Gross Salary	EL Encashment	Encashment on Retirement	PLLI	Perquisite u/s 17(2)	Others	Total Amount
1	Shri Sristiraj Ambastha	Executive Director (Policy Matters)/ Chairman-cum-Managing Director (Addl. Charge)	39,73,321	0	0	76,330.92	9,61,255		50,10,906.92
2	Shri Subir Kumar Das	Executive Director	39,22,467	1,43,050	0	76,330.92	15,37,323		56,79,170.92
3	Shri P. L. Thakur	General Manager	40,43,834	1,53,631	0	76,330.92	12,14,260		54,88,055.92
4	Shri Ish Nath Jha	General Manager	39,93,394	1,50,946	0	76,330.92	11,23,287		53,43,957.92
5	Smt. Priscilla Sinha	Appointed Actuary	98,89,920	0	0	0.00	1026600		1,09,16,520.00
6	Smt. Smita Pandit	General Manager	38,50,029	0	0	76,330.92	8,99,484		48,25,843.92
7	Shri Anand Singh	General Manager	37,19,748	0	0	76,330.92	9,21,257		47,17,335.92
8	Shri Abhishek Kumar Jain	General Manager	37,30,712	1,49,200	0	76,330.92	9,25,577		48,81,819.92
9	Shri Gaurav Anshuman	General Manager	35,58,442	1,41,976	0	76,330.92	10,16,661		47,93,409.92
10	Smt. Arpita Sen	General Manager	35,77,436	0	0	76,330.92	9,46,832		46,00,598.92
11	Shri Sabyasachi Dash	General Manager	38,75,000	0	0	0.00	39,840		39,14,840.00
12	Shri Yashwant Breed	Deputy General Manager	36,29,250	1,34,937	0	76,330.92	4,32,818		42,73,335.92
13	Shri C.N.A. Anbarasan	Executive Director	18,10,224	1,68,692	16,19,894	76,330.92	7,93,707		43,00,355.92

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABLE DEVELOPMENT (SD) COMMITTEE:

CSR & SD Committee of the Company has been constituted for monitoring the Company's CSR & SD projects/ activities. It was re-constituted on 31/07/2023, 30/09/2023, 30/10/2023, 31/10/2023, 14/11/2023 and 26/12/2023. CSR & SD Committee of the Company met four times during the Financial Year 2023-24. Shri Sristiraj Ambastha, Executive Director (Policy Matters)/ Chairman-cum-Managing Director (Additional Charge) is the Chairman of the CSR & SD Committee w.e.f. November 14, 2023. Smt. Smita V. Pandit, Company Secretary of the Company is the Secretary to the CSR & SD Committee. The details of the attendance of the Members at the Meetings of the CSR & SD Committee along with the date of the meetings are furnished below in **Table 12**:

Table 12

Name of the Director	Nature of Director-ship	Designation in the Committee	Meeting dated 03/05/2023	Meeting dated 25/07/2023	Meeting dated 08/11/2023	Meeting dated 07/02/2024
Shri Sristiraj Ambastha	Executive Director	Chairman (Additional Charge) (w.e.f. 14/11/2023)	NA	NA	NA	Present
Shri Vipul Bansal	Non-Executive Director	Government Director	Absent	Absent	Absent	Absent
Shri S.C. Murmu	Non-Executive Director	Independent Director	Present	Absent	Absent	Absent
Ms. Harsha Bangari	Non-Executive Director	Independent Director	Present	Present	Present	Present
Shri Ramaswamy Narayanan	Non-Executive Director	Independent Director (w.e.f. 30/10/2023)	NA	NA	Absent	Present
Dr. A. Sakthivel	Non-Executive Director	Independent Director (ceased w.e.f. 26/12/2023)	Present	Present	Present	NA

Shri Sunil Joshi	Executive Director	Whole-Time Director (ceased w.e.f. 31/10/2023)	Present	Present	NA	NA
Shri Devesh Srivastava	Non-Executive Director	Independent Director (ceased w.e.f. 30/09/2023)	Present	Present	NA	NA
Shri M. Senthilnathan	Executive Director	Chairman (Whole-Time) (ceased w.e.f. 31/07/2023)	Present	Present	NA	NA

PERFORMANCE EVALUATION OF THE DIRECTORS, THE BOARD AND MEETING OF THE INDEPENDENT DIRECTORS

The requirement relating to performance evaluation of Board Members under Section 178(2) of the Companies Act, 2013 is exempted for Government Companies vide circular dated June 05, 2015 issued by the Ministry of Corporate Affairs (MCA). The provisions of Section 134(3)(p) of the Act which requires mentioning the manner of formal evaluation of the Board, Committees and individual Directors, in the Board Report is also exempted for the Government Companies, if Directors are evaluated by the Administrative Ministry. The Company's evaluation is done through annual Memorandum of Understanding (MOU) with the Department of Public Enterprises (DPE) with marks/ weight for financial and non-financial targets. The Company's Productivity-Linked Lumpsum Incentive (PLLI) is based on marks/ grade obtained in such evaluation by the respective Ministry.

The DPE vide OM dated 20/06/2013 has withdrawn review of the performance of the Chairperson of the Company after taking into account the views of all the Directors, from the purview of separate meeting of Independent Directors. The MCA had, vide circular dated July 05, 2017 also exempted evaluation mechanism of Non-Independent Directors and Chairperson of Government Companies as specified in Schedule IV to the Companies Act, 2013.

During the Financial Year 2023-24, the Independent Directors met on November 09, 2023 as per the requirement of DPE guidelines (Office Memorandum dated 20/06/2013), inter alia, to assess the quality, quantity and timeline of flow of information between the Company Management and the Board of Directors which is necessary for the Board to effectively and reasonably perform its duties.

GENERAL MEETINGS

The details of the General Meetings held during the last three years are furnished below in **Table 13**:

Table 13

S. No.	Financial Year	No. of AGM	Date & Time	Venue	No. of Special Resolutions passed, if any
1	2020-21	63	November 18, 2021 1600 Hrs.	Udyog Bhawan, New Delhi	NIL
2	2021-22	64	September 05, 2022 1800 Hrs.	Vanijya Bhawan, New Delhi	04
3	2022-23	65	July 28, 2023 1100 Hrs.	Vanijya Bhawan, New Delhi	NIL

CODE OF BUSINESS CONDUCT AND ETHICS

The Board of Directors has laid down a Code of Business Conduct and Ethics for all the Board Members and Senior Management Personnel of the Company, which has been posted on the website of the Company (www.ecgc.in).

DISCLOSURE

The Company has not entered into any material financial or commercial transactions with the Directors or the Management or their relatives or the companies and firms, etc., in which they are either directly or through their relatives interested as Directors and/ or Partners except transactions carried out in the ordinary course of business at arms' length basis. On February 09, 2024 the Board adopted the revised policy on Related Party Transactions under the nomenclature 'Policy on Related Party Transactions'. The Company has disclosed details of transactions with related parties as per the disclosure requirements of Indian Accounting

Standard – 24 on Related Party disclosures and the exemption granted to the Government Companies.

There are no payments made to individual firms, companies and organizations in which Directors of the Company are interested, except transactions carried out in the ordinary course of business at arm's length basis.

The Company has laid down procedures to inform Board Members about the risk assessment and its minimization, which is periodically reviewed by the Risk Management Committee of the Board, to ensure that effective risk control is exercised by the Management.

The Audit Committee and the Board periodically reviews compliance report of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances, if any.

The Company has adopted a Whistle Blower Policy enabling each employee to feel safe in raising concerns about any unacceptable/unethical practice and/or any event of misconduct, at any level, that comes to his/her notice, without fear of consequences thereof.

No penalty was imposed on the Company, by any statutory or regulatory authority, on any matter related to various statutes of the land, during the last three years, except the following:

1. The Company had taken the "Dalamal House" on lease and had exercised reversionary rights to purchase the said property at a given rate as per the Lease Agreement. However, the Lessor did not agree and ECGC filed a suit for specific performance. This suit was decided unfavourable to the Company vide Order dated 07/07/2016 against which Company filed an Appeal. The Appeal is pending. It is noted that the said premises are not yet classified as asset, however the Company is contesting the matter before a Court of Law to exercise reversionary rights to purchase the said assets – The appeal filed before small causes Court has been decided against ECGC vide order dt. 06.05.2023. Appeal against this order has been filed before High Court of Bombay. Matter is currently pending before the court.

2. The Maharashtra Stamp Act, 1958: Stamp Office, Mumbai, Maharashtra State has, vide its letter dated 06/01/2015, has imposed a penalty of ₹4,46,710/- (Rupees four lakhs forty-six thousand seven hundred ten only), for non-payment of stamp duty of ₹7,20,500/- (Rupees Seven lakh twenty thousand and five hundred only) payable on the construction contract agreement entered with Project Contractor, Unity Infraprojects Limited on April 07, 2012.

However, the Company has represented its case on January 22, 2015 to the Deputy Inspector General of Registration for waiver of penalty and the matter is being continuously followed up with the respective authority for early decision.

The appeal is pending as of date for orders with the Chief Controlling Revenue Authority and Inspector General of Registration (Appellate Authority), Maharashtra State, Pune, and no next date of hearing is assigned in the matter.

3. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 -

ECGC received three notices dated 12.03.2019 from EPFO asking for interest and damages to the tune of ₹2,15,84,362/- (₹1,03,28,895/- towards interest and ₹1,12,55,467/- towards damages) for the period July 1989 to August 2016, under five separate heads namely, Employee Provident Fund, Employee Pension fund, Employee Deposit Linked Insurance and their respective administration and inspection charges.

The last hearing before Assistant Provident Fund Commissioner (APFC), EPFO, Ministry of Labour & Employment, Government of India concluded on July 02, 2021. As per the order of APFC, EPFO dated July 30, 2021, the Company was ordered to make a consolidated payment of ₹1,62,87,209/- comprising of damages (₹59,67,524/-) and interest (₹1,03,19,685/-) payable to the office of APFC, EPFO. The Company has complied with the said order of APFC, EPFO and made the requisite payments.

PLACING OF AUDITED ACCOUNTS BEFORE THE PARLIAMENT

The audited accounts of the Company for the Financial Year 2022-23 were tabled before the Lok Sabha and Rajya Sabha on December 20, 2023 and February 09, 2024 respectively, in compliance with the statutory requirements in that regard, as 100% Equity Shares are held by the President of India and seven other nominees, on behalf of the Government of India.

SHAREHOLDERS' INFORMATION

- (a) **Annual General Meeting:** The 66th Annual General Meeting is scheduled to be held at held at 15:00 hrs. on Tuesday, September 17, 2024 through Other Audio-Visual Means (OAVM).
- (b) **Shareholding Pattern as of March 31, 2024:** The Company is fully owned by the Government of India. The President of India holds the entire lot of 43,38,00,000 Equity Shares of ₹100 each fully paid up, issued by the Company including eight of those shares which are held by the nominees of the President of India, on behalf of the Government of India.
- (c) **Address for Correspondence:** Smt. Smita Pandit, Company Secretary, ECGC Limited, ECGC Bhawan, CTS No. 393, 393/1 to 45, M.V. Road, Andheri East, Mumbai – 400069, Maharashtra, India. [Email: cs@ecgc.in](mailto:cs@ecgc.in).

MEANS OF COMMUNICATION

- **Website:** The Company's website viz., www.ecgc.in. contains a separate dedicated section on financial results under Section "About Us". The full Annual Report is also available on the website in user friendly and downloadable form.
- **Financial Results:** The annual, half-yearly and quarterly results are regularly posted by the Company on its website www.ecgc.in.

- Annual Report: The Annual Report, containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report, and other important information, is circulated to the Members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report placed at **Annexure IV** forms part of the Directors' Report.

For and on behalf of the Board of Directors

Sd xxx

Sristiraj Ambastha
Executive Director (Policy Matters)/
Chairman-cum-Managing Director (Additional Charge)
DIN 10375617

Place: Mumbai

Date: May 16, 2024

Declaration

The Members of the Board and Senior Management Personnel have affirmed compliance of the Code of Conduct for Board Members and Senior Management Personnel for the Financial Year ended on March 31, 2024.

Sd xxx

Sristiraj Ambastha
Executive Director (Policy Matters)/
Chairman-cum-Managing Director (Addl. Charge)
DIN 10375617

Place: Mumbai

Date: May 16, 2024

CERTIFICATE OF COMPLIANCE OF THE CORPORATE GOVERNANCE GUIDELINES

I, Smita V. Pandit hereby certify that the Company has generally complied with the Corporate Governance Guidelines for Insurance Company as amended from time-to-time and nothing has been concealed or suppressed.

Sd xxx

Smita V. Pandit
Company Secretary

Place: Mumbai

Date: May 16, 2024

FORMING PART OF CORPORATE GOVERNANCE
CORPORATE GOVERNANCE CERTIFICATE FOR THE F.Y. 2023-24

To,
The Members,
ECGC Limited,
ECGC Bhawan, CTS No.393,393/1 to 45,
M.V Road, Andheri East,
Mumbai – 400069.

We have examined the compliance conditions of Corporate Governance by **ECGC Limited** (the "Company") **CIN: U74999MH1957GOI010918** for the Financial Year 2023-24 in accordance with the provisions of the Companies Act, 2013 read with Guidelines issued by the Department of Public Enterprises for Central Public Sector Undertakings on May 14, 2010. The Company is a Government of India Enterprise with full equity participation from the Government of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on our examination of the relevant records and to the best of our information and according to the explanations furnished to us, we certify that the Company has maintained proper records and complied with the conditions of Corporate Governance as stipulated in the DPE Guidelines, 2010 on Corporate Governance for Central Public Sector Enterprises for the Financial Year ended on 31st March, 2024.

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

For Ragini Chokshi & Co.
(Practicing Company Secretaries)

Place: Mumbai
Date: 18/04/2024

Ragini Chokshi
(Partner)
M. No: 2390
C. P. No: 1436
UDIN: F002390F000173957

**FORM NO MR-3
SECRETARIAL AUDIT REPORT**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
For the period 01-04-2023 to 31-03-2024

To,

The Members,
ECGC Limited,
ECGC Bhawan, CTS No.393,393/1 to 45,
M.V Road, Andheri East,
Mumbai - 400069.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ECGC Limited** (CIN: U74999MH1957GOI010918) (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 and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering 1st April, 2023 to 31st March, 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 audit period 1st April, 2023 to 31st March, 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 **(not applicable as the Company is unlisted)**;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws Framed thereunder **(not applicable as the Company is unlisted)**;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- 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 **(not applicable as the Company**

is unlisted);

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**(not applicable as the Company is unlisted);**
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**(not applicable as the Company is unlisted);**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**(not applicable as the Company is unlisted);**
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021**(not applicable as the Company is unlisted);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(not applicable as the Company is unlisted);**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021**(not applicable as the Company is unlisted); and**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable as the Company is unlisted).**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the Management has complied with the following laws specifically applicable to the Company:

1. Department of Public Enterprises (DPE) Guidelines, 2010;
2. Insurance Regulatory Development Authority Act, 1999 and the rules made thereunder;
3. Insurance Act, 1938 and Insurance (Amendment) Act, 2015;
4. Foreign Exchange Management Act, 1999 and the rules made there under.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with Stock Exchanges**(not applicable as the Company is unlisted);**

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

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operation 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 had following specific events or actions which might have a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. Appointment of Shri Abhishek Jain, General Manager as the Chief Financial Officer (CFO) of the Company with effect from 07th June, 2023.
2. Cessation of Shri Ish Nath Jha from the position of Chief Financial Officer (CFO) of the Company due to change in the portfolio with effect from 07th June, 2023.
3. Appointment of Shri Palaniappan Muthu as a Non-Official Non-Executive Director of the Company with effect from 15th June, 2023.
4. Cessation of Shri M Senthilnathan as the Chairman-cum-Managing Director (CMD) of the Company due to his superannuation with effect from 31st July, 2023.
5. Cessation of Shri C N A Anbarasan as Executive Director (Operations) and KMP of the Company due to his superannuation with effect from 31st August, 2023.
6. Cessation of Shri Devesh Srivastava as a Non-Official Non-Executive Director of the Company due to his superannuation with effect from 30th September, 2023.
7. Appointment of Shri Ramaswamy Narayanan as a Non-Official Non-Executive Director of the Company with effect from 30th October, 2023.
8. Cessation of Shri Sunil Joshi as Executive Director of the Company due to his superannuation with effect from 31st October, 2023.
9. Change in designation of Shri Sristiraj Ambastha from General Manager to

Executive Director (Operations) with effect from 01st September, 2023 and further change to Executive Director (Policy Matters) and Chairman-cum-Managing Director (Additional Charge) of the Company with effect from 01st November, 2023.

10. Change in designation of Shri Subir Das from General Manager to Executive Director (Operations) with effect from 01st November, 2023.
11. Appointment of Shri Sristiraj Ambastha, Executive Director (Policy Matters) and Chairman-cum-Managing Director (Additional Charge) as a Director on the Board of the Company with effect from 14th November, 2023.
12. Cessation of Dr. A Sakthivel as a Non-Official Non-Executive Director of the Company due to completion of tenure with effect from 26th December, 2023.
13. Declaration of Dividend for the FY 2022-23. (Rs. 10/- per share aggregating to Rs. 433.80 crore).

Place: Mumbai

Date: 18/04/2024

**For Ragini Chokshi & Co.
(Company Secretaries)**

**Ragini Chokshi
(Partner)**

C.P. No.: 1436

FCS No: 2390

UDIN: F002390F000173836

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)
A BRIEF OUTLINE OF THE COMPANY'S CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMMES UNDERTAKEN

The Company has adopted the revised guidelines issued by the Department of Public Enterprises (DPE) on CSR in 2014 and has a Board-approved CSR policy. A CSR Committee of the Board has been constituted to monitor the CSR initiatives of the Company. An aggregate amount of ₹29.08 crore (₹29,08,46,016.24) was spent on CSR Activities of the Company during the FY 2023-24. Further, an allocation of ₹2.54 crore (₹2,54,64,773.00) has been made in the UCSR account for the projects already initiated and an amount of ₹0.0180 crore (₹1,80,373.20) has been paid to the Swachha Bharat Kosh (SBK) for the FY 2023-24.

The Company made a commitment of ₹10 crore for the FY 2023-24 for Aspirational District, Rajgarh, Madhya Pradesh and approved the proposal of i) Setting up smart classrooms in 200 Government schools, ii) Setting up Science Lab in 30 Government Schools and iii) Providing basic infrastructure requirement of 513 Anganwadi of Aspirational Block Zirapur in Rajgarh to improve Key performance Indicators. The Company has continued its support to Transforming M-Ward Project i.e. M-Power Library and Study Centre in Mumbai, M-Ward through the Tata Institute of Social Sciences (TISS). M-Power offers its students a library stocked with textbooks of all stream (Arts, Science, Commerce). It has books to aid preparation for competitive examinations like MPSC, UPSC, NEET, etc. The library not only caters to satisfy the academic needs of the students but also includes magazine and journal subscription, newspapers in multiple languages and collection of fiction to foster general reading and learning habits. Under these programs, the TISS continues with the coaching for competitive exams, computer education, conversational English, career guidance, life skill education, etc. The major implementation partners for CSR activities are the Office of the District Collector, Rajgarh, Madhya Pradesh (Aspirational District), the TATA Institute of Social Sciences (TISS), Shanti Seva Nidhi, Tata Memorial

Centre (TMC) Navya, Snehalaya, SOS Children's Village of India, Sulabh International Social Service Organisation, Manav Vikas Sansthan, CKS Foundation, Christian Medical College Vellore, Central Institute of Petrochemicals Engineering & Technology (CIPET), HOPE Kolkata Foundation, Vivekananda Kendra, Saraswati Education and Welfare Trust, Rotary Tirupur Prime Trust, Kendriya Sainik Board, Central Reserve Police Force (CRPF) and National Institute of Mental Health and Neurosciences. A number of initiatives have been undertaken in the field of education, health care, nutrition, skill development, contribution to the Armed Forces Flag Day Fund, CRPF Welfare Fund and to Swachh Bharat Kosh.

The Company is supporting the online expert opinion service for cancer patients by Tata Memorial Centre (TMC) Navya, cancer screening of 5000 women for ovarian, cervical and breast cancers with The We Foundation and skill development training to youth for developing technical and professional skills implemented by Central Institute of Petrochemicals Engineering & Technology. The Company under its CSR initiatives is supporting the installation of 4 (four) health ATM machines by Manav Vikas Sansthan in North Goa and Leh (Ladakh) during the year. Christian Medical College, Vellore - Tamil Nādu has requested to extend support towards purchase of medical equipment and support for cancer care for needy patients. The Company has approved the proposal and extended support to CMC Vellore. The Company also supported Education support programme of Amcha Ghar, Uttan, Bhayander, Dist. Thane. The Company extended CSR support to Assocham Foundation for Corporate Social Responsibility (AFCSR) for Futurepreneurs Skills Initiative which involves imparting of entrepreneurial skills to 5000 students across India through a structured hybrid learning program. Further, a contribution of ₹1 crore was made to the Armed Forces Flag Day Fund (AFFDF) towards Welfare of Ex-Servicemen of the Indian Defence Services through the Kendriya Sainik Board. A support of ₹0.73 crore has been made to the Central Reserve Police Force for the procurement of two ambulances.

1. Brief outline on CSR Policy of the Company:

- i. To ensure an increased commitment at all levels, in the organization, to operate its business in an economically, socially, and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- ii. To directly/indirectly take up programs that benefit the communities in and around its various offices that enhance quality of life and well-being of the locals.
- iii. To implement activities that empower weaker, less privileged and marginalized sections of the society.
- iv. To generate, through its CSR initiatives, goodwill and pride for the Company among stakeholders and help reinforce a positive and socially responsible image of the Company as a corporate entity.

2. Composition of CSR Committee:

S. 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	Shri Sristiraj Ambastha	Chairman (Additional Charge) / Executive Director (w.e.f. 14/11/2023)	1	1
2	Shri Vipul Bansal	Government Director/ Non-Executive Director	4	0
3	Shri S.C. Murmu	Independent Director / Non-Executive Director	4	1
4	Ms. Harsha Bangari	Independent Director / Non-Executive Director	4	4
5	Shri Ramaswamy Narayanan	Independent Director / Non-Executive Director (w.e.f. 30/10/2023)	2	1
6	Dr. A. Sakthivel	Independent Director / Non-Executive Director	3	3

		(ceased w.e.f. 26/12/2023)		
7	Shri Sunil Joshi	Whole-Time Director / Executive Director (ceased w.e.f. 31/10/2023)	2	2
8	Shri Devesh Srivastava	Independent Director / Non-Executive Director (ceased w.e.f. 30/09/2023)	2	2
9	Shri M. Senthilnathan	Chairman (Whole-Time) / Executive Director (ceased w.e.f. 31/07/2023)	2	2

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

<https://main.ecgc.in/english/corporate-social-responsibility/>

4. Provide the executive summary along with the web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Impact assessment report enclosed at Appendix II.**
5. (a) Average net profit of the Company: ₹1503.03 crore
(b) Two percent of average net profit of the Company: ₹30.06 crore, Budget allotted for CSR ₹30.10 crore
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
(d) Amount required to be set off for the financial year: if any: Nil
(e) Total CSR Obligation for the financial year (b + c - d): ₹30.10 crore
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹27.39 crore (Refer Appendix-I)
(b) Amount spent in Administrative overheads ₹0.103 crore

(c) Amount spent on Impact Assessment, if applicable: ₹0.038 crore (₹9.05 lakh provision made for Impact Assessment)

(d) Total amount spent for the Financial Year (a+b+c): ₹29.08 crore*

* Includes ₹1.51 crore spent towards UCSR 2022-23 and ₹0.036 crore towards Swachh Bharat Kosh 2022-23.

(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 sub-section (6) of section 135.		Amount Transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
29.08 crore	2.54 crore	26.04.2024	SWACHH BHARAT KOSH TRUST	0.0180 crore	26.04.2024

(f). Excess amount for set – off, if any: Nil

S. No.	Particular	Amount in ₹
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	₹30.06 crore (budget allotted for CSR ₹30.10 crore)
(ii)	Total amount spent for the financial year	₹29.08 crore
(iii)	Excess amount spent for the financial year (ii – i)	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years ((iii)-(iv))	Nil

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

(in ₹)

1	2	3	4	5	6		7	8
S. No.	Preceding Financial Year (s)	Amt transferred to Unspent CSR Account u/s 135(6) (In Rs.)	Balance Amt in Unspent CSR Account u/s 135(6) (In Rs.)	Amt Spent in the Financial Year (in Rs.)	Amt transferred to a Fund as specified under Schedule VII as per 2nd proviso to Section 135(5), if any		Amt remaining to be spent in succeeding Financial Years in (Rs.)	Deficiency, if any
					Amt (In Rs.)	Date of Transfer		
1	FY 2022-23	1,51,22,500	Nil	FY 23-24: 1,51,22,500	3,68,662.44	21.04.2023	Nil	Nil
2	FY 2021-22	38,56,000	Nil	FY 22-23: 38,56,000	8,93,195	11.05.2022	Nil	Nil
3	FY 2020-21	2,70,98,891	Nil	FY 22-23: 56,81,900	49,11,000	10.06.2021	Nil	Nil
				FY 21-22: 2,14,16,991				

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit:

- ₹2,54,64,773/- pertains to Ongoing projects transferred to UCSR A/c; and
- ₹1,80,373.20/- pertains to balance amount due to lower expenses under budget allocated for Administrative Expenses transferred to Swachh Bharat Kosh.

Sd xxx
(Sristiraj Ambastha)
Executive Director (Policy Matters)/
CMD (Addl. Charge) &
Chairman of the CSR Committee
DIN 10375617

Sd xxx
(Abhishek Kumar Jain)
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

**IMPACT ASSESSMENT FOR COMPANY'S CSR INITIATIVES IN THE
ASPIRATIONAL DISTRICT RAJGARH, MADHYA PRADESH: IMPACT
ASSESSMENT REPORT SUMMARY BY GPCL CONSULTING
SERVICES LTD**



Executive Summary

About the Project: SMART CLASS- *A world beyond textbooks*

SMART Classroom is a classroom which goes beyond the world of textbooks. A SMART Classroom is a digital classroom which is an advanced form of teaching that is helping teachers teach with greater efficiency and the students learning with greater interest, involvement and fun.

Private schools adopted the digital mode of learning a little earlier but slowly and steadily the government schools are catching up too. The government schools are now imparting teaching through the use of technology using Projectors, e-learning system to display tutorial sessions is helping students realize that learning is fun too.

EEGC supported the Rajgarh District Administration for setting up 250 SMART CLASSROOMS in the District. This innovative, creative and with a trailblazing technological approach of teaching has not only provided the students an easy way of understanding difficult concepts through visualization but also has ignited their curiosity in taking up higher studies in the field of Science and Social Science. The SMART CLASSROOMS have created an enabling environment of teaching and learning.

The students of Standards XI and XII are using the classrooms for preparing for professional entrance examinations like JEE, NEET and other similar entrance examinations. This new learning atmosphere has catapulted the whole atmosphere of education in government schools in Rajgarh.

Conduct of Impact Assessment Study:

Under the CSR support by EEGC Limited, Rajgarh District Administration started SMART CLASS Project named "Garur Dewa Maheswari" with 1 KVA Solar Power backup for 100 Secondary and Higher Secondary schools of the District.

SMART CLASS is a digitally equipped classroom with a range of teaching learning tools. This includes audio and visual learning tools which the teachers have been teaching by downloading YouTube videos.

Young children always have that innate yearning to know everything around them. They are naturally curious and have a plethora of questions beyond the usual logic. For thriving in this 21st-century world, it is important to take them beyond the rote system of text book teaching using the blackboard and chalk mode. Few such skills are logical reasoning, cognitive ability and critical thinking. These skills together, in general, are needed to make accurate decisions in every phase.

Learning is a cognitive process that involves critical thinking, reasoning and developing logic, judgment, and taking decisions open-mindedly and coherently in the real world. A window to this real world is being visualized when students are using the digital medium to learn in the classroom.

In the traditional classroom teaching, teaching is carried out using the blackboard and the chalk mode, which sometimes does not keep all students engaged and may not be fun and stimulating as the audio-visual medium. The teachers find it difficult to connect with all students while teaching in the traditional method whereas this medium enables the teachers to connect with all students and they do not have to spend time writing on the board. They use this time to connect

with all students and explain complex concepts with the visual medium and have greater interaction with the students.

It was envisaged that with an increased engagement in learning, students will show improved attendance and outcomes for students would be improved grades and an aspiration for higher studies and enrollment for professional studies. The Project since inception in August, 2023 has completed six months. Out of 180 Secondary and Higher Secondary schools, 20 schools were selected for the study with the help of the District Administration and State Education department.

Observations and Findings:

- All the selected 20 schools have functional SMART Class rooms.
- All the selected schools have the basic ambience of a SMART Classroom but can be enhanced.
- Equipment have been set up and installed as per the Project proposal in most classrooms.
- Adequate furniture for students, tables, chairs have been provided in some classrooms in some of the schools. Some schools require more furniture and better ambience.
- Students in all schools were very happy to be learning through the digital medium.
- Subjects like Science, Mathematics, Social Science and Languages had become easier to grasp and fun to learn too.
- Biology was a subject which was unanimously chosen as the subject where the diagrams were easier to draw through the visual medium; students grasped them easily and this has been a boon for both teachers and students.
- Girls showed a greater interest in Science through SMART Class teaching.
- YouTube videos were being used by teachers to teach concepts and topics which had lots of visual content like Biology, Geography, Geometry, etc.
- Some of the schools expressed a need for more SMART Classrooms.
- Problems of electricity and internet was faced by many schools. Hence, teachers had to shift to blackboard mode frequently and thus hampering the ongoing digital teaching process.
- Solar panels were installed in a few schools but had been purchased by all the selected schools.
- Students were able to watch the Prime Minister's *Pravasi Mitra*'s *Parivaha Pe Charcha* program live through this digital platform and were also able to watch other motivational videos.

Recommendations:

- The schools must have adequate training for teachers to teach using the digital medium in a SMART Class. What emerged was that the teachers were comfortable only to some extent in teaching subjects like Science, Mathematics but wanted more intense and rigorous training to be up to date with the current knowledge in their subjects.
- Power and internet connectivity need to be provided without any interruption in most schools and with the installation of the solar panels, this problem should be solved in the coming academic year from June 2024.
- Number of SMART Classrooms must be increased in all schools considering the number of students and how it has been increasing.
- Schools must be provided with financial support for teaching learning apps for each grade/ class and competitive examinations.

- Ambience by way of better furniture in the SMART Classroom(s) should be provided so that learning is fun, safe and supportive.

Key Points may be considered while developing future interventions strategies:

- Solar panels must be installed along with the Monitor / Panel and other equipment.
- Teacher training component must be given a top priority by the company installing the equipment.
- SMART Classrooms must have a proper ambience with proper furniture for students and teachers to make learning a fun, creative and safe space for all.
- Teaching in SMART Classrooms must be well monitored by a committee consisting of the School Principal, DIT, DEO and some other NGOs, if possible, for optimal utilization of the digital platform.

Good Practices:

SMART Class is an advanced and relevant method of teaching, bringing out the best learning outcomes in students. Students from the government schools are today having access to new age learning content which has opened up plethora of opportunities for them. These students are in no way behind students of private schools and with the advent of digital apps for teaching, students are now willing to travel to cities for higher studies and also preparing with greater self-confidence to write competitive examinations like JEE, NEET, etc.

Teachers have been equally enthused and excited about adopting SMART teaching methods and integrate the use of technology to enhance the learning of their students.

Video conferencing like the Prime Minister's "Farakha Pe Charcha" and other live interactive and motivational videos shown to students have been inspiring and thought provoking for them. It has made them feel as an integral part of the larger community from the rest of the country.

"SMART Class is Not a Replacement but The Perfect Complement to Traditional Teaching!"

Way Ahead:

The SMART CLASS in government schools is indeed an innovative idea but alongside this there is also an urgent need to have uninterrupted electricity supply, internet bandwidth speed, latest Apps related to the subjects taught to students through the digital equipment provided under the Project. What is also needed is regular training for teachers to understand the optimal use of the equipment provided, the latest subject Apps that can be downloaded and taught to the students to make learning both relevant and fun.

Need for more SMART Classrooms in each school under the study was mentioned by all the Principals to enable more students to learn through the digital medium and take advantage of the multi-modal learning mode.

EXECUTIVE SUMMARY

The project under evaluation has been sponsored by the Exports Credit Guarantee Corporation (ECGC) Ltd under its CSR activities for the FY 2022-23. The CSR project named “Project Vidyalaya” is aimed at enhancing the educational facilities in Vivekananda Kendra Vidyalayas in Arunachal Pradesh implemented through Vivekananda Kendra Vidyalaya, Arunachal Pradesh Trust. Through this initiative, ECGC has empowered the education of underserved communities of Arunachal Pradesh.

The impact assessment study has used the qualitative methods of data collection. Key Informant Interviews were conducted with the Principals of the seven Vivekananda Kendra Vidyalayas to understand the impact of the Project Vidyalaya. The interview schedules served as the primary tool for data collection during these interactions. Additionally, a desk review of the secondary data, including the MOUs between ECGC Ltd. and its implementing partner was undertaken. A Purposive sampling was utilized to identify the participants for the study due to their functional role in project implementation and the data was analysed thematically.

The impact assessment study found that in Arunachal Pradesh, ECGC’s initiative has had a multifaceted and profound impact on rural education and student well-being. Through the provision of essential resources to the schools such as furniture, computer sets, smart class technology, library enhancements, steam cookers, water purifiers, and sports equipment, ECGC aims to bridge the gap between rural and urban educational facilities. This comprehensive approach has resulted in increased academic performance, improved learning environments, enhanced health and hygiene standards, and increased student engagement in sports and extracurricular activities. Principals of participating schools acknowledge the initiative's holistic nature, emphasizing its role in fostering a conducive learning environment and promoting peer collaboration and concept learning among students. Furthermore, the provision of smart classes and computer sets has led to a transformative shift in the learning experience, fostering deeper conceptual understanding and enhancing teacher-student interaction.

Additionally, the ECGC initiative has significantly impacted student health and well-being through the provision of steam cookers for hostels and water purifiers. The transition to steam cooking methods has not only improved cooking efficiency but also led to greater hygiene standards in school hostels, contributing to environmental sustainability by reducing reliance on polluting cooking practices. The installation of water purifiers has effectively addressed concerns regarding water quality, ensuring students have access to clean and safe drinking water throughout the day. Moreover, the provision of sports equipment has encouraged physical activity and increased student engagement in sports, promoting holistic development among students.

Overall, the ECGC initiative demonstrates a commitment to enhancing rural education and student well-being, striving to provide students with resources and opportunities comparable to their urban counterparts.

EXECUTIVE SUMMARY

The project under evaluation has been sponsored by the Exports Credit Guarantee Corporation (ECGC) Ltd under its CSR activities for the FY 2022-23 and 2023-24. The CSR project involves establishing a state-of-the-art Cancer Care Centre at Government Medical College, Tiruppur in collaboration with Rotary Prime Trust as its implementing partner. Through this initiative, ECGC aims to enhance the accessibility of all needy people in and around Tiruppur to advanced medical facilities for the treatment of cancer.

The impact assessment study has used the qualitative methods of data collection. Key Informant Interviews were conducted with the Chairperson of Tiruppur Rotary Public Welfare Trust to understand the current status and progress of the cancer care project. Additionally, a desk review of the secondary data, including the MOUs between ECGC Ltd. and its implementing partner was undertaken. A Purposive sampling was utilized to identify the participant for the study and the data collected was analysed thematically.

The Impact Assessment study found that in Tiruppur, there has been a significant progress in the cancer care project. The dismantling work for the upcoming cancer block at the Government Medical College, Tiruppur is in progress. It is expected that the project will commence in another eight to ten months as by that time, the cancer care centre would be constructed and the linear accelerator machine would arrive to India from the United States. Furthermore, the cancer care project would provide free diagnosis, treatment, follow up and rehabilitation to the BPL patients. The target beneficiaries of the cancer care project includes the underprivileged sections of the society such as the migrant labourers from Madhya Pradesh, Bihar and Odisha in addition to all the needy people who are below poverty line and suffering from cancer.

Even before the construction of the cancer care block is complete, the project has been impacting the lives of the beneficiaries positively. The cancer specialists and nurses have been already appointed by the Government of Tamil Nadu and people are visiting them for the diagnostic medical procedures such as the endoscopy, laparoscopy, CT scan, MRI, and mammography. However, only after the advanced machines are purchased, cancer treatment can be provided in addition to the timely detection of cancer. Overall, it can be said that the cancer care project sponsored by ECGC. Ltd is unique in the sense that there is no hospital in and around Tiruppur that has a cancer care facility. The project is highly relevant as it caters to the medical needs of the poor and needy patients especially those Below Poverty Line.

Appendix II to Annexure III
Details of CSR amount spent against ongoing projects for the financial year:

S. No.	Name of the Project or Activity	Item from the list of Activities in Schedule VII	Local Area (YES/ NO)	State	District	Project Duration	Amount allocated for the project	Amount spent in the FY (In Rs.)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (In Rs.)	Mode of Implementation-Direct (YES/ NO)	Mode of Implementation Through Implementing Agency - CSR Regn No.	Name	Ongoing (Yes/ No)
1.	Patanjali, SEEPZ and Tirupati Enterprises	Health	Yes	Maharashtra	Mumbai	One Year	721844.00	721844.00	0.00	No	-	Patanjali, SEEPZ and Tirupati Enterprises	N
2.	Shanti Seva Nidhi	Education	Yes	Maharashtra	Mumbai	Three years	5000000.00	1970620.00	3029380.00	No	CSR00002242	Shanti Seva Nidhi	Y
3.	Kendriya Sainik Board AFFD	Health & Nutrition	No	PAN India	PAN India	One Year	10000000.00	10000000.00	0.00	No	CSR00000812	Kendriya Sainik Board AFFD	Y
4.	Centre for Transforming India	Education	No	Andhra Pradesh	Vishakhapatnam	One Year	618000.00	618000.00	0.00	No	CSR00005034	Centre for Transforming India	N
5.	Social Upliftment and Development for Health Action (SAUDHA)	Health	No	Assam	Dibrugarh (Dighali Dalani Village)	One Year	1197000.00	1197000.00	0.00	No	CSR00005526	Social Upliftment and Development for Health Action (SAUDHA)	N
6.	TISS (Tata Institute of Social Sciences)	Education	Yes	Maharashtra	M Ward at Deonar, Govandi, Mumbai	One Year	8700000.00	8700000.00	0.00	No	CSR00003475	TISS (Tata Institute of Social Sciences)	Y
7.	NIMHANS	Health	No	Karnataka	Bengaluru	One Year	10000000.00	10000000.00	0.00	No	CSR00000194	NIMHANS	Y
8.	Amchaghar	Education	Yes	Maharashtra	Uttan Bhayander	One Year	2784000.00	1392000.00	1392000.00	No	CSR0000102	Amchaghar	Y
9.	Rotary Tirupur Prime Trust	Health	No	Tamil Nādu	Tirupur	One Year	30000000.00	30000000.00	0.00	No	CSR00010527	Rotary Tirupur Prime Trust	Y
10.	Central Institute of Petrochemicals Engineering & Technology (CIPET)	Education	No	Haryana, Punjab, HP, Rajasthan, Bihar, Jharkhand	Murthal, Amritsar, Baddi, Jaipur, Ranchi, Hajipur	One Year	15800000.00	7900000.00	7900000.00	No	CSR00008481	Central Institute of Petrochemicals Engineering & Technology (CIPET)	Y
11.	Cancer Patients Aid Association (CPAA)	Health	Yes	New Delhi, Pune and Mumbai		One Year	5000000.00	5000000.00	0.00	No	CSR00000292	Cancer Patients Aid Association (CPAA)	Y
12.	CKS Foundation New Delhi	Education	No	Uttarakhand	Pokhri and its surrounding villages	One Year	4350000.00	2175000.00	2175000.00	No	CSR00009044	CKS Foundation New Delhi	Y
13.	Saraswati Education and Welfare Trust	Education	No	Meghalaya	East Jaintia Hills	One Year	2400000.00	2400000.00	0.00	No	CSR00002950	Saraswati Education and Welfare Trust	Y
14.	Earthangels Welfare Foundation	Health	Yes	Shahapur,	Maharashtra	One Year	792450.00	792450.00	0.00	No	CSR00006478	Earthangels Welfare Foundation	N
15.	Hope Kolkata Foundation	Health and Nutrition	No	Kolkata	West Bengal	One Year	1186250.00	1186250.00	0.00	No	CSR00000338	Hope Kolkata Foundation	Y
16.	Manav Vikas Sansthan	Health	No	North Goa & Leh (Ladakh)		One Year	2864400.00	2864400.00	0.00	No	CSR00001276	Manav Vikas Sansthan	Y
17.	Sri Aurobindo Society	Education	No	Chandigarh and Chhattisgarh	Raipur	One Year	3079126.00	1539563.00	1539563.00	No	CSR00000200	Sri Aurobindo Society	Y
18.	Sulabh International Social Service Organisation	Health and Nutrition	No	Himachal Pradesh and Uttar Pradesh	Bilaspur and Ayodhya	One Year	8105930.00	4052965.00	4052965.00	No	CSR00000185	Sulabh International Social Service Organisation	Y
19.	SOS Children's Villages of India	Health and Nutrition	No	Assam, Puducherry and Uttar Pradesh	Guwahati and Bawana	One Year	4536000.00	2268000.00	2268000.00	No	CSR00000756	SOS Children's Villages of India	Y

20.	Snehalaya	Health	No	Maharashtra	Ahmednagar	One Year	1527667.00	1527667.00	0.00	No	CSR00000282	Snehalaya	Y
21.	Tara Sansthan	Health	Yes	Delhi, Maharashtra and Uttar Pradesh	Faridabad, Mumbai, Loni	One Year	2448000.00	1224000.00	1224000.00	No	CSR00009044	Tara Sansthan	Y
22.	The We Foundation	Health	No	West Bengal	Kolkata	One Year	1957700.00	978850.00	978850.00	No	CSR00006041	The We Foundation	Y
23.	Tata Memorial Centre (TMC) Navya	Health	No	PAN India	PAN India	One Year	10000000.00	10000000.00	0.00	No	CSR00001287	Tata Memorial Centre (TMC) Navya	Y
24.	Assocham Foundation for Corporate Social Responsibility (AFCSR)	Skill Development	No	PAN India	PAN India	One Year	50000000.00	50000000.00	0.00	No	CSR00001076	Assocham Foundation for Corporate Social Responsibility (AFCSR)	Y
25.	CMC Vellore	Health	No	Tamil Nadu	Vellore	One Year	8037633.00	8037633.00	0.00	No	CSR00000289	CMC Vellore	Y
26.	Central Reserve Police Force	Health	No	PAN India		One Year	7394000.00	7394000.00	0.00	No	CSR00000334	Central Reserve Police Force	Y
27.	Aspirational District Rajgarh	Development activities in Aspirational District Rajgarh	No	Madhya Pradesh	Rajgarh	One Year	100000000.00	100000000.00	0.00	No	-	Aspirational District Rajgarh	Y
28.	Administrative expenses	-	-	Maharashtra	Mumbai	One Year	2500000.00	1414611.80	1085388.20	No	-	Administrative expenses	
Total							301000000.00	275354853.80	25645146.20				

MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY AND TRADE

Over the past few years, the global trade environment has faced a series of complex challenges, often referred to as a "poly-crisis". These challenges have arisen from various sources, including disruptions in supply chains caused by the COVID-19 pandemic, uncertainties in trade policies influenced by geopolitical tensions, and fluctuations in supply and demand. Despite these hurdles, global merchandise trade has demonstrated remarkable resilience. By the fourth quarter of 2023, merchandise trade volume had increased by 6.3% compared to its pre-pandemic peak in the third quarter of 2019, and by 19.1% compared to the average level in 2015. Additionally, commercial services trade has also seen substantial growth, with a 21% increase in US dollar value compared to 2019.

The onset of the COVID-19 pandemic resulted in a 15.4% decrease in merchandise trade volume in the second quarter of 2020. However, trade quickly bounced back, with a 20.6% increase by the first quarter of 2021, surpassing pre-pandemic levels. Trade has played a critical role in ensuring the delivery of essential goods, including medicines and food, both during the pandemic and amidst the conflict in Ukraine.

Inflation reached its peak in 2022, with core inflation remaining elevated well into 2023. Energy prices, similar to interest rates, appeared to respond with a delay, impacting consumer utility bills in 2023 following the peak in spot market prices. The high energy prices affected the production costs of energy-intensive tradable products such as chemicals and intermediates. Additionally, efforts to mitigate inflation through higher interest rates led to positive real interest rates, influencing consumption and investment decisions by households and firms.

In 2023, the disparity between positive world GDP growth and negative world merchandise trade volume growth can be attributed to increasingly difficult macroeconomic conditions primarily driven by inflationary pressures. Inflation affected trade both in terms of the types of products

consumed and their geographical distribution. Firstly, inflation led to a more restrained consumption of manufactured goods, particularly those with high import content, compared to services. Secondly, inflation had a more pronounced impact on real incomes and consumption within the European Union, mainly due to a sharper increase in energy prices compared to other economies.

Conversely, lower inflation expected in 2024 is projected to stimulate a resurgence in the consumption of manufactured goods, thereby boosting merchandise trade volume growth in 2024 and 2025. If recent declines in inflation persist, policymakers are likely to eventually reduce interest rates. This should stimulate investment spending, albeit with a delay, particularly in capital goods trade. As cost pressures ease and business confidence improves in the EU, consumption and investment are forecasted to stabilize in 2024 and further strengthen in 2025.

The world merchandise trade volume outlook anticipates a 2.6% expansion in 2024, followed by a 3.3% growth in 2025. This follows a more substantial-than-anticipated decline of -1.2% in 2023. Import demand in real terms demonstrated weakness across most regions in 2023, notably in Europe, North America, and Asia. However, there were notable exceptions in the Middle East and the Commonwealth of Independent States (CIS) region, where imports experienced a surge.

Over the course of 2024 and 2025, it is anticipated that inflation will gradually decrease, facilitating the resurgence of real incomes in advanced economies. This, in turn, is expected to bolster the consumption of manufactured goods. Signs of a rebound in demand for tradable goods in 2024 are already apparent, attributed to a rise in household consumption associated with improved income outlooks.

The forecast faces downside risks primarily due to ongoing geopolitical tensions and policy uncertainties. Conflict in the Middle East has disrupted sea shipments between Europe and Asia, while tensions in other regions may exacerbate trade fragmentation. Additionally, the escalation of protectionist measures poses another risk that could impede the recovery of trade in 2024 and 2025.

GLOBAL ECONOMY - OUTLOOK

While casting a retrospective look at the past year, the thing that stands out is the sheer number and diversity of themes that shaped the global economy. Developments, volatility and shocks were seen in a wide range of sectors - from inflation, monetary policy and international trade to artificial intelligence and military conflicts. The changes observed over the last 12 months have the potential to bring about major paradigm shifts, not only for professionals and businesses but for individuals and communities as well.

IMF estimates put global economic growth at 3.2% in 2023. Developed economies grew by 1.6% vis-à-vis emerging market economies, which recorded a higher pace of growth at 4.3%. The IMF projects global GDP growth to stay constant at 3.2% in 2024. Developing economies are once again expected to be the major contributors with real GDP growth of 4.2% in 2024 and 2025. Advanced economies are forecasted to grow at a slower rate of 1.7% and 1.8% in 2024 and 2025 respectively.

India recorded a real GDP growth rate of 7.8% in 2023, significantly outperforming the global figure. India's growth rate is projected to moderate to 6.8% in 2024 and 6.5% in 2025 but it will continue to outperform its regional peers and emerging market group. The Asia Pacific region grew at 4.8% in 2023 and is estimated to grow at 4.4% in 2024. The datapoints for Africa are 3.2% in 2023 and 3.5% in 2024.

Inflation meanwhile, has retreated from the highs of 2022. Worldwide inflation fell from 8.7% in 2022 to 6.8% in 2023. It is estimated to reduce further to 5.9% in 2024 and to 4.5% by 2025. In 2023, advanced economies reported an inflation rate of 4.6% while emerging and developing nations experienced a higher level of price pressures at 8.3%. The inflation outlook in 2024 for emerging markets is constant at 8.3%. Advanced economies will likely experience some relief from price pressures; their inflation rate is projected to be 2.6% in 2024 and 2% in 2025. Monetary policy across major economies will begin the transition from restrictive to neutral, if not accommodative, in 2024. This is expected to provide a boost to consumption, investment as well as trade activity.

The upcoming year will be defined by the persistence of geopolitical uncertainty, monetary policy transitions, major elections and further progress in artificial intelligence technologies. The persistence of military tensions and resulting uncertainty remains one of the primary threats to global economic growth in 2024. Its effects – in addition to direct collateral damage and loss of human lives – are being seen in diplomatic relations, international commerce, business operations and supply chain networks. 2024 will see elections being conducted in more than 50 major countries. The results will shape not only global economic and policy trends but social environments also. Finally, the rapid advances in AI technologies are set to continue. These will add to the huge disruptions already caused in industries like finance, manufacturing, trade and commerce. Deeper integration of these technologies and tools into organisational structures and business processes is inevitable.

INDIA'S FOREIGN TRADE

During the financial year 2023-24, India's overall exports (Merchandise and Services) from April to February, are estimated at USD 776.68 billion (₹64,30,300 crore) exhibiting a positive growth of 0.04% over April-February 2022-23. Overall imports during this period are estimated at US\$ 854.80 billion (₹70,77,072 crore) reflecting a decrease over the same period last year.

India's merchandise exports for the financial year 2023-24 stood at US\$ 437.06 billion (₹36,18,513 crore) as against US\$ 451 billion (₹36,26,216 crore) over the same period last year, registering a decrease of 3.11% in dollar terms and 0.21% in rupee terms.

The overall trade deficit is estimated to significantly improve by 35.77% from USD 121.62 Billion in FY 2022-23 to USD 78.12 Billion in FY 2023-24 and subsequently, the merchandise trade deficit improved by 9.33% at USD 240.17 Billion in the current FY as compared to USD 264.90 Billion in FY 2022-23.

The main drivers of merchandise export growth in FY 2023-24 year-on-year were electronic goods (23.64%), drugs & pharmaceuticals (9.67%), engineering goods (2.13%), iron ore, textiles, and ceramic products & glassware.

OVERVIEW OF COMPANY'S OPERATIONS

SHORT-TERM EXPORT CREDIT INSURANCE POLICIES

The number of distinct exporters availing themselves of the Company's cover for export receivables (Short-Term Export Credit Insurance Policies – ST-Policy) was 7,221 as of 31st March, 2024 as against 7,039 as of 31st March, 2023. During the Financial Year (FY) 2023-24, the total number of Short-Term (ST) Export Credit Insurance Policies issued and renewed was 11,723 compared to 11,610 issued during the previous FY 2022-23. The number of ST-Policies in force as of 31st March, 2024 was 11,268 with a total Maximum Liability (ML) of ₹59,768.00 crore as against 11,036 policies in force with a total ML of ₹56,278.02 crore as of 31st March, 2023, indicating a growth of 2% in the number of policies in force and growth of 6% in the total ML in force. The total number of fresh policies issued during the year was 4,189 out of which 1,541 were Whole Turnover (WT) policies. The share of distinct exporters belonging to the 'Small Exporter' (i.e. exporter with policy covers with ML less than or equal to ₹40 crore) category, holding the Company's policy products in the total number of distinct exporter clients is 97% as of 31st March, 2024 as it was as of 31st March, 2023.

Declaration-based policies viz. Shipments (Comprehensive Risks) Policies (SCR), Export Turnover Policies (ETP), Services Policies, Small Exporter's Policies (SEP), Buyer Wise Policies, Consignment Policies etc. continued to maintain a larger share at 52% of the policies in force as at the end of FY 2023-24. The total number of declaration-based policies in force as of 31st March, 2024 was 5,805 with an aggregate ML of ₹34,997.04 crore as against 5,637 with an aggregate ML of ₹32,631.22 crore as of 31st March, 2023 while the declaration-based policies in force increased by 3% in number, the aggregate ML increased by 7%. The number of shipments declared was 3,39,995 with an average credit period of 62 days. Exposure-based policies like Multi Buyer Exposure Policy, Single Buyer Exposure

Policy, IT-Enabled Services Policy (Multi-Customer), IT-Enabled Services Policy (Specific Customer) etc. had a share of 48% of the policies in force as at the end of the FY 2023-24. The total number of exposure-based policies in force as of 31st March, 2024 viz. MBEP, SBEP, MITES, SITES etc. was 5,463 with an aggregate ML of ₹24,727.38 crore as against 5,399 with an aggregate ML of ₹23,646.80 crore as of 31st March 2023, reflecting a growth of 1% in number and 5% in aggregate ML.

Total business covered under the ST-Policies during the FY 2023-24 was ₹3,56,866.70 crore, as against ₹3,21,767.10 crore during the previous year, thereby registering a growth of 11%. The premium income under ST-Policies was ₹572.01 crore during the FY 2023-24 as against ₹540.22 crore in the previous FY, registering a growth of 6%. The total number of claims paid under ST-Policies during the FY 2023-24 was 466 amounting to ₹282.98 crore as against 421 claims amounting to ₹191.31 crore during the previous FY 2022-23.

Out of total business covered, Risk Value under ST-Policies (Domestic Credit Insurance Policy) was ₹1273.33 crore and premium income amounted to ₹1.13 crore during the FY 2023-24.

Amount recovered under ST-Policy was ₹19.35 crore during the FY 2023-24 as against ₹10.55 crore during the previous year showing an increase of 83%.

CUSTOMER SPECIFIC COVERS

The Company had, with the approval of the Insurance Regulatory and Development Authority of India (IRDAI), introduced Customer Specific Covers (CSC) which are tailor-made to suit specific requirements of policy holders where none of the existing standard products are found suitable. The CSC Policies are structured by combining certain features of two or more standard products approved by the IRDAI, while having the predominant features of one product which is considered as the base policy.

During the FY 2023-24, 417 customized policies were issued/renewed with a total Maximum Liability/ Aggregate Loss Limit (ML/ALL) of ₹15,113.75 crore as against 462 customized policies issued with a total Maximum Liability/ Aggregate Loss Limit (ML/ALL) of ₹13,658.41 crore during the previous year. As of March 31st, 2024, 396 CSC policies were in force with a total ML/ALL of ₹14,601.45 crore as against 442 CSC policies in force with a total ML/ALL of ₹13,205.56 crore during the previous year. Annual premium income under CSC policies was ₹187.55 crore during the FY 2023-24 as against ₹167.86 crore during the previous year. During the FY 2023-24, claims paid under customized policies increased to ₹91.72 crore from ₹28.50 crore during the previous year.

SHORT-TERM EXPORT CREDIT INSURANCE FOR BANKS (ECIB) COVERS

The premium earned under Short Term - Export Credit Insurance for Banks (ST-ECIB) for the FY 2023-24 was ₹657.47 crore as against ₹632.54 crore during the FY 2022-23 registering an increase of 3.94%. The growth remained affected by the negative growth in export credit disbursements by the banks covered under ECIB. ST-ECIB premium accounted for around 52% of the total premium of the Company for the FY 2023-24. The number and value of claims paid stood at 71 and ₹158.34 crore respectively for the FY 2023-24 as against 123 claims paid for an amount of ₹415.70 crore in the FY 2022-23. The average number of days for claim settlement under ST-ECIB was 54.85 days in the FY 2023-24 which was 57.08 days in the previous year.

The total outstanding covered by the Company under the various ECIB covers issued, derived from the total Average Daily Products (ADP) of all the accounts covered under the Whole Turnover (WT) covers and the Highest Amount Outstanding (HAO) under Individual (IN) covers, reported by the banks to the Company, aggregated to ₹93,313 crore during the FY 2023-24 as compared to ₹84,746 crore during the FY 2022-23 showing an increase of 10.11%. The number of accounts covered under the ST- ECIB schemes as of March 31st 2024 was 12,484 compared to 13,091 as of 31st March, 2023. A total of 8,800 (Previous Year 9,004) distinct exporters of which more than 85% are Small Exporters (i.e., exporter accounts with

sanctioned credit limit less than or equal to ₹80 crore) have been supported through the covers. It is estimated that export credit advances worth ₹3,73,254 crore have been supported through ECIB cover during this year compared to ₹3,38,984 crore advances supported during the previous year. The estimates are based on data sourced from RBI and considering the fact that the business cycle under short term exports is around 90 days. Accordingly, the outstanding export credit covered by the Company is multiplied by a factor of four to arrive at the Risk Value.

To reduce the turnaround time for approval of underwriting applications submitted by the banks, delegation of powers for approval of limits were revised w.e.f. 30th May, 2023. The powers delegated to the CMD have been enhanced to ₹300 crore from ₹200 crore, with the Board's approval.

The scheme of enhanced cover of 90% under ECIB-WT that was introduced in July 2022 for the manufacturing- exporter accounts, having aggregate limits/ exposure of up to ₹20 crore was further extended for limits/ exposure up to ₹50 crore across the banking industry in July 2023. Traders / Merchant Exporters and Gems, Jewellery and Diamond (GJD) accounts are excluded from the purview of the said scheme. The scheme enables to pass on the benefit of reduced interest rates to the exporters. Twelve banks, namely, Canara Bank, Indian Bank, Tamilnad Mercantile Bank, Central Bank of India, Punjab & Sind Bank, Union Bank of India, The Saraswat Cooperative Bank Limited, Bank of Maharashtra, The South Indian Bank Ltd., UCO Bank, SBI and CSB Ltd. have opted for enhanced cover under the ECIB- WT schemes.

The Whole Turnover Packing Credit (WTPC) and Whole Turnover Post-Shipment (WTPS) covers were renewed for twelve nationalized banks, nine private sector and co-operative banks. The total number of ECIB-WT covers in force as on 31st March, 2024 was 42. The number of ECIB-IN covers in force as on 31st March 2024 was 41.

Simplified procedure for processing claims of banks was introduced on 01st March 2024 to ensure quicker claim settlement to banks under WT-ECIB and is applicable in respect of those borrower-accounts that have per

exporter /exporter-group aggregate export credit working capital (Packing Credit and/or Post-Shipment) limit up to ₹5 crore.

Appropriate risk mitigation measures were continued in respect of underwriting of high value accounts as done in the previous years.

The recovery made during the current year i.e. FY 2023-24 was at ₹124.65 crore as against ₹136.84 crore during FY 2022-23.

MEDIUM AND LONG-TERM BUSINESS REVIEW

The premium income from the Medium and Long-Term (MLT) business for the FY 2023-24 stood at ₹41.28 crore, as against ₹24.81 crore in the previous year. One claim of ₹9.03 crore (ECIB segment) was paid to India Exim Bank on account of loan facility given to Indian Project Exporter during the FY 2023-24. The top five countries in which the Company had underwritten major business during the FY 2023-24 are Tanzania, Georgia, Burkina Faso, Moldova, and Nepal.

During the FY 2023-24, 33 credit insurance policies were issued to MLT project exporters as against 12 in the previous financial year, covering comprehensive risks on various projects undertaken by them. The major sectors covered were Infrastructure, Power Transmission & Distribution, Hydro Power Equipment and Supply of Capital Goods etc. The number of covers issued under Export Credit Insurance to Banks (ECIB) during the FY 2023-24 was 39 as against 47 in the previous year. No covers were issued under the Overseas Investment Insurance scheme and the Buyer's Credit scheme during the FY 2023-24.

NATIONAL EXPORT INSURANCE ACCOUNT TRUST (NEIA)

The NEIA Trust has been established by the Government of India (GOI) with the objective of ensuring availability of credit risk cover for Medium and Long-Term exports (MLT) / project exports which are desirable from the point of view of national interest. The total grant-in-aid received by the Trust as of 31.03.2024 stands at ₹4,741 crore. The Trust has settled nine claims of ₹1,907.80 crore under the Buyer's Credit scheme of the NEIA Trust (BC-NEIA) covers during the FY 2023-24 to India Exim Bank under the facilities

extended to Ghana, Sri Lanka, Suriname and Zambia. The underwriting capacity of the Trust is ₹80,000 crore of which 25% amounting to ₹20,000 crore has been earmarked for supporting MLT covers issued by the Company. Risk to the extent of ₹14,153.77 crore, in respect of 331 covers supporting 213 projects with a total value of ₹43,571 crore in 54 countries, has been shared with the NEIA Trust. The balance 75% of ₹80,000 crore amounting to ₹60,000 crore is earmarked for the BC-NEIA. As of March 31, 2024, the Trust has issued 28 Buyer's Credit covers with an aggregate Maximum Liability of ₹25,091 crore for 28 projects of value ₹18,006 crore in the countries Cameroon, Cote D' Ivoire, Ghana, Iran, Maldives, Mauritania, Mozambique, Senegal, Sri Lanka, Suriname, Tanzania, Uganda, Zambia and Zimbabwe. In view of claims admitted during the FY 2023-24 and provision for defaults reported under the cover issued / supported by the Trust, the corpus available for underwriting is NIL as of March, 31, 2024. The GOI is the sole settlor of the Trust and ECGC is the managing agency.

The Trust is managed by the Company. The Company receives 5% of guarantee fee income earned by the Trust as the management fee and during the year the Company received ₹0.66 crore as its management fee from the Trust.

FACTORING

Full Fledged Factoring Scheme (FFFS)

The Board of Directors had at its meeting held on May 13, 2014 approved the Full-Fledged Factoring Scheme (FFFS) primarily for MSME exporters. During the year 2023-24 the Company approved three proposals benefitting three exporters. During the Financial Year (FY) 2023-24, 10 bills were factored amounting to ₹4.59 crore as against 13 bills amounting to ₹3.61 crore during the previous year showing a growth of 27.15% in the business value.

Cover to Factors

Factoring companies face risk of non-payment in respect of export receivables factored by them without recourse due to the reason that import factor is sometimes not available or is expensive.

With the due approvals of the Board of Directors and the IRDAI, the Company had introduced Export Receivables (Factor's Risks) Insurance Agreement Cover to be issued to Factors / Financial Institutions / Banks for the export bills factored by them pertaining to their MSME exporter-clients.

The product, Export Receivables (Factor's Risk) Insurance Agreement is meant to protect Factors / Financial Institutions / Banks wherein the finance extended by them to the exporters by way of 'Factoring' the bill, remains unrealized owing to buyer's risks and political risks. During the year several Factoring Companies have approached ECGC for placing their interest for the cover for DTA as well as factoring business routed through IFSC, GIFT City. The Company is expected to commence business under the product in the FY 2024-25.

INVESTMENTS

As of March 31, 2024, the investment portfolio comprising of investments in Government Securities, Corporate Bonds, Equity Shares, Fixed Deposits etc. stood at ₹16,133.94 crore as against ₹15,575.82 crore as of March 31, 2023, showing an increase of ₹558.12 crore, i.e. a growth of 3.58%. The growth in the investment portfolio was on account of surplus generated from the investments.

The Company has complied with all the regulatory requirements in respect of investments. Investment under mandatory category stood at 71.46% as against minimum of 45% prescribed by the IRDAI. As of March 31, 2024, the Company has exposure of only 1.52% in instruments classified as "Other Investments", as against regulatory limit of maximum 15% prescribed by the IRDAI. Further, out of the Company's total debt portfolio, 95.60% of investments are in Government Securities and debentures rated AAA, as against regulatory limit of minimum 65% prescribed by the IRDAI. Income generated from investment operations (including profit on sale of investments) increased to ₹1,205.89 crore in the FY 2023-24 from ₹1,133.85 crore in the FY 2022-23, recording an increase of 6.35%. Increase in the investment income during the year was mainly due to increase in the Asset Under management (AUM) of the Investment portfolio, as mentioned above. The yield on investment for the FY 2023-24

was 7.83% as against 7.81% for the previous year. The Company's investment operations are conducted mainly to ensure adequate liquidity to meet claim payments and to strike a trade-off between risk and return.

BUYER UNDERWRITING

The role of the Buyer Underwriting Department (BUD) at Head Office is to ensure sound underwriting decisions on buyers by fixing overall credit limits on the basis of various parameters and taking into account the business requirements. The department obtains and analyses latest credit information reports on buyers from various Credit Information Agencies. Based on the reports and review of the transactional behaviour of buyers on the basis of system-generated data and the scorecard rating, overall credit limits are decided on overseas buyers with the score card based suggested limits serving as a guiding post.

Reports received on buyers from different credit information agencies, as mentioned above, are digitalized to make them accessible in the system to the officials for the underwriting purpose.

During the FY 2023-24, no new credit information agency was empanelled and the total number of credit information agencies continued to be 11.

The number of credit limit applications received in the FY 2023-24 was 35,255 registering a growth of 7.45 percent as against 32,811 in the previous year. During the FY 2023-24, the aggregate Overall Limits (OL) of ₹66,608 crore was fixed on 85,728 foreign buyers as compared to ₹67,791 crore on 80,192 buyers in the previous year. The number of new buyers added to the Company's database during the FY 2023-24 was 23,221 registering a growth of more than 16.55 percent compared to previous year's addition of 19,923 new buyers.

The strong growth in number of credit limit applications received, the number of buyers on whom the Overall Limits were fixed and new buyers added, supported 5.91 percent growth in Short Term policy business premium.

COUNTRY UNDERWRITING

Country Underwriting deals with the identification, evaluation and measurement of political and economic risks. Its impact is vital for monitoring risks and business exposure levels in foreign nations. The main task of the Country Underwriting Department is to assess and quantify country risk parameters. This enables ECGC, exporters and other stakeholders to effectively comprehend the risk profile of a country.

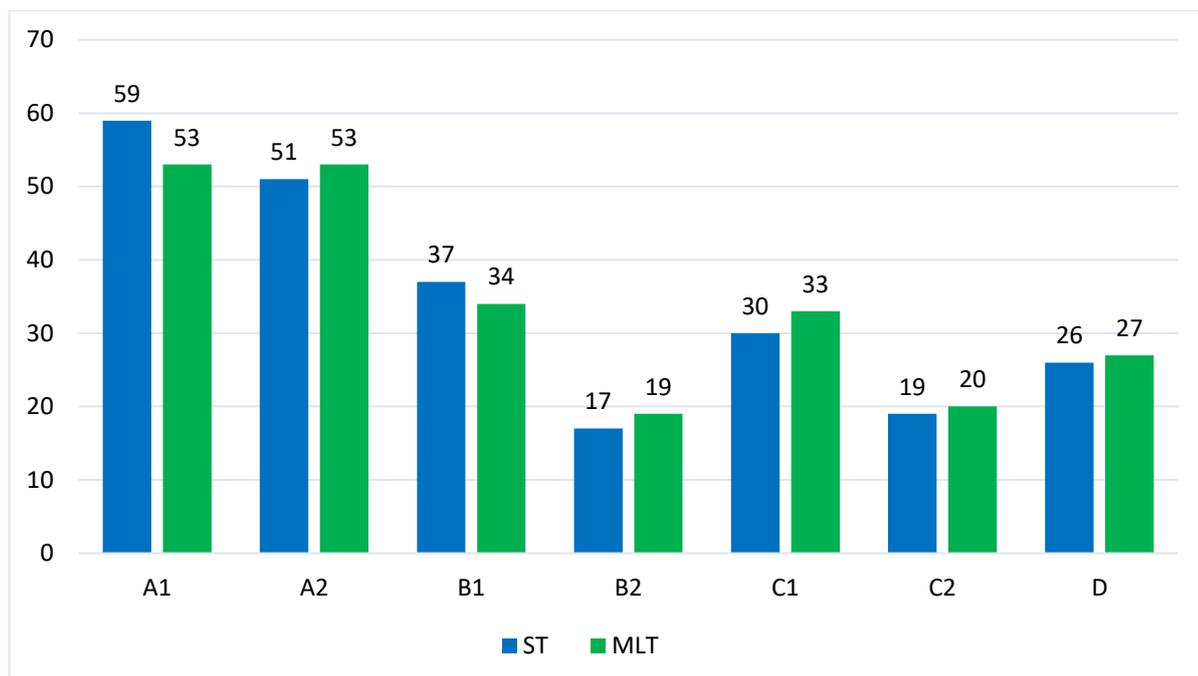
The Company has an in-house objective scoring system that reviews and maps the risk profile of countries on a seven-fold classification of 'A1' (Insignificant risk), 'A2' (Low Risk), 'B1' (Moderately Low Risk), 'B2' (Moderate Risk), 'C1' (Moderately High Risk), 'C2' (High Risk) and 'D' (Very High Risk). The scoring system evaluates countries based on seven parameters that cover multidimensional risks, including political, socio-economic and financial risks. The resulting country rating has an impact on the calculation of premium, determination of type and terms of cover, and measurement of the capacity to underwrite transactions on export destinations. The Company's products are of 2 main categories based on the duration of cover provided – Short Term (ST) and Medium to Long-Term (MLT). The risk profile of a country also changes depending on the time horizon. Therefore, two separate risk scoring models are used – namely the ST and MLT country risk rating models. There are several differences between the two scoring systems including the input variables and the weights assigned to the component parameters.

A review of the risk classification of countries is carried out on a yearly, half-yearly and, if necessary, on an ad-hoc basis taking into account the latest economic and political developments. The risk classification of a country impacts the political risk component of the premium in respect of transactions covered on the subject country. Hence, it is essential to ensure that the risk classification accurately reflects the current situation.

Country Risk Classification

- a) The latest annual review was carried out in May, 2023 and the half yearly review was conducted in October, 2023.
- b) The total number of countries reviewed by the company stood at 239.

c) The summary of country risk classification as of 31/03/2024 is as follows:



Rating	A1	A2	B1	B2	C1	C2	D
ST	59	51	37	17	30	19	26
MLT	53	53	34	19	33	20	27

*Pakistan is off-cover under MLT w.e.f. 09.08.2019

Country Cover

Further, the 239 countries are placed under Open Cover Category, Restricted Cover Category-I (where revolving limits are approved normally valid for a year) and Restricted Cover Category-II (where Specific Approval is given on a case-to-case basis) for effective monitoring of exposures in these countries. As of 31.03.2024, 182 Countries are placed in Open Cover, 31 countries in Restricted Cover Category-I and 26 countries in Restricted Cover Category-II.

Country Exposure Limit

The Country Exposure Limit (CEL) sets the aggregate liability that the Company accepts on a country for the exports made at any point in time under both commercial and political risks.

The CEL is defined as an all-encompassing limit with sub-limits allotted for issuance of discrete country-wise limits (CoL) by the Company to ensure appropriate monitoring of exposures. The changes in the country risk classification are taken into account to reflect any change in the Company's risk appetite and the need to periodically review exposure on such countries.

The CEL is reviewed annually as well as on an ad-hoc basis, including the situations when there is a change in the risk rating of a country based on unexpected eco-political changes.

REINSURANCE

For the FY 2023-24, the Company had no Reinsurance arrangement (neither Quota Share-QS nor Excess of Loss) except for the obligatory 4% reinsurance (QS) cover from GIC Re for the entire business including MLT covers. The Company has not taken any reinsurance support as the offers received from reinsurers neither matched the expectations nor did it indicate reasonable terms given the Company's improved performance. Thus, the Company has retained 96% risk.

RISK MANAGEMENT

The scope of Risk Management includes identification, measurement, monitoring, control and transfer of the overall level of risks undertaken by the Company. The risk management activities help the Company decide its underwriting policy and the terms of its cover, risk assessment, regulatory requirements, financial viability and long-term sustainability. The existing organization structure and practices that have evolved over more than six decades incorporate fundamental structures that can be built upon in the risk function. The Company introduced prudential risk management norms in 2011 and fixed exposure limits for a single exporter, an exporter group, a buyer, an industry and a country. Managing the concentration risk of a portfolio is a continuous process.

During the FY 2014-15, the exposure norms were modified by introducing temporary suspension of cover on fresh export credit limits to the Gems, Jewellery and Diamond (GJD) sector under WT covers issued to banks and also by introducing criteria for fixing Country Exposure Limits. Based on the

experience in the past few years, the underwriting guidelines have been modified for covering GJD accounts under the Whole-Turnover Export credit insurance for Banks (WT-ECIB) scheme of the Company for the limits up to ₹100 crore per exporter/exporter-group with effect from the FY 2022-23. Normal cover percentage will be extended to these exporter accounts till such time as the total limit remains within ₹100 crore per exporter group, without any change in the premium rates.

During the FY 2022-23, the Company further modified the prudential limits for exposure on Buyers/LC opening banks under Short Term Policies. It also reviewed the exposure limits under individual exporter/group exporter under Short-Term ECIB schemes and the exposure limits for industry sector. The Company also modified the prudential limits under Medium and Long-Term export transactions under various scenarios, as the support from the NEIA trust for fresh exposures is not forthcoming.

During the FY 2023-24, the Company had further reviewed and enhanced the exposure limits under ST-ECIB schemes for a single/group of exporters. However, such higher exposure shall be considered on a case-to-case basis where the Company's experience has been satisfactory, and such increased exposure limit shall not be exercised in respect of sectors, namely Iron Ore, Minerals and Agriculture.

In order to facilitate an informed and prudent underwriting decision under ST-Policy covers, the Company has introduced the Exporter Score Card Rating Model (ESCRM) in the FY 2020-21, for assessment of exporters. The model is found to be useful and is reviewed at regular intervals.

The Risk Management Policy has been reviewed and the scope of Company's risk management is further enhanced and strengthened. The Company is also establishing an enterprise-wide information system to regulate the risk profile through its internal risk management framework.

The Company is focussed on effectively managing the Information and Cyber Security risks. The Company has implemented robust security controls and established a Comprehensive Information Security Management System (ISMS) framework. The Company has also established a well-defined Business Continuity Management System

(BCMS) framework. As per the IRDAI revised Information and Cyber Security guidelines dated April 2023, the Company has appointed CERT-In empanelled auditor for conducting Annual Cyber Security Assurance audit.

RECOVERIES

ST ECIB: During the FY 2023-24, a sum of ₹124.65 crore was recovered against claims paid and pending for recovery compared to ₹136.85 crore, for the same period, in the previous FY.

ST-Policy: During the FY 2023-24, a sum of ₹19.35 crore was recovered in respect of the claims paid under policy and pending for recovery under Short Term Policies as compared to ₹10.55 crore recovered during the same period in the previous FY.

MLT-Policy: During the FY 2023-24, there was recovery of ₹29.90 crore against claims paid and pending for recovery as against recovery of ₹22.11 crore during the previous FY.

Initiative taken to improve recovery under Policy and ECIB:

1. Policy

New Debt Collection Agencies (DCAs) are being empanelled and a track on the performance of already empanelled DCAs is being done. Policy holders who report defaults are encouraged to place the cases with DCAs at the default stage itself as this would have a positive impact on improving the recoverability.

2. ECIB

The cases are monitored from the Head Office and in such cases, where the banks are not sharing recoveries or information sought is not being provided, those cases are pursued by following up with the senior officials of the banks by the department.

Update on Information Technology Implementation Program

The Company has progressed with its Enterprise Resource Planning (ERP) Revamp Project to Beta run from February, 2024. ECGC's Subject Matter Experts (SMEs) have already conducted two rounds of the integrated testing of critical business processes under Short-Term Policy covers,

Short-Term ECIB covers, Buyer underwriting activities, Country Underwriting processes and accounting activities and the testing feedbacks are being worked upon by the developer team for resolution. As per the updated plan, a total of 64 services of the SMILE Project covering the core business processes are scheduled for release in the FY 2024-25 for the pilot run.

MARKETING AND PUBLICITY

The National Marketing Division (NMD) is responsible for the marketing, advertising, publicity and related activities of the Company.

The Division bears the responsibility of fixing business targets for branches and monitoring the performance vis-à-vis the targets fixed under various parameters. The Division reviews the business performance of the Company with the Regional/Branch/Department Heads which is presided over by the CMD/ED.

The Company, besides focussing on its core business of export credit risk insurance, also works in close co-ordination with various export promotion agencies like Export Promotion Councils (EPCs), Federation of Indian Export Organisations (FIEO), Federation of Indian Chambers of Commerce & Industry (FICCI), Confederation of Indian Industry (CII), etc.

As a part of marketing efforts, besides organizing insurance education/awareness programmes for the benefit of exporters and bankers, skill development programmes, personal visits to clients and potential clients were also undertaken. During the financial year, the Company conducted more than 240 meetings to educate the customers about the major compliance procedures including policy terms and conditions. Personal visits to more than 7000 customers and potential customers were undertaken in the service network. There were more than 75 meetings conducted in association with trade bodies viz. FIEO, CII, ICC, IMC etc.

Digital marketing was actively undertaken through display of the Company's advertisements on websites of prominent newspapers such as Economic Times, Mint, Business Standard, Business Line, Financial Express etc.

CORPORATE PLAN

The concept of a Corporate Plan was introduced to direct the resources-financial, manpower and managerial in a planned and systematic manner. The Corporate Plan is a road map of the Company for the next five years and strategies to achieve its goal. The plan also outlines the Company's SWOT analysis and discusses the performance of the organization, comparison with the overseas counterparts, business trends, global and national environment and projections for the next five-year period. The projections broadly encompass the Company's growth in premium income, risk value coverage, claims pay out and recoveries anticipated under its different product groups and the resultant projection of financial results. Annual achievement vis-à-vis the plan helps the Company in reviewing and improving the business strategies. The Company has drawn up its strategies to achieve the plan projections.

ALTERNATE MARKETING & DISTRIBUTION CHANNELS

In order to strengthen the marketing and distribution of credit insurance products and to increase penetration of credit insurance in India, the National Marketing Division (NMD) has empanelled more than 225 brokers as of March 31, 2024. Continuous efforts are being made to strengthen and expand this channel further. NMD and Regional/Branch Offices conduct workshops for brokers to enable them about the features of various Policies, to enable them to effectively market the Company's insurance covers, thereby protecting and promoting India's exports.

During the FY 2023-24, the premium earned under the business procured through the alternate marketing and distribution channel was ₹217.47 crore which constitutes 38% of the ST Policy premium income of ₹572.01 crore.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES AND SUSTAINABLE DEVELOPMENT (SD)

The Company has adopted the CSR Policy as per the guidelines issued by the Department of Public Enterprises (DPE). Accordingly, it is required to spend at least 2% of its last three years' average net profit every year for various CSR activities as per Section 135 of the Companies Act, 2013. The Company's CSR activities relate to health, nutrition, sanitation, primary education, skill development, sustainable development, empowerment of

the differently-abled and support to the Scheduled Tribe community. An aggregate amount of ₹29.08 crore was spent on CSR activities of the Company during the FY 2023-24. Further, allocation of ₹2.54 crore has been made in the UCSR account for the projects already initiated and an amount of ₹1.80 lakh has been paid to the Swachha Bharat Kosh (SBK) for the FY 2023-24.

The major implementation partners for CSR activities are the Office of the District Collector, Rajgarh, Madhya Pradesh (Aspirational District), the TATA Institute of Social Sciences (TISS), Vivekananda Kendra, Snehalaya, SOS Children's Village of India, Central Institute of Petrochemicals Engineering & Technology (CIPET), Assocham Foundation for Corporate Social Responsibility (AFCSR), CKS Foundation, Christian Medical College, HOPE Kolkata Foundation, Sulabh International Social Service Organisation, Rotary Tirupur Prime Trust, Kendriya Sainik Board, Central Reserve Police Force (CRPF), Centre for Transforming India, NIMHANS, Tata Memorial Centre (TMC) Navya and Cancer Patient aid Association. A number of initiatives have been undertaken in the fields of education, health care, nutrition, skill development, support to differently-abled, contribution to the Armed Forces Flag Day Fund and to Swachh Bharat Kosh. The Company continued to support the implementing agency TISS for its project related to distribution of scholarships and running of community study centres in M-Ward area of the Municipal Corporation of Greater Mumbai. Support is also provided to various centres of Vivekananda Kendra in the North East and Odisha for running Anandalaya and providing free primary medical assistance. Under its CSR initiatives, the Company has also been closely working with the District Administration to provide better infrastructure and SMART classes in the Government schools in the Aspirational District, Rajgarh.

Implementation of Official Language Policy

The Company is proactive in the implementation of the Official Language Policy of the Government of India. The Company has achieved the targets laid down in the Annual Rajbhasha Programme for the FY 2023-24 by the Department of Official Language, Ministry of Home Affairs, Government of India. The Company was conferred the 1st prize of the Rajbhasha Kirti Puraskaar, by the Department of Official Language, Ministry of Home

Affairs for the FY 2022-23. The Company was also awarded the 1st prize, by the Mumbai Town Official Language Implementation Committee (TOLIC-PSU) for effective implementation of the official language policy for the year 2022-23.

During the financial year 2023-24, the Hon'ble third Sub- Committee of the Parliamentary Committee on Official Language inspected Jalandhar, Raipur, Kanpur, Varanasi, Nariman Point and Bandra Branches. The directions given by the above committee have been complied with.

The Company celebrates the month of September as the Hindi Month. Following this, various competitions were organized during the Hindi month (Hindi month was celebrated from September 1 to September 30, 2023) in which officers of every level participated enthusiastically. On September 14, 2023, on the occasion of Hindi Day, a conference of All India Official Language Officers was organized at Pune by the Department of Official Language, Ministry of Home Affairs, which was inaugurated by Hon'ble Minister of state for Home Affairs of India Shri Ajay Kumar Mishra. The Company has made its own contribution in organising the function and it also participated in the exhibition related to its products and implementation of official language organised during the occasion. On this occasion, the Company was honoured with a special award for its contribution in the implementation of official language activities.

On the occasion of the conclusion of Hindi Month, "Hindi Maah Samapan Samaroh" a "Online Kavita Paath" was organized for the officers of the Company through virtual medium, in which the officers from various departments of the branch office, regional office and head office of the Company have participated.

Various incentives have been introduced by the Company to encourage and motivate the employees for furtherance of the use of Hindi in their daily office work. The Company also gives cash rewards to the officers of the Company for the work done by them in Hindi. The employees were awarded special prizes for the best three articles published in the Company's in-house magazine and cash incentives were given to all officers who contributed their articles to the magazine.

To encourage employees to use Rajbhasha in their day-to-day official work, employees at Branch Offices, Regional Offices and at Head Office Departments are encouraged to compete every year for the "Chairman and Managing Director's Official Language Award" for the excellent implementation of the official language in their respective offices.

The Company's correspondence in Rajbhasha with its customers has shown a steady growth. Installation of Unicode software in all the computers of the Company is helpful for employees to work in Hindi. Branch Offices are sending emails in Hindi to its client i.e. exporters and bankers. The Website of the Company is also available in bilingual.

During the financial year 2023-24, a total of 9 workshops and training were conducted for Officers and staff working in Head Office, Regional Offices and Branches, all of which were bilingual, Total 369 officers were trained in this. All the programs included a dedicated session on Official Language Policy.

Apart from this, an All-India Official Language Officers' Conference was organized in Puducherry for Hindi officers posted in various branch offices and departments in the Company and a total of 65 officers posted in various departments and offices have participated in it. During this conference, the officers were given detailed information about the compliance of Official Language Rules and Official Language Policy.

Under the aegis of the Mumbai Town Official Language Implementation Committee, a seminar was organized by the Company's Head Office for the member-PSUs located in Mumbai, in which 67 members from the member-offices of the City Official Language Implementation Committee located in Mumbai and the departments of the Company's Head Office and branches located in Mumbai participated.

The meetings of the Official Language Implementation Committee are organized regularly in all the branch offices, regional offices and head office of the Company and the current position of implementation of Official Language Policy is discussed in detail in the respective branch offices, regional offices and departments of the head office. Wherever deficiencies are found, measures are taken to rectify them. In order to give due attention

to the implementation of the Official Language Policy in the branch offices and regional offices, inspections are done by the officers of the head office (official language officers) of the Company and the meeting of the all-India Official Language Implementation Committee is also organized in every quarter wherein official language review is done by the senior-most officers of the Company. The implementation of Official Language Policy is discussed by officers in the Head Office Departments, Regional Offices and Branch Offices and proper guidance is provided by the senior most officials.

Head Office and various branch offices of the Company have received awards from various organizations such as the Ministry of Home Affairs and related Town Official Language Implementation Committee.

INTERNATIONAL RELATIONS

The Company has been a proactive participant in the International Union of Credit and Investment Insurers, also known as the Berne Union (BU), since 1957. The BU is a prominent global entity in the export credit and investment insurance sector. The Company holds the distinction of being the first Asian member to join the BU and has been deeply engaged in its operations. Membership in the BU offers the advantage of ongoing dialogue, sharing of insights and best practices. This has been crucial in fostering mutual comprehension and formulating robust principles in export credit insurance. Together, the members offer approximately USD 2.6 trillion in payment risk protection each year, which equates to about 12% of worldwide cross-border trade.

The Company holds membership in the Short-Term (ST), Medium and Long-term (MLT), and Export Credit Agency (ECA) committees of the Berne Union (BU) and various in-person meetings were held for these committees in 2023-24. Furthermore, the Company is part of the Regional Co-operation Group (RCG), a unique platform for BU members from the Asia-Pacific region.

In 2024, the export credit agencies (ECAs) of the QUAD group, which comprises India, the U.S., Japan, and Australia, convened and inked a joint Memorandum of Cooperation in Oslo. The aim was to collaborate and identify ways to bolster supply chain resilience. This included activities like

backing regional trade, aiding investment, and promoting efforts to diversify markets. The ECAs deliberated on how to routinely share experiences and information to foster and broaden supply chain resilience through their support. This also encompassed opportunities for businesses from QUAD partner countries to collaborate.

The 74th Regional Co-operation Group (RCG) meeting was conducted virtually in October 2023, hosted by Export Finance Australia (EFA), and the Company was represented by the CMD/ED (Policy Matters). Discussion was held on business trends, organizational updates, claims and recoveries, and new products of the RCG ECAs. Besides this, the 12th RCG CEO meeting was held in Bangkok, Thailand during 19th - 21st November 2023, which was attended by the Chairman-cum-Managing Director. Several panel discussions were held on topics such as “Products for ESG and Success cases” and “Future Cooperation among RCG members.”

The Company is a member of the BRICS Export Credit Agencies Forum which includes ABGF (Brazil), EXIAR (Russia), ECGC (India), SINOSURE (China) and ECIC SA (South Africa). The BRICS technical workshop, 2024 was held in Moscow, Russia, and the Company was represented by a team led by the Executive Director.

In 2024, ECGC entered into a bilateral commercial agreement with NEXI & EXIAR separately, focusing on Reinsurance. Throughout the fiscal year, the Company engaged in numerous bilateral discussions with various international export credit agencies and foreign government officials. These meetings aimed to foster cooperation and enhance trade relations. Notable interactions included meetings with Euler Hermes (Germany), Russia’s Export Insurance Agency (EXIAR), NEXI (Japan), and US EXIM (USA). The primary agenda of these discussions revolved around the performance of individual economies, the impact of geopolitical disruptions on the trade finance sector, the revival of the supply chain post-pandemic, and an analysis of the business data of the ECAs to explore future business prospects.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The employee strength of the Company as of March 31, 2024 was 591 which consisted of 568 executive-level and 23 non-executive level employees. This includes 149 women employees constituting almost 26 per cent of the total work force.

Recruitment examination to onboard 25 Probationary Officers (specialist officers) for Financial Year 2023-24 was conducted of which 21 (7 + 14) Probationary Officers in Group B cadre joined the Company during the year and remaining are slated to join. The Company has once again initiated the process of recruitment of Probationary Officers during the Financial Year 2024-25.

All statutory provisions pertaining to industrial relations and labour laws were complied with during the Financial Year 2023-24. Harmonious and cordial industrial relations were maintained throughout the year in the Company. The Company continued, where necessary, the existing facilities to take care of the employees' health, economic wellbeing, etc.

TRAINING:

The role of training has assumed critical importance in today's competitive environment in strengthening and upgrading the skills of officers for efficient performance in their roles. During the Financial Year 2023-24, employees at all levels were nominated to various in-house and sponsored training programs. A training on Credit Management at SBI Academy, Gurugram was organised for Group A and Group B officers.

Apart from this, Officers were sponsored for various trainings as per their functional area of work. Training was also conducted for Group "C" and Group "D" employees on mental health and wellness and importance of record keeping etc.

REPRESENTATION OF PERSONS WITH DISABILITY:

The Company endeavours to provide employment to Persons with Disabilities. As of March 31, 2024, the Company had 20 employees on its roll belonging to the category of Persons with Disabilities. Details of Persons with Disabilities in the service of Company, in pursuance of the relevant provisions under The Rights of Persons with Disabilities, 2016, are furnished in **Annexure V**.

REPRESENTATION OF SCHEDULED CASTES, SCHEDULED TRIBES, OTHER BACKWARD CLASSES AND ECONOMICALLY WEAKER SECTIONS:

The Company strictly adheres to relevant rules relating to Reservation for SC/ST, OBC and EWS in recruitment. SC and ST employees/ officers are also given reservation in promotion up to Manager rank (Scale-III). In adherence to the relevant instructions from the Government of India, the Company has adopted a 'Post-based Roster system'. Details of Reserved vacancies filled in by direct recruitment at different level under reservation for SC, ST, OBC, EWS are furnished in **Annexure VI**. Representation of SCs, STs, OBCs, and EWSs in the total manpower in various cadres as of March 31, 2024 is furnished in **Annexure VII**.

GENERAL ADMINISTRATION

Revenue and Capital expenditure of the Company are properly controlled and incurred within the annual budget approved by the Board of Directors. Branch Offices / Regional Offices of the Company are advised frequently to take necessary steps to implement the Government of India's Policy regarding procurement through Micro, Small and Medium Enterprises (MSMEs). The Government of India Public Procurement Policy framed in April 2012, for all MSMEs mandates that 25% of procurement of annual requirement of goods and services by Public Sector Undertaking will be from Micro and Small Enterprises (MSEs). The Government of India has also prescribed a sub-target of 3% procurement of goods and services from women enterprises and 4% from SC/ST entrepreneurs. During the Financial Year 2023-24, the total procurement of the Company at the end of March, 2024 stood at ₹13.25 crore, out of which ₹7.58 crore (57.26%) was procured through MSMEs and within MSME procurement worth ₹0.14 crore (1.85%) was done through SC/ ST entrepreneurs and ₹0.43 crore (5.74%) was done through women entrepreneurs.

The Company has identified a list of goods and services which may be procured from MSMEs as and when need arises. There have been no reported cases of delayed payment to MSMEs.

The Company has also complied with e-publishing policy which is a part of e-procurement policy of 2012 of the Government of India. As per the directions received from the Ministry of Commerce & Industry regarding procurement through Government e-Marketplace (GeM), the Company has registered with the GeM portal for on-line procurement of commodities and services. During the FY 2023-24, procurement done through the GeM Portal amounted to ₹3.70 crore which is 27.92% of the total procurement done by the Company, whereas during the Financial Year 2022-23 the total procurement was amounting to ₹11.34 crore. As per the directive, the monthly procurement data up to March, 2024 has been uploaded on MSME Sambandh Portal.

IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS

The IRDAI has vide its letter No.:100/2/Ind AS-Mission Mode/2022-23 dated: 14th July, 2022 and 100/2/Ind AS-Mission Mode/2022-23 dated 31st October, 2022, on implementation of Ind AS in insurance sector stated that Ind AS implementation is likely to significantly impact the financial reporting systems, processes and, as such, these changes need to be planned, managed, tested and executed well in advance of the implementation. The steering committee for implementation of Ind AS has been formed as advised by IRDAI to review the progress made towards implementation, issue/challenges and course of action to mitigate the same. The Company had floated a tender for appointment of an Ind AS consultant who will help in the implementation of Ind AS.

For and on behalf of the Board of Directors

Sd xxx

Sristiraj Ambastha

Executive Director (Policy Matters)/

Chairman-cum-Managing Director (Additional Charge)

DIN 10375617

Place: Mumbai

Date: May 16, 2024

PENDING CAG PARAS AND MANAGEMENT REPLIES

CAG Audit Report received during FY 2017-18			
S. No.	Name of the Audit Para	Brief of the Audit Para	Reporting Status
1.	Part – IIB Para 2 of year 2017 – 18.	Delay in receiving the reinsurance share of ₹171.79 crore from Reinsurer.	Transaction Audit Inspection Report of Corporate Office of ECGC Ltd. for the period 2016-17. Audit conducted during 02.01.2018 to 25.01.2018. Query/Para raised by the CAG vide letter/report dated 26.02.2018.
			<p>Current Status: The Company vide its letter dated 29.12.2023 informed the CAG that a General Manager Level discussion was held in November, 2023 followed by a visit by the Company's Executive Director (Personal Matters)/ Chairman – cum - Managing Director (Additional Charge) along with Executive Director (Operations), General Manager (Risk Management Department) and Deputy General Manager (Risk Management Department) on 12.12.2023. GIC has assured us to resolve the issue amicably. In view of the above, the Company has requested the CAG to drop the para.</p> <p>No further queries have been raised by the CAG in the matter and further response from the CAG on the para is awaited as of 31.03.2024.</p>

CAG Audit Report received during FY 2019-20			
S. No.	Name of the Audit Para	Brief of the Audit Para	Reporting Status
2.	Part – IIB, Para 1 of the year 2019 – 20.	Delay in calling cash from reinsurers resulting into loss of interest amounting to ₹11.67 crore	<p>Inspection report on Transaction Audit of ECGC Ltd. – Corporate Office for the year 2017-18. Audit conducted during the period from 11.02.2019 to 18.02.2019 and 15.03.2019 to 29.03.2019. Query/Para raised by the CAG vide letter/report dated 15.04.2019.</p> <p>Current Status: The Company vide its letter dated 29.12.2023 informed the CAG that the delays occurred because the accounts were maintained separately in Excel. Subsequently, branches and reinsurance teams have been sensitized to monitor the position closely and on regular basis which has resulted in non – recurring of such delays till date. The Company also informed that it would also get assistance from the new software being developed which would ensure timely reporting of the Cash Calls. In view of the above, the Company has requested the CAG to drop the para.</p> <p>No further queries have been raised by the CAG in the matter and further response from the CAG on the para is awaited as of 31.03.2024.</p>

CAG Audit Report received during FY 2020-21			
S. No.	Name of the Audit Para	Brief of the Audit Para	Reporting Status
3.	Part IIB, Para 3 of year 2020 – 21.	Loss to the Company in OTS settlement.	<p>Inspection report on Transaction Audit of ECGC — Corporate Office, Investment, Marketing and Reinsurance for the year 2018-19 to 2019-20. Audit conducted during the period from 01.12.2020 to 18.02.2021. Query/Para raised by the CAG vide letter/report dated 17.03.2021.</p>
			<p>Current Status: The Company vide its various letters, has updated the CAG about the current status of recovery. The latest update in the matter was provided to the CAG on 30.03.2024 and a request was made for closure of the para. No further queries have been raised by the CAG in the matter and further response from the CAG on the para is awaited as of 31.03.2024.</p>
4.	Part IIB, Para 4 of year 2020 – 21.	Loss to the Company in OTS settlement.	<p>Inspection report on Transaction Audit of ECGC — Corporate Office, Investment, Marketing and Reinsurance for the year 2018-19 to 2019-20. Audit conducted during the period from 01.12.2020 to 18.02.2021. Query/Para raised by the CAG vide letter/report dated 17.03.2021.</p>
			<p>Current Status: The Company vide its various letters, has updated the</p>

			<p>CAG about the current status of recovery. The latest update in the matter was provided to the CAG on 27.03.2024 and a request was made for closure of the para.</p> <p>No further queries have been raised by the CAG in the matter and further response from the CAG on the para is awaited as of 31.03.2024.</p>
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CAG Audit Report received during FY 2021 – 22			
S. No.	Name of the Audit Para	Brief of the Audit Para	Reporting Status
5.	Part IIB, Para 1 of the year 2021-22.	Non-Payment of GST on reinsurance commission by ECGC Ltd.	<p>Inspection report on Transaction Audit of ECGC — Corporate Department including Bandra Bank Business Branch, Mumbai, Surat Branch and Agra Branch for the year 2020-21. Audit conducted during the period from 15.11.2021 to 29.11.2021 & 05.01.2022 to 21.01.2022. Query/Para raised by the CAG vide letter/report dated 18.02.2022.</p> <p>Current Status: The Company has explained to the CAG that commission on reinsurance ceded is not liable to tax under GST. The Company has informed the CAG that the premium received from the export credit insurance was exempted (June 2017) from Goods and Service Tax (GST)</p>

			<p>by the Department of Revenue, Ministry of Finance, as per Notification No. 12/2017-Central Tax (Rate) SI. No. 35 (g). HO-Accounts had lastly communicated to C&AG to drop the para with complete justification on 31/10/2023. Subsequent to this, there was a tripartite meeting held amongst the C&AG, ECGC and Joint Statutory Auditors of the Company on 29th Feb 2024. The Chairman and Managing Director (Additional Charge), Executive Director (Operations), along with other senior officials were present for the meet. During this meeting, the attention of C&AG was drawn for dropping the paras including “Non-payment of GST on reinsurance commission by ECGC Ltd”.</p> <p>No further queries have been raised by the CAG in the matter and further response from the CAG on the para is awaited as of 31.03.2024.</p>
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CAG Audit Report received during FY 2023 – 24			
S. No.	Name of the Audit Para	Brief of the Audit Para	Reporting Status
6	Part IIB, Para 1 of the year 2021 – 22.	Non achievement of the objectives envisaged for construction of Corporate Office building and Residential complex at Andheri.	<p>Inspection report on Transaction Audit of ECGC Ltd – Corporate Office for the year 2021-22. Audit conducted during the period from 20.12.2022 to 10.01.2023 and 06.02.2023 to 28.03.2023. Query/Para raised by the CAG vide letter/report dated 27.04.2023.</p> <p>Current Status: The Company vide letter dated 24.05.2023 informed the CAG that the commercial premises is occupied and has become functional w.e.f. 10.11.2022. The Company also informed that it has surrendered the leased office accommodation at Express Towers and requested the CAG to drop the para. No further queries have been raised by the CAG in the matter and further response from the CAG on the para is awaited as of 31.03.2024.</p>
7.	Part IIB, Para 2 of the year 2021 – 22.	Policy Claim	<p>Inspection report on Transaction Audit of ECGC Ltd. – Corporate Office for the year 2021-22. Audit conducted during the period from 20.12.2022 to 10.01.2023 and 06.02.2023 to 28.03.2023. Query/Para raised by the CAG</p>

			<p>vide letter/report dated 27.04.2023.</p> <p>Current Status: The Company in its recent letter dated 09.10.2023 has provided clarifications to the CAG that the claim was settled as per the guidelines in place as well as the terms and conditions of the policy and a request was made for closure of the para.</p> <p>No further queries have been raised by the CAG in the matter and further response from the CAG on the para is awaited as of 31.03.2024.</p>
8.	Part IIB, Para 4 of the year 2021 – 22.	Irregularities in empanelment of Advertisement agency for advertisement related activity for the year 2021-2023.	<p>Inspection report on Transaction Audit of ECGC Ltd. – Corporate Office for the year 2021-22. Audit conducted during the period from 20.12.2022 to 10.01.2023 and 06.02.2023 to 28.03.2023. Query/Para raised by the CAG vide letter/report dated 27.04.2023.</p> <p>Current Status: The Company in its recent communication made to the CAG has provided clarifications that the policy & guidelines for procurement of Goods, Services and Works has been issued by the Company and a request was made for closure of the para.</p> <p>No further queries have been raised by the CAG in the matter</p>

			and further response from the CAG on the para is awaited as of 31.03.2024.
9.	Part IIB, Para 5 of the year 2021 – 22.	Usage of Staff Car.	<p>Inspection report on Transaction Audit of ECGC Ltd. – Corporate Office for the year 2021-22. Audit conducted during the period from 20.12.2022 to 10.01.2023 and 06.02.2023 to 28.03.2023. Query/Para raised by the CAG vide letter/report dated 27.04.2023.</p> <p>Current Status: The Company in its recent communication made to the CAG has provided clarifications that the policy for usage of office vehicle and rate of recovery for personal usage of office allotted cars have since then been revised by the Company and a request was made for closure of the para. No further queries have been raised by the CAG in the matter and further response from the CAG on the para is awaited as of 31.03.2024.</p>
10.	Part IIB, Para 6 of the year 2021 – 22.	Targets and achievements.	<p>Inspection report on Transaction Audit of ECGC Ltd. – Corporate Office for the year 2021-22. Audit conducted during the period from 20.12.2022 to 10.01.2023 and 06.02.2023 to 28.03.2023. Query/Para raised by the CAG</p>

			vide letter/report dated 27.04.2023.
			<p>Current Status: The Company in its recent communication made to the CAG has provided clarifications with regards to the Targets and achievements made by the Company. The Company has also informed that the detailed Annual Business plan for the Company duly approved by its Board has been submitted to the IRDAI. A request was also made for closure of the para. No further queries have been raised by the CAG in the matter and further response from the CAG on the para is awaited as of 31.03.2024.</p>

RIGHT TO INFORMATION (RTI)

The Company has an RTI Cell at its Head Office in Mumbai which is headed by an officer of the rank of Assistant General Manager. The First Appellate Authority (FAA) at the Head Office in Mumbai is headed by a Deputy General Manager. The applications received under the RTI Act are responded to as and when received within the timeline permitted under the RTI Act. The report of number of applications handled is updated on the Central Information Commission’s (CIC) website on a quarterly basis. A total of 207 applications were handled during the FY 2023-24. The Company has complied with all the regulatory requirements in respect of the RTI applications received.

Annexure V

Representation of Persons with Disabilities in the Services of the Company as of 31.03.2024

Group	Data of persons with disabilities in ECGC				Total
	VI	HI	OC	4th Category	VI+ HI+OC + 4th Category
A	3	1	5	0	9
B	4	1	2	2	9
C	0	0	1	0	1
D	1	0	0	0	1
Total	8	2	8	2	20

VI	Visually Impaired
HI	Hearing Impaired
OC	Orthopaedically Challenged
4th Category	(i) Specific Learning Disability (SLD) or Multiple disabilities including VI, HI, OC and 4th Category

Annexure VI

Representation of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Economically Weaker Section pertaining to recruitment in the Company-2023-24

Group	Total no of Employees recruited	No. of SC Employees recruited	No. of ST Employees recruited	No. of OBC Employees recruited	No. of EWS Employees recruited
Group A	0	0	0	0	0
Group B	23	4	0	9	1
Group C	0	0	0	0	0
Group D	0	0	0	0	0
TOTAL	23	4	0	9	1

NOTE:

The data above reflects the number of candidates who joined the Company for recruitment exercise conducted in FY 2023 - 24 and more candidates are expected to join the Company in FY 2024-25.

Annexure VII**Representation of Scheduled Castes/ Scheduled Tribes / Other Backward Classes in the Company's workforce as on 31.03.2024**

Group	Total Number of Employees	No. of SC Employees	% of SC employees	No. of ST Employees	% of ST employees	No. of OBC Employees	% of OBC employees
Group A	258	46	17.8%	19	7.4%	68	26.4%
Group B	310	52	16.8%	24	7.7%	75	24.2%
Group C	19	3	16%	3	16%	0	0%
Group D	4	1	25%	0	0%	1	25%
TOTAL	591	102	17.3%	46	7.8%	144	24.4%

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: **M/s Kumar International wherein Shri Amit Kumar Agarwal, Non-Official Director, ECGC Ltd. is one of the partners.**
- (b) Nature of contracts/arrangements/transactions: **Renewal of two Single Buyer Exposure (SBE) Policies proposal received.**
- (c) Duration of the contracts/arrangements/transactions: **09/08/2023 to 08/08/2024.**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:

S.No.	Buyer Name & Country	Loss Limit Sought	Premium Payable	Processing Fee
1	Linen And Moore Pty Ltd, Australia (B/C-1000664444)	₹15.00 Lakh	₹19,238.00	₹2,000.00
2	Oliver Bonas Ltd., UK (B/C-1000437247)	₹25.00 Lakh	₹32,063.00	₹2,000.00
Total		₹40.00 Lakh	₹51,301.00	₹4,000.00

(e) Date(s) of approval by the Board, if any: **NA**

(f) Amount paid as advances, if any: **₹51,301 (Premium) + ₹4,000 (Processing Fee).**

For and on behalf of the Board of Directors

Sd xxx

Sristiraj Ambastha

Executive Director (Policy Matters)/

Chairman-cum-Managing Director (Additional Charge)

DIN 10375617

Place: Mumbai

Date: May 16, 2024

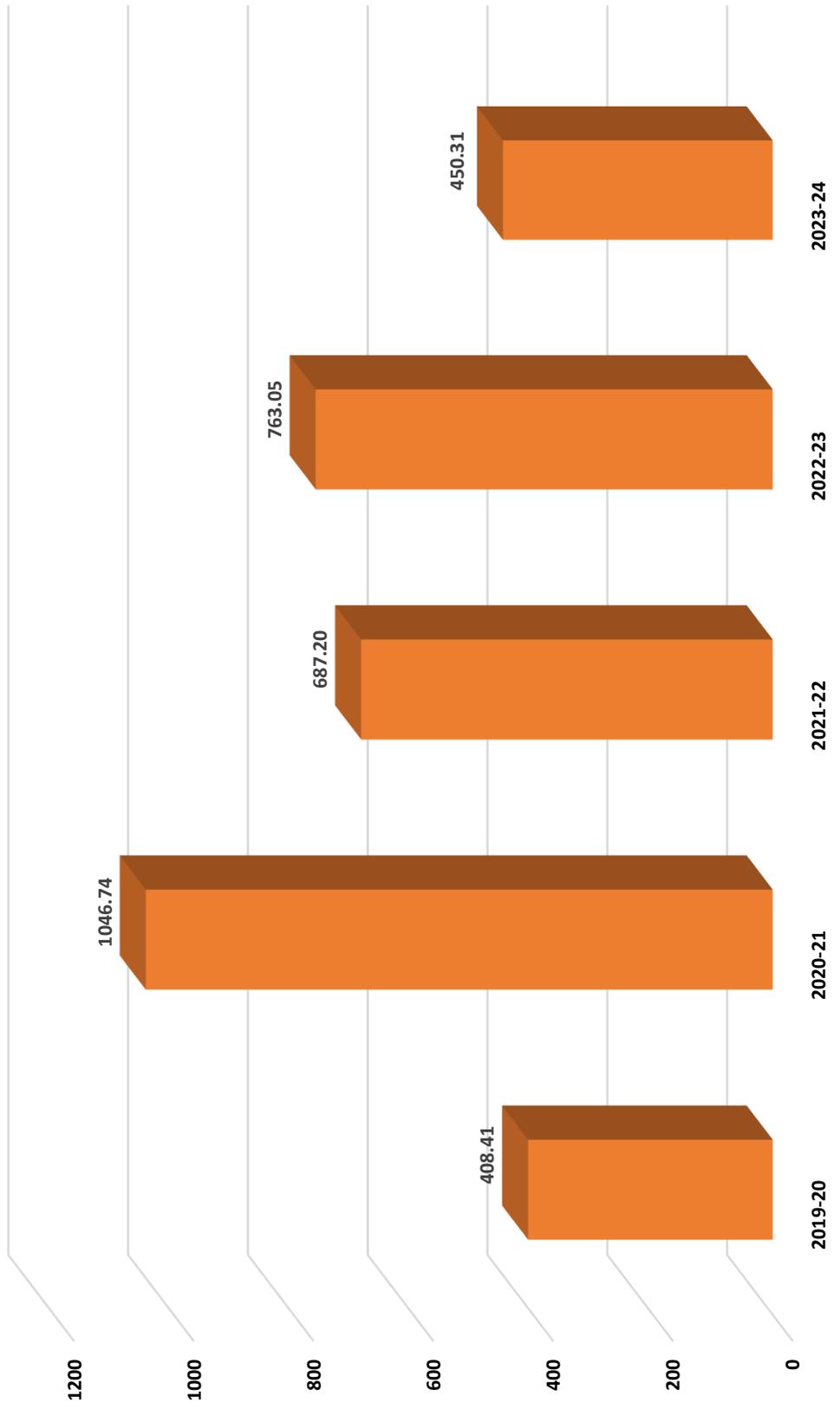


कारोबार निष्पादन रेखाचित्र
Business Performance
Graphs

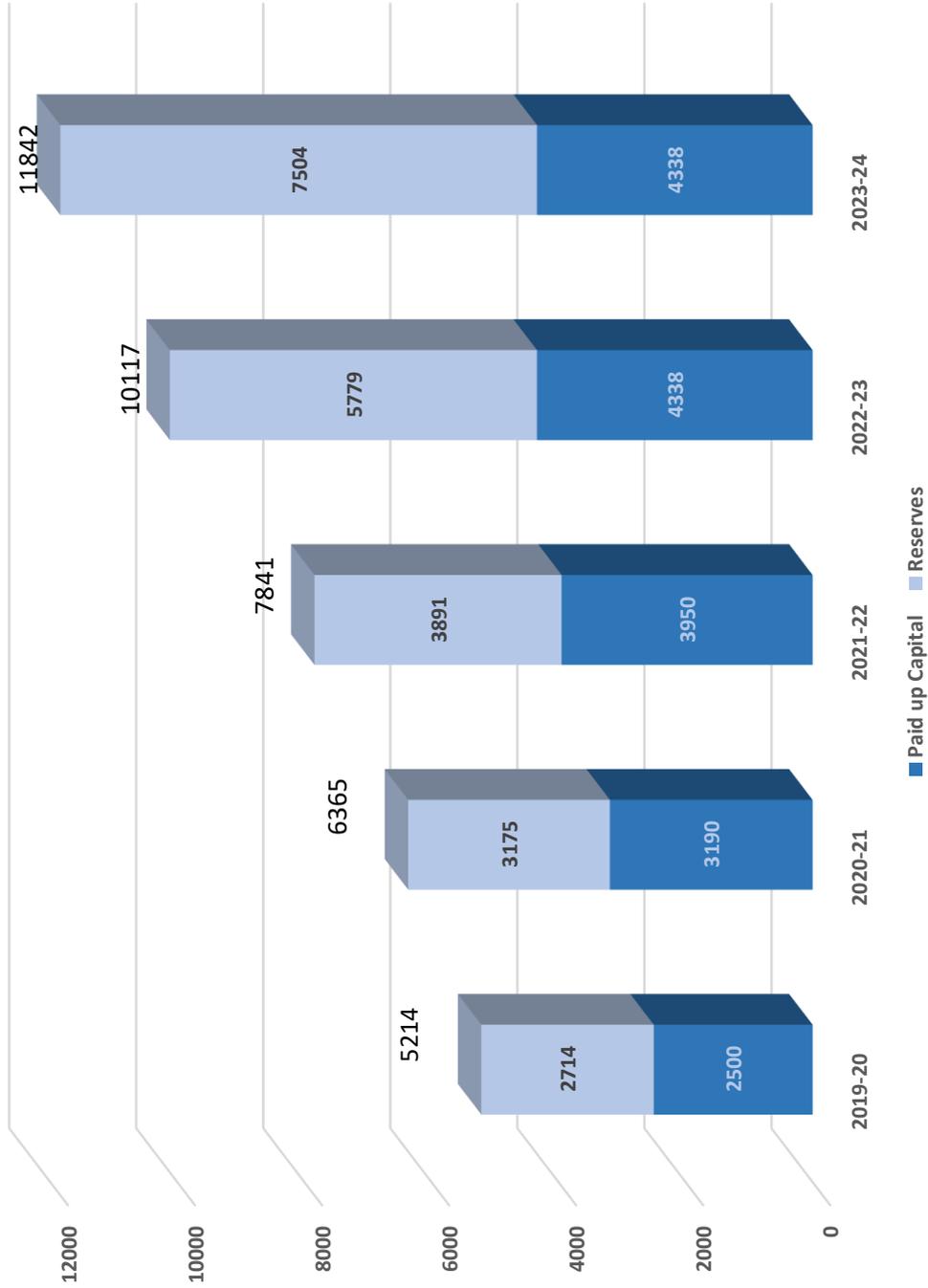
Segment-wise Gross Premium Received (₹ in Crore)



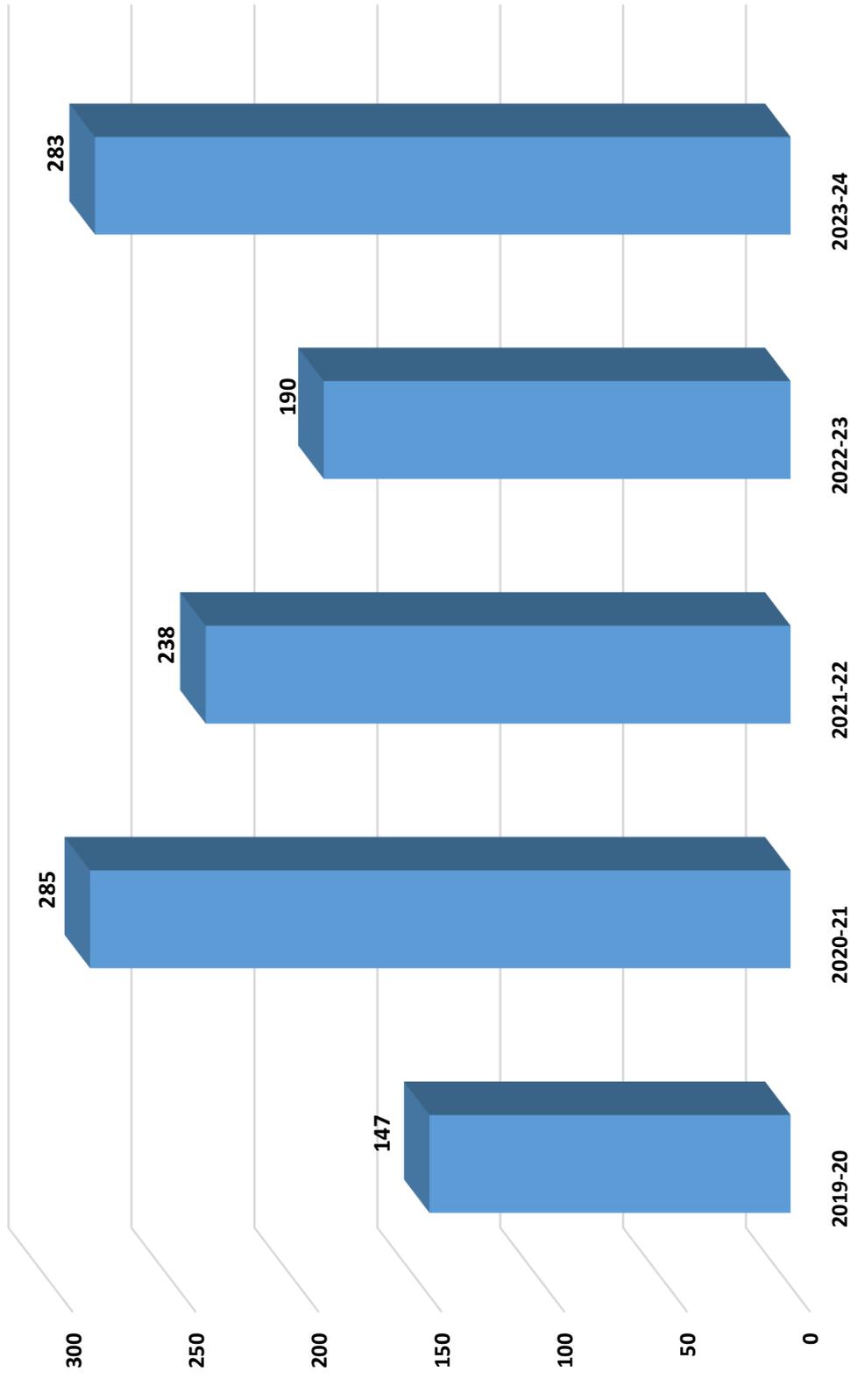
Gross Claims Paid (₹ in Crore)



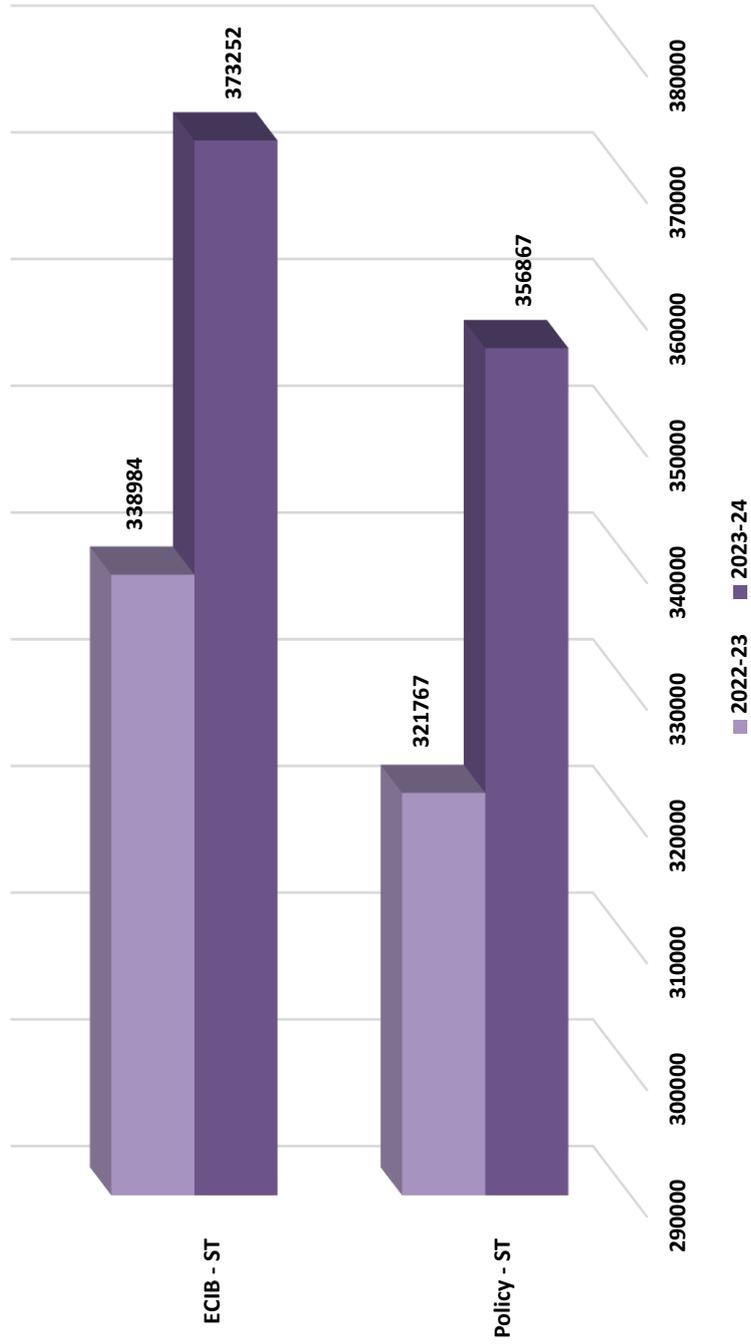
Paid-up Capital & Reserves (Net Worth) (₹ in Crore)



Trends in Gross Claims Paid – Policy Short Term (₹ in Crore)

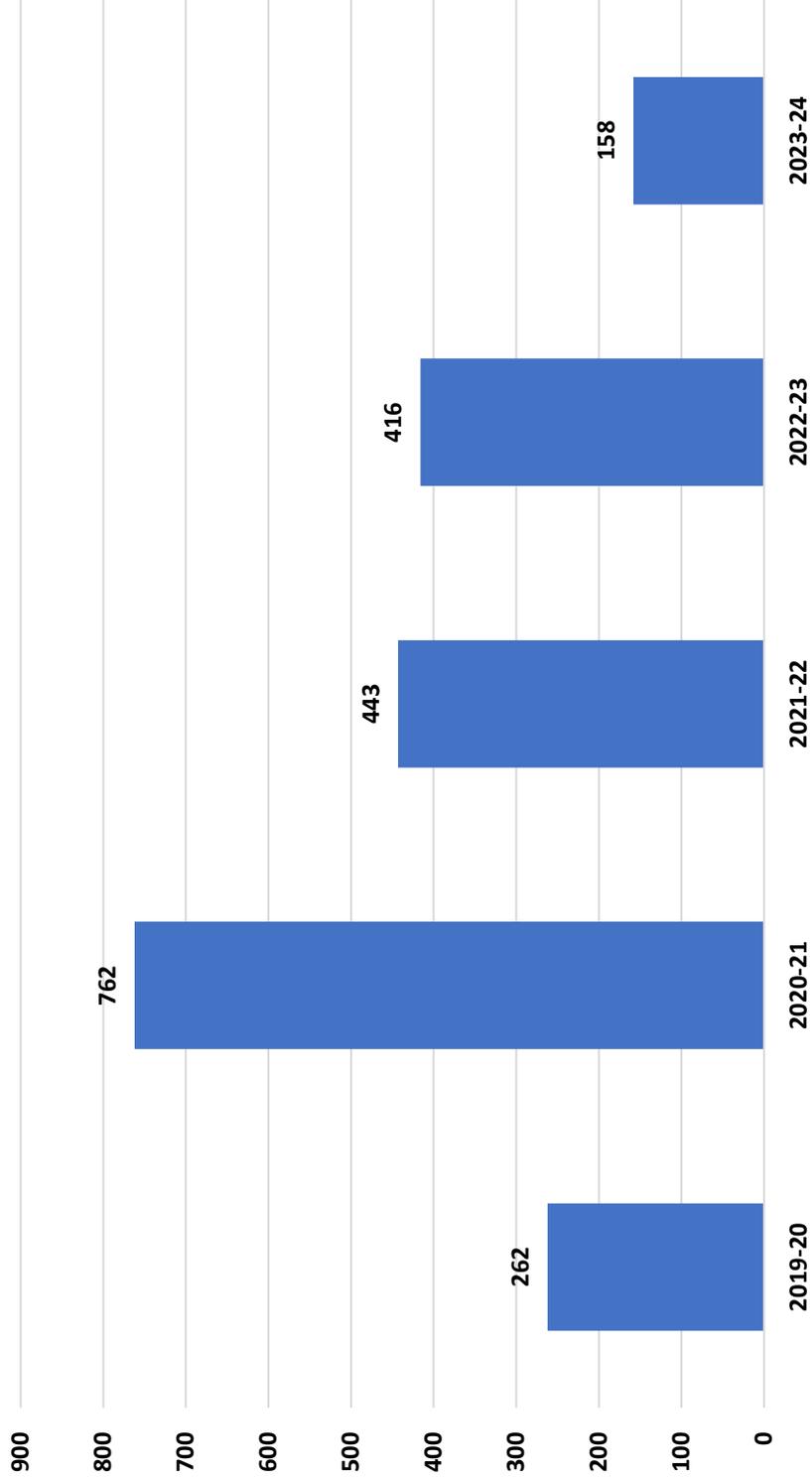


Segment Wise Risk Value under Short Term (ST) Cover (₹ in Crore)

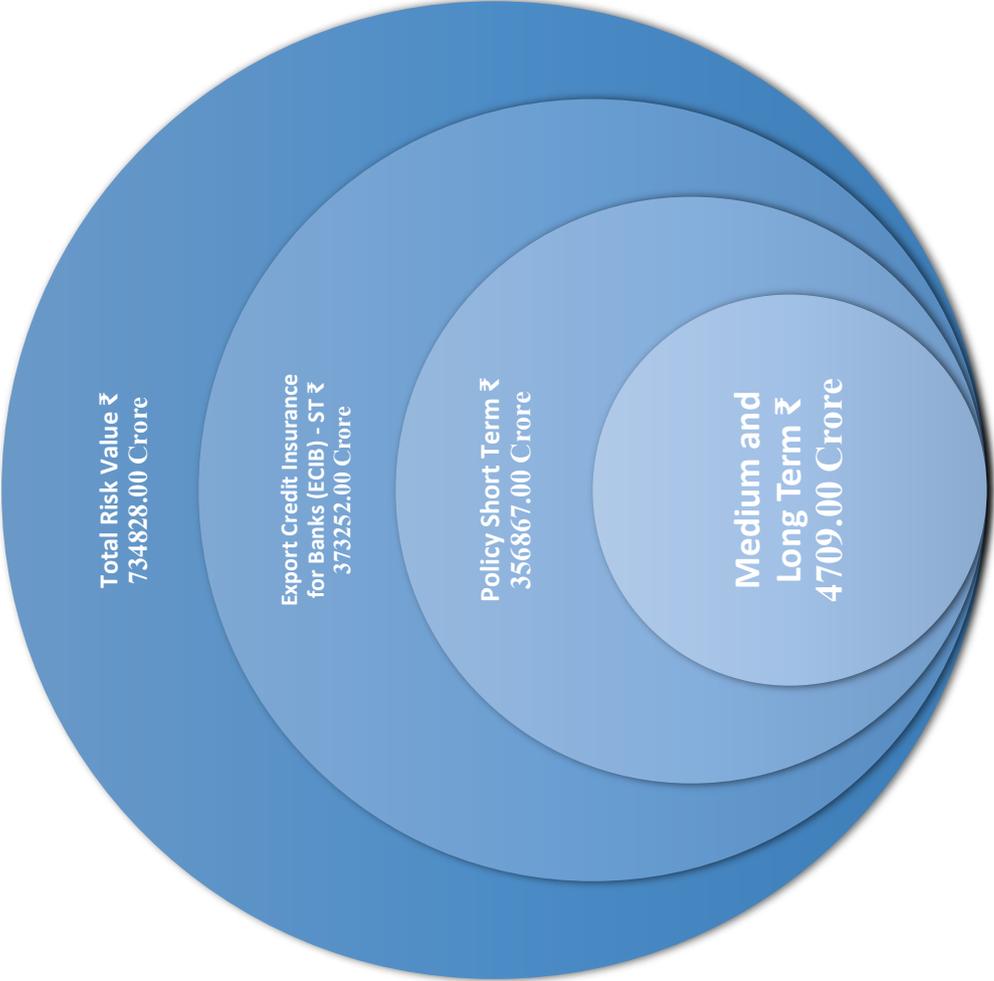


ECIB: Export Credit Insurance for banks; ST: Short Term

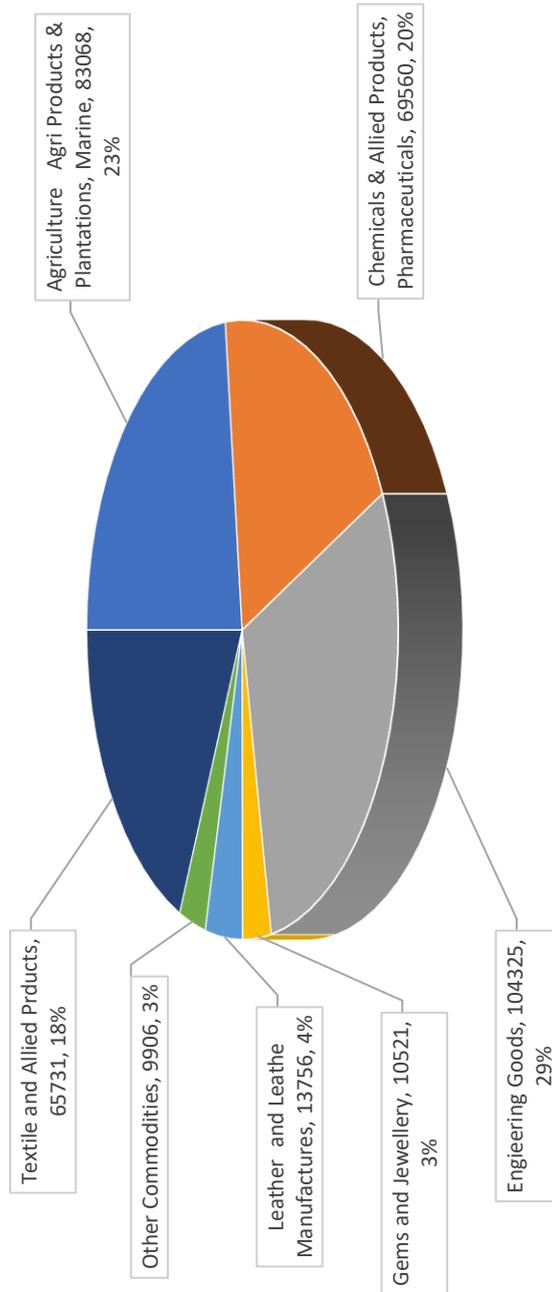
Trends in Gross Claims Paid – Export Credit Insurance for Banks - Short Term (₹ in Crore)



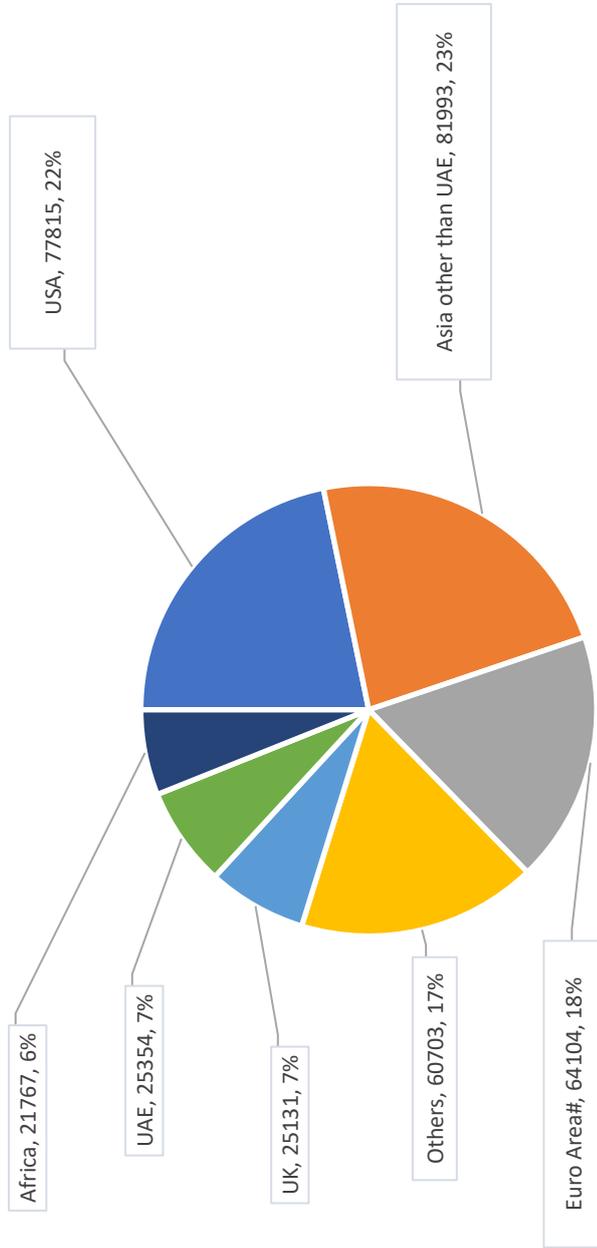
Value of Risk Covered during 2023-24



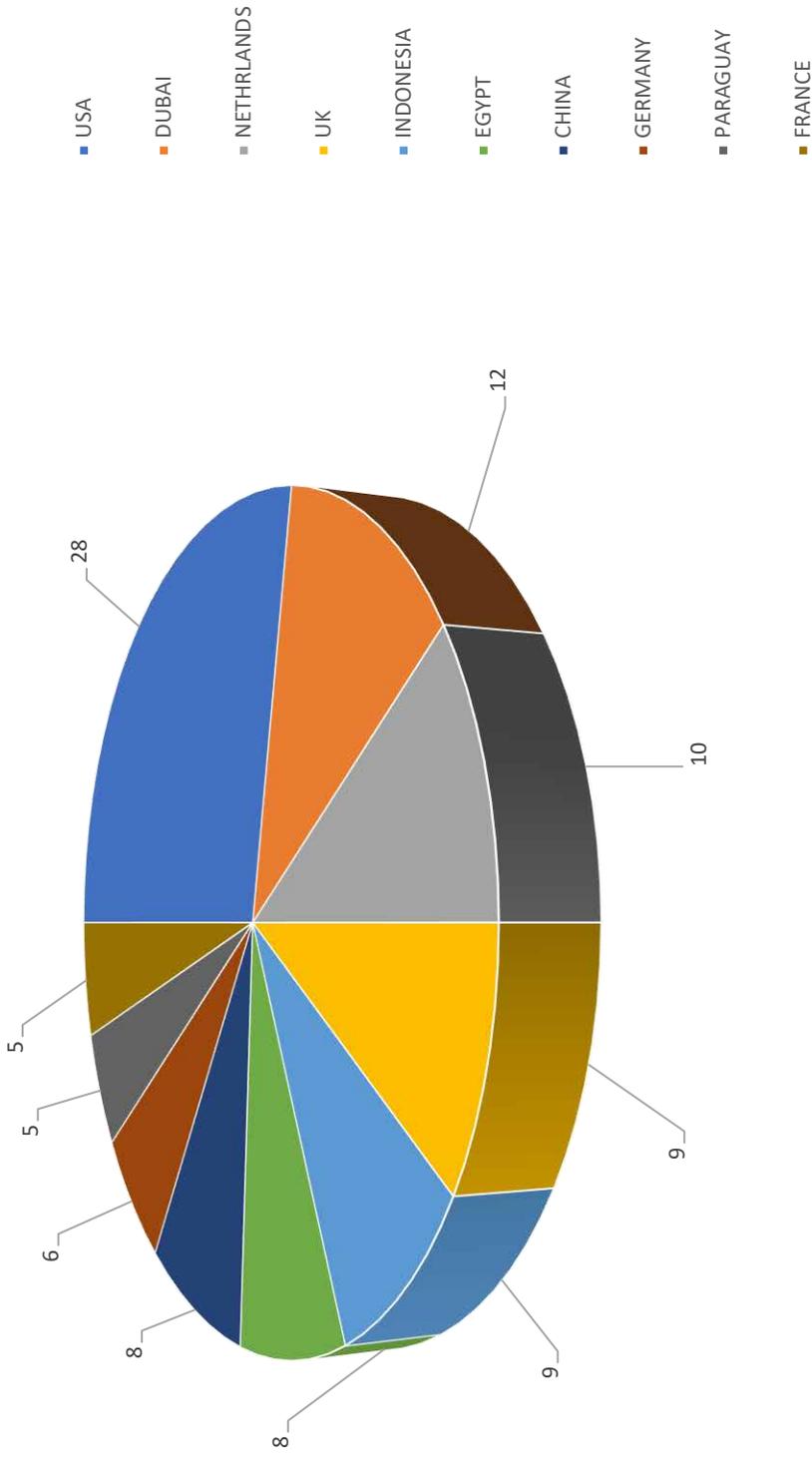
**Contribution of different Commodities in RV in % for the period April 23 -
March 2024**



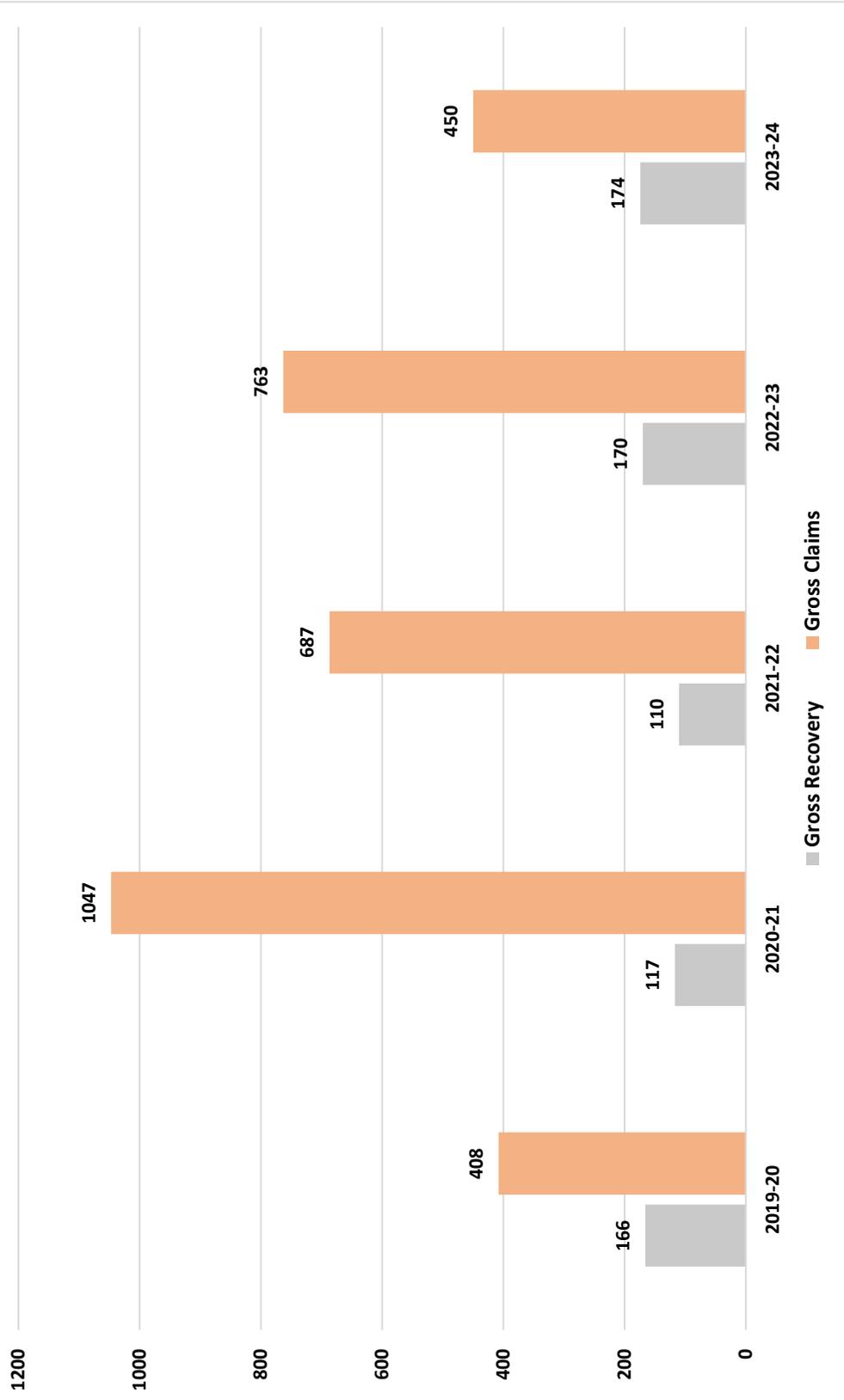
**Contribution of different countries / regions in RV in % for the period April 23 -
March 24**

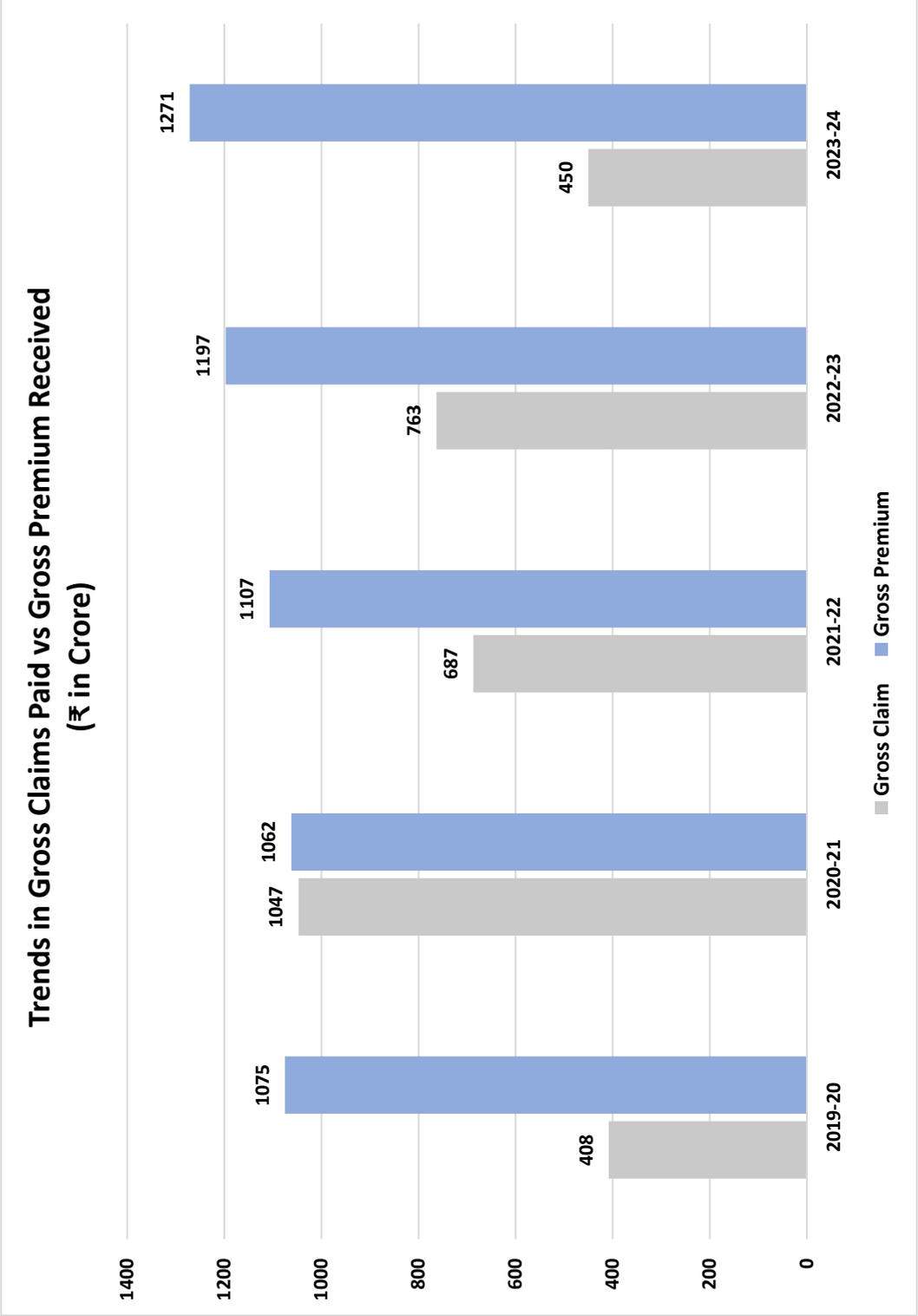


Major Country Wise Gross Claims Paid for FY 2023-24 (% share)



Trends in Gross Recovery and Gross Claims Paid (₹ in Crore)





Part B

वित्तीय विवरण

Financial
Statements

Certificate on Financial Statements

This is to certify that the financial statements of the company for the year ended 31st March, 2024 placed before the Board of Directors for adoption and approval do not contain any false or misleading statements or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

(Abhishek Jain)
Chief Financial Officer

(Sristiraj Ambastha)
Executive Director/CMD-Addl. Charge
DIN - 10375617

Place : Mumbai

Date : 16th May, 2024

FORM B - BS
ECGC Limited

CIN: U74999MH1957GOI010918

Registration No. 124

Date of Registration : 27th September, 2002

BALANCE SHEET AS AT 31ST MARCH 2024

Particulars	Schedule	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
I. SOURCES OF FUNDS			
Share Capital	5	4338,00,00.00	4338,00,00.00
Reserves and Surplus	6	7503,88,52.13	5778,63,87.58
Fair Value Change Account - Shareholder		940,29,63.07	343,51,87.12
Fair Value Change Account - Policyholder		601,17,30.48	343,51,87.12
Borrowings	7	-	-
Deferred Tax Liability		-	-
Total		13383,35,45.68	10803,67,61.82
II. APPLICATION OF FUNDS			
Investments - Shareholder	8	10030,60,24.49	7323,80,87.73
Investments - Policyholder	8A	6413,00,81.22	7323,80,87.73
Loans	9	-	-
Fixed Assets	10	405,67,54.34	373,47,88.41
Deferred Tax Assets		43,80,76.63	44,32,37.97
Current Assets			
Cash and Bank Balances	11	1261,97,05.72	1623,64,39.25
Advances and Other Assets	12	1221,57,54.85	1195,38,47.96
Sub Total (A)		2483,54,60.57	2819,02,87.21
Current Liabilities	13	5213,23,19.04	6392,40,47.52
Provisions	14	780,05,32.53	688,36,79.71
Sub Total (B)		5993,28,51.57	7080,77,27.23
Net Current Assets (C)= (A-B)		(3509,73,91.00)	(4261,74,40.02)
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit & Loss Account		-	-
Total		13383,35,45.68	10803,67,61.82
SIGNIFICANT ACCOUNTING POLICIES	16		
NOTES FORMING PART OF ACCOUNTS	17		

(SRISTIRAJ AMBASTHA)
Executive Director/CMD-Addl.Charge
DIN - 10375617

(SIDDHARTH MAHAJAN)
Director
DIN - 03349759

(HARSHA BANGARI)
Director
DIN - 01807838

(AMIT KUMAR AGARWAL)
Director
DIN - 05333909

(PALANIAPPAN MUTHU)
Director
DIN - 10200176

(ABHISHEK JAIN)
Chief Financial Officer

(SMITA PANDIT)
Company Secretary

As per our report of even date attached

For KBDS & Co.
Chartered Accountants
Firm Registration No. 323288E

For M. L. Puri & Co.
Chartered Accountants
Firm Registration No. 002312N

(DASHRATH KUMAR SINGH)
Partner - M.No. 060030

(RAJESH CHAND GUPTA)
Partner - M.No. 095584

Place : Mumbai
Date : 16th May, 2024

**FORM B-RA
ECGC Limited**

CIN: U74999MH1957GOI010918
Registration No. 124

Date of Registration : 27th September,2002

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2024

	Particulars	Schedule	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
1	Premiums earned (Net)	1	1079,76,42.63	938,72,21.76
2	Profit on Sale/Redemption of Investment		29,52,66.81	42,63,03.15
3	Loss on Sale/Redemption of Investment		-	-
4	Others			
	- Fee		1,63,72.53	1,59,18.54
	- Miscellaneous Income		63,83.74	28,40.61
	- Profit on Sale of Asset		12,31.41	18,34.13
5	Interest, Dividend & Rent - Gross		438,06,28.56	524,28,42.67
	TOTAL (A)		1549,75,25.68	1507,69,60.86
1	Claims Incurred (Net)	2	(974,47,47.18)	(702,92,04.79)
2	Commission	3	19,05,47.55	(4,41,15.93)
3	Operating Expenses related to Insurance Business	4	338,13,23.02	297,83,49.63
4	Others			
	- Premium Deficiency		-	(308,52,00.00)
	- Expenses towards Investments		7,73,53.04	10,39,97.34
	- Provision, Write Off - Investments		(2,70,70.86)	(1,18.00)
	TOTAL (B)		(612,25,94.43)	(707,62,91.75)
	Operating Profit/(Loss) from Miscellaneous Business C=(A-B)		2162,01,20.11	2215,32,52.61
	APPROPRIATIONS			
	Transfer to Shareholder's Account		2162,01,20.11	2215,32,52.61
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves		-	-
	TOTAL (C)		2162,01,20.11	2215,32,52.61

Significant Accounting Policies and Notes to Accounts form integral part of the Revenue Account

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and as far as it appears from our examination of Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of the Export Credit Insurance Business have been fully debited to the Revenue Account as expenses.

(SRISTIRAJ AMBASTHA)
Executive Director/CMD-Addl.Charge
DIN - 10375617

(SIDDHARTH MAHAJAN)
Director
DIN - 03349759

(HARSHA BANGARI)
Director
DIN - 01807838

(AMIT KUMAR AGARWAL)
Director
DIN - 05333909

(PALANIAPPAN MUTHU)
Director
DIN - 10200176

(ABHISHEK JAIN)
Chief Financial Officer

(SMITA PANDIT)
Company Secretary

As per our report of even date attached

For KBDS & Co.
Chartered Accountants
Firm Registration No. 323288E

For M. L. Puri & Co.
Chartered Accountants
Firm Registration No. 002312N

(DASHRATH KUMAR SINGH)
Partner - M.No. 060030

(RAJESH CHAND GUPTA)
Partner - M.No. 095584

Place : Mumbai
Date : 16th May, 2024

FORM B-PL
ECCG Limited

CIN: U74999MH1957GOI010918
Registration No. 124

Date of Registration : 27th September, 2002

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2024

	Particulars	Schedule	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
1	OPERATING PROFIT/(LOSS)			
	(a) Fire Insurance		-	-
	(b) Marine Insurance		-	-
	(c) Miscellaneous Insurance		2162,01,20.11	2215,32,52.61
2	INCOME FROM INVESTMENTS			
	(a) Interest, Dividend & Rent -Gross		685,17,52.36	524,28,42.67
	(b) Profit on Sale of Investments		46,18,27.57	42,63,03.15
	Less: Loss on Sale of Investments		-	-
3	OTHER INCOME			
	(a) Rent & Other receipts		21,29.99	19,97.20
	(b) Other Interest Income		1,29,49.54	1,24,19.13
	(c) Other Miscellaneous Income and Factoring Income		2,03,70.05	2,28,07.88
	TOTAL (A)		2896,91,49.62	2785,96,22.64
4	PROVISIONS (Other than Taxation)			
	(a) For diminution in the value of investments		-	-
	(b) Provision, Write Off - Investments			
	- Standard Asset		-	-
	- Sub Standard Asset		-	-
	- Doubtful Asset		(4,23,41.60)	(1,18.00)
	- Loss Assets		-	-
	(c) Provision for Doubtful Debts		24.25	6.21
5	OTHER EXPENSES			
	(a) Expenses other than those related to Insurance Business			
	- Expenses towards Investments		12,09,88.09	10,39,97.34
	- Expenses towards Corporate Social Responsibility		30,10,00.00	14,40,00.12
	- Miscellaneous Expense		(0.01)	0.63
	(b) Others - Factoring expenses		0.88	-
	TOTAL (B)		37,96,71.61	24,78,86.31
	Profit Before Tax (A - B)		2858,94,78.01	2761,17,36.34
	Less:			
	(a) Provision for Taxation			
	- Deferred Tax		51,61.34	(43,47.10)
	- Current Tax		700,00,00.00	598,00,00.00
	(b) Prior Period Adjustments		(32,03.70)	11,57.77
	(c) Tax Adjustments - Earlier years		(29,44.18)	(76,12.79)
	Profit available for appropriation		2159,04,64.55	2164,25,38.46

FORM B-PL
ECCG Limited

CIN: U74999MH1957GOI010918
Registration No. 124

Date of Registration : 27th September, 2002

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2024

Particulars	Schedule	Current Period Audited (` '000)	Previous Period Audited (` '000)
APPROPRIATIONS			
(a) Interim Dividends Paid During the Year		-	-
(b) Dividend Distribution Tax on Interim Dividend		-	-
(c) Proposed Final Dividend		-	-
(d) Dividend Distribution Tax on Proposed Dividend		-	-
(e) Transfer to Reserve for Factoring Scheme		-	-
(f) Transfer to General Reserve		1725,24,64.55	1730,45,38.46
Balance of profit/loss brought forward from last year		-	-
Balance carried forward to Balance Sheet		433,80,00.00	433,80,00.00

(SRISTIRAJ AMBASTHA)
Executive Director/CMD-Addl.Charge
DIN - 10375617

(SIDDHARTH MAHAJAN)
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(ABHISHEK JAIN)
Chief Financial Officer

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As per our report of even date attached

For KBDS & Co.
Chartered Accountants
Firm Registration No. 323288E

For M. L. Puri & Co.
Chartered Accountants
Firm Registration No. 002312N

(DASHRATH KUMAR SINGH)
Partner - M.No. 060030

(RAJESH CHAND GUPTA)
Partner - M.No. 095584

Place : Mumbai
Date : 16th May, 2024

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE -1
PREMIUM EARNED (NET)

Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
Premium from Direct Business Written	1270,76,53.05	1197,52,85.83
Add : Premium on Reinsurance Accepted	-	-
Less: Premium on Reinsurance Ceded	91,14,10.14	219,85,63.16
Net Premium	1179,62,42.91	977,67,22.67
Adjustment for change in Reserve for Unexpired Risks	(99,86,00.28)	(38,95,00.91)
Total Premium Earned (Net)	1079,76,42.63	938,72,21.76

SCHEDULE -2
CLAIMS INCURRED (NET)

Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
Claims Paid		
Direct	450,30,54.61	763,04,85.84
Add : Reinsurance accepted	-	-
Less : Reinsurance ceded	90,23,46.47	246,47,85.46
Less :		
Recovered during the year	173,91,36.27	169,50,60.10
Add : Interest received on Recovery of Claims Paid	44,30.26	24,62,27.18
Less : Share of reinsurer	69,37,63.46	38,29,31.31
	104,98,03.07	155,83,55.97
Net Claims paid (A)	255,09,05.07	360,73,44.41
Add : Claims Outstanding at the end of the year (net of reinsurance)	4699,74,56.98	5929,31,09.23
Minus provision for recovery (net of reinsurance)	-	-
(B)	4699,74,56.98	5929,31,09.23
Less : Claims Outstanding at the beginning (net of reinsurance)	5929,31,09.23	6992,96,58.43
Minus Provision for recovery (net of reinsurance)	-	-
(C)	5929,31,09.23	6992,96,58.43
Total Claims Incurred (A + B - C)	(974,47,47.18)	(702,92,04.79)

**SCHEDULE -3
COMMISSION**

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
	Commission Paid		
	Direct	31,31,76.79	25,91,79.76
	TOTAL (A)	31,31,76.79	25,91,79.76
	Add : Commission on Reinsurance Accepted	-	-
	Less: Commission on Re-insurance Ceded	12,26,29.24	30,32,95.69
	Net Commission	19,05,47.55	(4,41,15.93)
Note: The profit/commission, if any are to be combined with the Re-insurance accepted or Re-insurance ceded figures.			
Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:			
	Agents	-	-
	Brokers	31,31,76.79	25,91,79.76
	Corporate Agency	-	-
	Others (pl. specify)	-	-
	TOTAL (B)	31,31,76.79	25,91,79.76
Note: Total (A) and (B) above should tally.			

**SCHEDULE -4
OPERATING EXPENSES RELATED TO INSURANCE BUSINESS**

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
1	Employees' Remuneration and Welfare benefits	230,60,69.18	190,59,34.26
2	Travel, Conveyance and Vehicle running expenses	10,33,66.38	11,05,36.15
3	Training expenses	2,33,69.99	1,99,68.48
4	Rent, Rates & Taxes	9,85,02.82	22,16,17.12
5	Repairs	27,12,60.38	20,58,80.49
6	Printing & Stationery	2,45,03.93	2,18,22.71
7	Communication	1,09,80.47	1,42,09.72
8	Legal & Professional charges	10,92,85.10	10,30,76.49
9	Auditors' fees, expenses etc.		
	(a) As auditor	79,72.03	76,77.51
	(b) As adviser or in any other capacity, in respect of		
	(i) Taxation matters	14,82.71	16,48.66
	(ii) Insurance matters	-	-
	(iii) Management services	-	-
	(c) In any other capacity	1,02,93.06	98,63.07
10	Advertisement and Publicity	9,63,22.87	10,55,04.66
11	Interest and Bank Charges	8,90.38	7,44.47
12	Others - Miscellaneous Expenses and Other Expenses	20,10,13.71	15,66,23.21
13	Depreciation	11,60,10.01	9,32,42.63
	TOTAL	338,13,23.02	297,83,49.63

**SCHEDULE -5
SHARE CAPITAL**

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
1	Authorised Capital 1,00,00,00,000 Equity Shares of Rs. 100 each (Previous Period 1,00,00,00,000 Equity Shares of Rs. 100 each)	10000,00,00.00	10000,00,00.00
2	Issued Capital 4338,00,00,000 Equity Shares of Rs. 100 each (Previous Period 4338,00,00,000 Equity Shares of Rs 100 each)	4338,00,00.00	4338,00,00.00
3	Subscribed Capital 4338,00,00,000 Equity Shares of Rs. 100 each (Previous Period 4338,00,00,000 Equity Shares of Rs 100 each)	4338,00,00.00	4338,00,00.00
4	Called up & Paid up Capital 4338,00,00,000 Equity Shares of Rs. 100 each (Previous Period 4338,00,00,000 Equity Shares of Rs 100 each)	4338,00,00.00	4338,00,00.00
	Add : Equity Shares forfeited (Amount originally paid up)	-	-
	Less : Par Value of Equity Shares bought back	-	-
	Less : Preliminary Expenses	-	-
	Expenses including commission or brokerage on Underwriting or subscription of shares	-	-
	TOTAL	4338,00,00.00	4338,00,00.00

**SCHEDULE -5 A
PATTERN OF SHAREHOLDING**
(As Certified by the Management)

Shareholder	Current Period		Previous Period	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoters				
Indian				
President of India & His Nominees	43,38,00,000	100.00	43,38,00,000	100.00
Foreign	-	-	-	-
Others	-	-	-	-
Total	43,38,00,000	100.00	43,38,00,000	100.00

**SCHEDULE -6
RESERVES AND SURPLUS**

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)	As at 31.03.2023 Audited (₹'000)
1	Capital Reserve	-	-	-
2	Capital Redemption Reserve	-	-	-
3	Share Premium	-	-	-
4	General Reserve - Opening Balance	5284,83,87.58	3554,38,49.12	3554,38,49.12
	Additions during year	1725,24,64.55	1730,45,38.46	1730,45,38.46
		7010,08,52.13	5284,83,87.58	5284,83,87.58
	Deduction during year	-	-	-
		7010,08,52.13	5284,83,87.58	5284,83,87.58
5	Catastrophe Reserve	-	-	-
6	Factoring Scheme Reserve	60,00,00.00	60,00,00.00	60,00,00.00
7	Balance in Profit & Loss Account	433,80,00.00	433,80,00.00	433,80,00.00
	TOTAL	7503,88,52.13	5778,63,87.58	5778,63,87.58

**SCHEDULE -7
BORROWINGS**

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)	As at 31.03.2023 Audited (₹'000)
1	Debentures/Bonds	-	-	-
2	Banks	-	-	-
3	Financial Institutions	-	-	-
4	Others	-	-	-
	TOTAL	-	-	-

**SCHEDULE -8
INVESTMENTS (SHAREHOLDER)**

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
	LONG TERM INVESTMENTS		
1	Government securities and Government guaranteed bonds including Treasury Bills	4033,62,23.53	2994,73,31.82
2	Other approved Securities	312,71,12.85	259,41,92.56
3	Other Investments		
	(a) Shares		
	(aa) Equity	1784,48,14.50	971,27,89.63
	(bb) Preference Shares	-	-
	(b) Mututal Funds	46,96,50.79	29,60,57.67
	(c) Derivative Instruments	-	-
	(d) Debentures/Bonds	1265,54,68.34	1085,23,47.05
	(e) Other Securities (TREPS, CP, CD)	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	1757,99,56.11	1490,71,97.29
5	Other than Approved Investments	92,25,73.93	84,78,72.62
	Total (A)	9293,58,00.05	6915,77,88.64
	SHORT TERM INVESTMENTS		
1	Government securities and Government guaranteed bonds including Treasury Bills	126,25,08.57	111,22,81.11
2	Other Approved Securities	3,66,12.67	22,07,59.80
3	Other Investments		
	(a) Shares		
	(aa) Equity	-	-
	(bb) Preference Shares	-	-
	(b) Mututal Funds	256,26,30.76	55,80,89.88
	(c) Derivative Instruments	-	-
	(d) Debentures/Bonds	136,16,27.37	56,62,73.96
	(e) Other Securities (TREPS, CP, CD)	39,62,91.54	66,48,20.40
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	115,25,35.06	65,81,89.86
5	Other than Approved Investments	59,80,18.47	29,98,84.08
	Total (B)	737,02,24.44	408,02,99.09
	TOTAL (A + B)	10030,60,24.49	7323,80,87.73

Note:

Provision made for Doubtful Assets shown under Schedule 14 against Assets in Schedule 8 and Schedule 8A

98,49,81.11

105,43,93.57

SCHEDULE -8A
INVESTMENTS (POLICYHOLDER)

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
	LONG TERM INVESTMENTS		
1	Government securities and Government guaranteed bonds including Treasury Bills	2578,87,33.08	2994,73,31.82
2	Other approved Securities	199,93,01.65	259,41,92.56
3	Other Investments		
	(a) Shares		
	(aa) Equity	1140,89,79.77	971,27,89.63
	(bb) Preference Shares	-	-
	(b) Mututal Funds	30,02,68.54	29,60,57.67
	(c) Derivative Instruments	-	-
	(d) Debentures/Bonds	809,12,01.07	1085,23,47.05
	(e) Other Securities (TREPS, CP, CD)	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	1123,96,44.07	1490,71,97.29
5	Other than Approved Investments	58,98,42.35	84,78,72.62
	Total (A)	5941,79,70.53	6915,77,88.64
	SHORT TERM INVESTMENTS		
1	Government securities and Government guaranteed bonds including Treasury Bills	80,71,77.61	111,22,81.11
2	Other approved Securities	2,34,08.10	22,07,59.80
3	Other Investments		
	(a) Shares		
	(aa) Equity	-	-
	(bb) Preference Shares	-	-
	(b) Mututal Funds	163,84,03.28	55,80,89.88
	(c) Derivative Instruments	-	-
	(d) Debentures/Bonds	87,05,48.64	56,62,73.96
	(e) Other Securities (TREPS, CP, CD)	25,33,66.72	66,48,20.40
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	73,68,66.67	65,81,89.86
5	Other than Approved Investments	38,23,39.67	29,98,84.08
	Total (B)	471,21,10.69	408,02,99.09
	TOTAL (A + B)	6413,00,81.22	7323,80,87.73

SCHEDULE -9
LOANS

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
1	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	-	-
2	BORROWER-WISE CLASSIFICATION		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Industrial Undertakings	-	-
	(e) Others	-	-
	TOTAL	-	-
3	PERFORMANCE-WISE CLASSIFICATION		
	(a) Loans classified as standard		
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) Non-performing loans less provisions		
	(aa) In India	-	-
	(bb) Outside India	-	-
	TOTAL	-	-
4	MATURITY -WISE CLASSIFICATION		
	(a) Short Term	-	-
	(b) Long Term	-	-
	TOTAL	-	-

SCHEDULE 10

Figures in ₹ '000

FIXED ASSETS

		Gross Block				Depreciation				Net Block	
Sl. No.	Particulars	Opening	Additions	Deductions	Closing	Up to 31.03.2023	For the Year	On Sale / Adjustments	To date	As at 31.03.2024	As at 31.03.2023
1	Good Will	-	-	-	-	-	-	-	-	-	-
2	Intangibles	8,15,57.81	-	-	8,15,57.81	7,03,40.09	48,15.67	-	7,51,55.76	64,02.05	1,12,17.72
3	Land - Free Hold	74,81,52.33	-	-	74,81,52.33	-	-	-	-	74,81,52.33	74,81,52.33
4	Leasehold Property	60,58,30.10	-	-	60,58,30.10	9,69,42.16	1,88,44.43	-	11,57,86.59	49,00,43.51	50,88,87.94
5	Building	157,85,12.22	6,27,32.31	-	164,12,44.53	18,21,00.11	2,76,27.86	(3,10.99)	21,00,38.96	143,12,05.57	139,64,12.11
6	Furniture and Fittings	27,23,64.01	6,33,19.14	2,30,78.24	31,26,04.91	13,68,46.68	2,07,95.20	2,24,39.51	13,52,02.37	17,74,02.54	13,55,17.33
7	Information Technology Equipment	15,29,22.48	1,60,38.84	1,64,52.95	15,25,08.37	11,84,23.28	1,81,07.62	1,64,52.95	12,00,77.95	3,24,30.42	3,44,99.20
8	Vehicles	9,33,03.03	-	14,74.11	9,18,28.92	2,79,27.04	1,08,88.31	14,74.11	3,73,41.24	5,44,87.68	6,53,75.99
9	Office Equipment	8,54,86.17	1,74,72.66	64,73.37	9,64,85.46	7,18,60.46	61,76.81	64,61.55	7,15,75.72	2,49,09.74	1,36,25.71
10	Electrical Installations and Equipment	9,10,62.68	-	-	9,10,62.68	70,85.42	87,54.11	35,42.71	1,22,96.82	7,87,65.86	8,39,77.26
	Total	370,91,90.83	15,95,62.95	4,74,78.67	382,12,75.11	71,15,25.24	11,60,10.01	5,00,59.84	77,74,75.41	304,37,99.70	299,76,65.59
	Work in Progress									101,29,54.64	73,71,22.82
	Grand Total	370,91,90.83	15,95,62.95	4,74,78.67	382,12,75.11	71,15,25.24	11,60,10.01	5,00,59.84	77,74,75.41	405,67,54.34	373,47,88.41
	Previous Year	247,22,12.70	136,28,61.92	12,58,83.79	370,91,90.83	74,34,49.44	9,32,42.63	12,51,66.83	71,15,25.24	373,47,88.41	326,53,19.69

SCHEDULE -11
CASH AND BANK BALANCES

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
1	Cash (including cheques, drafts and stamps)	1,59.98	58,74.09
2	Bank Balances		
	(a) Deposit Accounts		
	(aa) Short Term (due within 12 months):		
	With Banks	1127,80,00.00	1614,24,00.00
	With Financial Institutions	-	-
	(bb) Others		
	With Banks	103,00,00.00	-
	With Financial Institution	-	-
	(b) Current Accounts	31,14,45.74	8,80,65.16
	(c) Others - Balance with Reserve Bank of India	1,00.00	1,00.00
	TOTAL	1261,97,05.72	1623,64,39.25

SCHEDULE -12
ADVANCES AND OTHER ASSETS

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
	ADVANCES		
1	Reserve deposits with ceding companies	-	-
2	Application money for investments	-	-
3	Prepayments	7,94,17.43	11,57,04.72
4	Advance to Directors	-	-
5	Advance Tax paid and taxes deducted at source (Net of provision for taxation)	255,55,92.50	269,22,97.74
6	Advances to Employees	20,85,32.58	22,18,80.74
7	Advance for Expenses	3,97,35.59	18,05,00.07
	TOTAL (A)	288,32,78.10	321,03,83.27
	OTHER ASSETS		
1	Income accrued on Investments	382,60,14.89	365,62,84.47
2	Outstanding Premiums	-	-
3	Agents' Balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from other entities carrying on insurance business (including reinsurers)	217,19,97.96	210,01,84.89
6	Due from subsidiaries/holding	-	-
7	Deposit with Reserve Bank of India (Pursuant to section 7 of Insurance Act, 1938)	-	-
8	Interest accrued on Housing Loan	1,00,93.84	1,22,27.74
9	Sundry Debtors- Standard Asset	2,14,06.30	1,53,44.28
	Less : Provision for Standard Asset	85.63	61.38
	(I)	2,13,20.67	1,52,82.90
	Sub - Standard Asset	-	-
	Less : Provision for Sub - Standard Asset	-	-
	(II)	-	-
	Doubtful Asset	7,04,26.80	7,04,26.80
	Less : Provision for Doubtful Asset	7,04,26.80	7,04,26.80
	(III)	-	-
	(I + II + III)	2,13,20.67	1,52,82.90
10	Amount Recoverable from others	161,90,81.46	133,42,26.06
	Less: Provision for Doubtful Recovery	94,71.30	94,71.30
		160,96,10.16	132,47,54.76
11	Sundry Deposits	78,21,97.57	74,41,13.32
	Less : Provision for Doubtful Debts	-	-
		78,21,97.57	74,41,13.32
12	Unclaimed Amount for Policyholder Assets	1,54,94.64	1,54,94.65
	Add: Interest earned on Unclaimed Amount for Policyholder Assets	69,03.74	53,83.93
		2,23,98.38	2,08,78.58
13	ATI Participation on behalf of Govt. of India	88,88,43.28	86,97,38.03
	TOTAL (B)	933,24,76.75	874,34,64.69
	TOTAL (A+B)	1221,57,54.85	1195,38,47.96

SCHEDULE -13
CURRENT LIABILITIES

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
1	Agents' Balances	-	-
2	Balances due to other Insurance Companies	82,38,63.70	80,66,45.93
3	Deposits held on re-insurance ceded	-	-
4	Premiums received in advance	233,94,43.38	234,10,32.83
5	Unallocated Premium	43,38,46.38	38,88,10.85
6	Unclaimed Amount of Policyholders	1,11,64.57	1,40,10.74
	Add: Interest earned on Unclaimed Amount of Policyholders	49,66.24	43,39.68
		1,61,30.81	1,83,50.42
7	Sundry Creditors	86,93,04.57	79,92,94.81
8	Due to subsidiaries/holding company	-	-
9	Claims outstanding	4699,74,56.98	5929,31,09.23
10	Due to Employees	45,08,78.15	10,56,49.00
11	Others		
	- NEIA	11,38,57.00	12,81,97.53
	- Factoring	40,27.15	28,34.60
	- Miscellaneous	7,23,92.43	3,09,70.59
	- GST Liability	1,11,18.49	91,51.73
	TOTAL	5213,23,19.04	6392,40,47.52

SCHEDULE -14
PROVISIONS

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
1	Reserve for Unexpired Risk	589,81,21.46	489,95,21.18
2	Reserve for Premium Deficiency	-	-
3	For Taxation		
	- Income Tax (Net of Advance Tax)	-	-
4	For Proposed Dividends	-	-
5	For Dividend distribution Tax	-	-
6	For Retirement Benefits		
	- Leave Encashment & Long Service	61,10,51.58	56,66,73.75
	- Gratuity	1,66,35.51	1,43,21.58
	- Pension	28,97,42.87	34,87,69.63
7	For Thinly Traded Shares	-	-
8	For Investment Assets	98,49,81.11	105,43,93.57
	TOTAL	780,05,32.53	688,36,79.71

SCHEDULE -15
MISCELLANEOUS EXPENDITURE

	Particulars	Current Period Audited (₹'000)	Previous Period Audited (₹'000)
1	Discount Allowed in issue of shares/debentures	-	-
2	Others	-	-
	TOTAL	-	-

SCHEDULE 16

SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION

1.1 The financial statements are drawn up in accordance with the Regulatory provisions of section 11(1) of the Insurance Act, 1938; regulations framed under Insurance Regulatory and Development Authority Act, 1999, read with the applicable provisions of the Companies Act, 2013. These financial statements prepared under the historical cost convention and on accrual basis, comply with the Insurance Regulatory and Development Authority (Preparation of financial statements and Auditors' Report of Insurance Companies) Regulation 2002 and are in conformity with the requirements of Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and conform to practices prevailing in the credit insurance industry unless otherwise stated.

1.2 USE OF ESTIMATES:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Difference between the actual result and estimates are recognized in periods in which the results are known / materialised.

2. FIXED ASSETS AND DEPRECIATION

2.1 Fixed Assets are stated at cost of acquisition less depreciation.

2.2 Depreciation is provided on straight-line method at the relevant rates as per Schedule II to the Companies Act, 2013. Assets added/disposed off during the year are depreciated on a pro-rata basis with reference to the date of addition/disposal. Assets are depreciated fully during the course of its useful life.

2.3 Leased Assets are amortised over the period of lease.

2.4 The computer software forming integral part of hardware which comprises pre-loaded software and the software procured for loading in the newly bought-out hardware is capitalized along with the hardware.

2.5 The Software development and acquisition costs which meet the recognition criteria of AS 26 Intangible Assets issued by Companies Accounting Standard Rules, 2006 are

capitalised under the head “Intangibles” and amortised on a straight-line basis over the useful life of the Asset subject to a maximum period of 5 years.

- 2.6 Projects under commissioning are carried forward at cost as Capital Work-in-Progress (CWIP) and represents payments made to contractors including advances and directly attributable cost.

3. IMPAIRMENTS

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any indications exist, the assets recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

4. INVESTMENTS

- 4.1 Short Term Money Market Instruments such as Commercial Papers and Certificate of Deposit, are shown at their discounted value and the difference between the acquisition cost and the redemption value is apportioned on time basis and recognised as accrued income.
- 4.2 Contracts for purchase and sale of shares, bonds, debentures, etc., are accounted for as “Investments” as on date of Transaction.
- 4.3 The cost of investments include premium on acquisition, expenses like brokerage, transfer stamps, transfer charges, etc., and is net of incentive/fee if any, received thereon.
- 4.4 Dividend is accounted for as income in the year of declaration. Dividend on shares/interest on debentures under objection/pending delivery is accounted for, on realisation. Interim dividend is accounted where the warrants are dated 31st March or earlier.
- 4.5 Profit/Loss on realisation of investments is computed by taking Weighted Average Book Value as cost of investments except Government Securities which are held to maturity and profit/loss on such investments are worked out on First In First Out Basis (FIFO).
- 4.6 Investment in Government Securities, debt securities and redeemable preference shares are considered as held till maturity and valued at cost. However, in terms of Insurance Regulatory and Development Authority Regulations the premium paid at the time of acquisition of securities is amortised over the residual period of maturity.
- 4.7 a) Investments in Mutual Fund/s are valued at Net Asset Value (NAV) at the year-end and the difference between cost/book value and NAV is accounted in Fair Value Change Account. However, if there is impairment in value, the same is charged to Revenue and the book value of investment is reduced accordingly. Any reversal of impairment loss earlier recognised, shall be taken to revenue to the extent of reduction in impairment recognised earlier.

- b) In case of non-availability of NAV as at the Balance Sheet date, investment is shown at cost.
- 4.8 a) Investment Portfolio in respect of Equity/Equity related instruments are segregated into Actively Traded and Thinly Traded as prescribed by Insurance Regulatory and Development Authority Regulations. The shares are treated as thinly traded by taking into consideration transactions in the month of March on both NSE and BSE.
- b) Actively Traded Equity/Equity related instruments will be valued as per IRDA guidelines. The equity investments will be valued at the last quoted closing prices on the National Stock Exchange (NSE) which will be the primary exchange. If any of the instruments is not quoted on NSE, then the last quoted closing price on the Bombay Stock Exchange (BSE) (as secondary exchange) will be taken for valuation. The difference between weighted average cost and quoted value is accounted in Fair Value Change Account.
- 4.9 Investment in thinly traded Equity shares and unlisted equity shares are shown at cost. However, difference between cost and break-up value is provided for as diminution in value. Further, if the published accounts of an unlisted Company are not available for last three accounting years ending on or immediately preceding the date of working out provision for thinly/unlisted shares or if the break-up value is negative then the provision is made for the entire cost.
- 4.10 Investment in Listed Equity/Equity related instruments/Preference shares made in those Companies, which are making losses continuously for last three years and where capital is eroded, are considered to have Impairment in value. Further, if the published accounts of a Company are not available for last three accounting years ending on or immediately preceding the date of working out Impairment in value, it is presumed that the value of investments is fully impaired and is written off to a nominal value of Re 1/- per Company.
- 4.11 A) Valuation of investments considered to have impairment in value is done as under:
- a) In respect of Actively Traded Equity shares: - Least of Cost Price, Market Price or Break-up Value provided Break-up Value is positive. However, if the Break-up Value is negative the nominal value is taken at Rs.1/- per Company.
- b) In respect of Other Than Actively Traded Equity Shares: - Lower of Cost Price or Break-up Value provided Break-up Value is positive. However, if Break-up Value is negative the nominal value is taken at Rs. 1/- per Company.
- c) In respect of preference shares, if the dividend is not received for the last three years: - The preference shares are written down to a value which will bear to its face value, the same proportion as value taken/which would have been taken for writing down equity shares bears to the face value of the equity shares. However, if the equity shares are written off to

Re.1/- per Company, preference shares also will be written off to a nominal value of Re. 1/- per Company.

B) Once the value of investment in listed equity/equity related instruments/preference shares is impaired in accordance with the above mentioned policy, the reversal of such impairment losses are recognised in revenue/profit & loss account only when the accumulated losses of such investee companies are completely wiped out and capital is fully restored as per the latest available published accounts on or immediately preceding the date of working out the reversal.

- 4.12 REVERSE REPO Transactions are treated as secured lending transactions and accordingly disclosed in the financial statements. The difference between total consideration at the 1st and 2nd leg of the transaction is treated as income.
- 4.13 “TriParty Repo System (TREPS), which is issued at Discount to the Face Value, is treated as Money Market Instrument as per Reserve Bank of India Notification. Discount earned at the time of lending through TREPS is shown as income, which is apportioned on time basis.
- 4.14 a) Unrealised gain, losses arising due to changes in the fair value of listed equity shares are taken under the head “Fair Value Change Account” and on realisation reported in profit and loss account.
b) Pending realisation, the credit balance in the “Fair Value Change Account” is not available for distribution.
- 4.15 “Allocation of Investments into Shareholders’ & Policyholders’ Funds”: Investments of the Company are allocated to Shareholders’ and Policyholders’ funds as presented in schedule 8 and 8a in the ratio of Shareholders’ Fund and Policyholders’ Fund respectively as at the beginning of the financial year as stated in Significant Accounting Policy (para) No.10.2
- 4.16 The Company follows the prudential norms prescribed by Insurance Regulatory and Development Authority (IRDA)/related Reserve Bank of India (RBI) guidelines as regards asset classification, recognition of income and provisioning pertaining to loans/ advances/debentures.

5. PREMIUM INCOME

Premium Income is recognised on assumption of risk. The assumption of risk and the premium income, relating to shipments made by the exporters/export credits disbursed by banks in the month of March is recognised in the subsequent year as per the directions of IRDAI vide its letter no. FNA/GEC/LR/001/2013-14/12 dated 30th January, 2014, and the same is consistently followed.

6. RESERVE FOR UNEXPIRED RISKS

Reserve for unexpired risks is created at 50% of net premium income for the year.

7. PREMIUM DEFICIENCY

Premium deficiency is recognised when the sum of expected claim costs and related expenses exceed the reserve for un-expired risks.

8. RESERVE FOR OUTSTANDING CLAIMS

- 8.1 In case of processed outstanding claims under Short Term (ST) covers and in case of all outstanding claims under Medium and Long Term covers the reserve for outstanding claims on the reporting date is recognised as the amount estimated as payable. For the outstanding claims that are yet to be processed under ST covers, a provision will be made on an average rate arrived on the basis of actuarial analysis of earlier years claim paid experience. Such provision is progressively modified for changes as appropriate on availability of further information/scrutiny of supporting documents.
- 8.2 Further, the provision for Claims Incurred But Not Reported (IBNR), Provision for Claims Incurred But Not Enough Reported (IBNER) are accounted for as per actuarial valuation as at end of the year.
- 8.3 No provision is made for following claims which are treated as Contingent Liability:
- (i) Claims rejected by the Company and not acknowledged as debts in respect of which legal action and/or arbitration has been initiated including cases of adverse ruling where the Company has continued legal action and/or arbitration. The Company shall provide for contingent liability including the interest claimed or awarded or applicable as of end of a financial year, if any, as the case may be.
 - (ii) Claims preferred by Banks where, as confirmed by them, compromise proposals for recovery of dues are under negotiation and therefore not provided for claim provision.

9. REINSURANCE

- 9.1 Insurance premium on ceding of the risk is recognised in the year in which the risk commences. Any subsequent revision to premium ceded is recognised in the year of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognised in the year in which it is cancelled.
- 9.2 Commission received on reinsurance ceded is recognized as income in the period in which reinsurance premium is ceded.
- 9.3 Profit commission under re-insurance treaties, wherever applicable, is recognized in the year of final determination of the profits and as intimated by re-insurer.

9.4 Amounts received/receivable from the re-insurers, under the terms of the reinsurance arrangement, are recognized together with the recognition of the claim.

10. EXPENSES OF MANAGEMENT

10.1 Management expenses, other than those directly related to other businesses of the Company, incurred by the Company are considered as expenses relating to the insurance business and are therefore charged to revenue account. Expenses relating to investment are apportioned between Revenue and Profit & Loss Account in the same proportion as stated in Significant Accounting Policy No.10.2.

10.2 Investment Income is apportioned between Profit & Loss Account and Revenue Accounts in the ratio of Shareholders' Funds and Policyholders' Funds respectively at the beginning of the financial year. Shareholders' Fund consists of Share Capital, General Reserves and Capital Reserves. Policyholders' Fund consists of Reserve for Un-expired Risk, Reserve for Outstanding Claims etc.

10.3 Printing and Stationery items are treated as consumed in the year of purchase.

11. EMPLOYEE BENEFITS

11.1 The Company provides for gratuity, a defined benefit plan covering all eligible employees. The plan provides a lump sum payment to eligible employees on retirement or on termination of employment based on the salary of the respective employee and the years of employment with the Company. The Company contributes to a gratuity fund maintained by Insurance Company. The amount of contribution is determined based upon actuarial valuations as at the year end. Such contributions are charged off to the Revenue Account.

11.2 Provision is made for the shortfall between the actuarial valuation as per Projected Unit Credit Method and the funded balance with the Insurance Company as at the Balance Sheet date.

11.3 As per Company's policy, employees are eligible to encash leave standing to the credit of employees at the time of resignation/retirement subject to terms and conditions. Provision for short-term compensated absences is made on the basis of an estimate of availment of the leave balance to the credit of the employees as at the Balance Sheet date. Long-term compensated absences are provided for based on actuarial valuation as at Balance Sheet date.

11.4. Provident Fund is a Defined Benefit Plan. Company's contribution towards the fund is charged to the Revenue Account. In case the return of the Provident Fund Trust's corpus is below the Statutory Prescribed Minimum, the Company will have to fund the shortfall.

- 11.5. Employees are eligible to receive Provident Fund benefits through a defined benefit plan in which employees make monthly contributions to the plan, @ 10%, of the covered employees' basic salary. The Company contributes an equal amount in case of the eligible employees who have joined the Company on or before 31/03/2010 and have not opted for pension benefit. The Company has established a Provident Fund Trust to which contributions towards Provident Fund are made and contributions towards Provident Fund are charged to the Revenue Account on an accrual basis. The Company guarantees the specified rate of return on such contributions on a periodical basis. The Company will meet the shortfall in the return, if any.
- 11.6 Employees are eligible to receive Pension benefits through a defined benefit plan to which the Company contributes to the plan, @ 10%, of the covered employee's basic salary. Employees who have joined the Company on or before 31/03/2010, and have opted to receive Pension benefit are covered under the Pension Plan. The Company has established a Pension Fund Trust to which contributions towards Pension are made each month. Contributions towards Pension Fund are charged to the Revenue Account on an accrual basis. The Company will evaluate the net liability based on an actuarial valuation of the Obligation and the Fair Value of the Assets to meet the obligation and provides for the same as on the date of Balance Sheet.
- 11.7 Those employees who have joined the Company on or after 01.04.2010 are eligible to be the members of a Defined Contribution Plan (New Pension Scheme) in which employees make monthly contributions to the plan @ 10% of the their basic salary and Dearness Allowance (DA). The Company contributes an equal amount in case of the eligible employees. The Company's contributions are charged to the Revenue Account on an accrual basis
- 11.8 All other Long Term Benefits are provided for on Actuarial Basis.
- 11.9 The actuarial gains/losses on the employee benefits are immediately recognized in the Revenue Account.

12. INCOME TAX

- 12.1 Provision for Tax is made on the basis of taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961. MAT paid in accordance with the Tax Laws, which gives rise to future economic benefits in form of tax credit against future Income Tax liability, is recognised as an asset in the balance sheet if there is convincing evidence that the Company will pay normal tax in future years and the resulting asset can be measured reliably.

12.2 Deferred Tax is calculated at the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date and is recognized on timing difference that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed carry forward business losses or depreciation, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent that there is a reasonable certainty of realisation in future.

13. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

13.1 A provision is recognised when an enterprise has a present 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 a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

13.2 Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

13.3 Contingent assets are neither recognised nor disclosed in the financial statements.

14. FACTORING

14.1 Factoring Service Charges including interest are accounted as and when accrued.

14.2 Debts Factored are included under the head Current Assets as Sundry Debtors. Such debtors are classified as performing and non-performing assets, based on the guidelines issued by the IRDA. Performing debtors are classified as Standard assets, Non-Performing debtors are classified into sub-standard, doubtful and loss assets, based on the classification criteria stipulated by IRDA

14.3 The unpaid balances of the price of debts factored and due to the clients on collection are included under Current Liabilities and are reflected in the form of Factoring Margin Account.

14.4 Gain and loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are charged to clients

14.5 Provision for factoring debts is made as per IRDA norms notified from time to time. Such provision includes provision at the rate of 0.40% on standard assets. Provisions are made

for NPAs as per the guidelines prescribed by the regulatory authorities, subject to minimum provisions as prescribed below by the IRDA :

Substandard Assets:	i. A general provision of 10% ii. Additional provision of 10% for exposures which are unsecured ab-initio (where realisable value of security is not more than 10 % ab-initio)
Doubtful Assets:	
- Secured portion:	i. Upto one year – 20%
	ii. One to three years – 30%
	iii. More than three years – 100%
- Unsecured portion	100%
Loss Assets:	100%

15. NEIA TRUST ACCOUNT

The administrative charges received from NEIA Trust is being allocated equally throughout the cover period.

16. FOREX TRANSACTIONS

- 16.1 Initial Recognition – Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency approximately at the date of the transaction.
- 16.2 Conversion – Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.
- 16.3 Exchange Differences – Exchange differences arising on the settlement or conversion of monetary items, are recognized as income or as expenses in the period in which they arise and are charged to revenue account.

SCHEDULE 17

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS:

1. PREPARATION OF FINANCIAL STATEMENTS

The accompanying financial statements have been prepared as per the provisions of the Insurance Regulatory and Development Authority of India (IRDAI) (Preparation of Financial **Statements and Auditors' Report of Insurance** Companies) Regulation, 2002 and circulars and/or guidelines issued in the context of preparation of the financial statements; Companies Act, 2013 and the Insurance Act, 1938.

2. REALISABILITY OF STATED AMOUNTS

In the opinion of the Management, the items under the Current Assets, Loans and Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities and doubtful assets have been made.

3. FIXED ASSETS:

"Buildings" under Fixed Assets include a property (Juhu Geetanjali Vastushilp CHS) costing ₹3,98.47 thousand (previous year ₹3,98.47 thousand) where stamp duty has been paid but registration formalities are pending including redevelopment agreement entered by the Company along with fellow society members of Juhu Geetanjali Vastushilp CHS with the property developer. Further, it also includes a property (The Metropolitan BKC, Mumbai) costing ₹5,77,43.90 thousand (previous year ₹5,77,43.90 thousand) where stamped agreements are lost and presently not available with the Company. However, the Company is in the possession of the share certificates of the co-operative institution in respect of these properties.

4. ADVANCES AND OTHER ASSETS:

4(a) Advances and other assets include:

An amount of ₹69,32,10.59 thousand (previous year ₹66,63,60.05 thousand) is deposited with the Courts in pursuance of Court Orders for claim suits filed against the Company and in respect of which final decisions are awaited. The same is disclosed under Sundry Deposits.

4(b) Interest on housing loans to employees is accounted for on accrual basis. Adjustments required, if any, are carried out at the time of final settlement.

- 4(c) Advances and Other Assets (Schedule 12) includes ₹17,23,92.70 thousand for the year ended (previous year ₹17,23,92.70 thousand) recoverable from an IT Vendor and is **mentioned as “Amount Recoverable from Others”**. **This matter is under arbitration as the Vendor has filed a counter claim of ₹146,98,02.40 thousand as against Company’s demand of ₹29,17,48.34 thousand.** The amount of ₹146,98,02.40 thousand is also included in Contingent Liability (refer note below).
- 4(d) Advances and Other Assets (Schedule 12) includes ₹160,69,69.18 thousand (previous years ₹161,89,42.95 thousand) as receivables from a Reinsurer on account of Excess of Loss (XOL) Treaty since June 2014 in respect of a claim filed with them. The reinstatement premium is also payable to the said reinsurer company. The company had made recovery from its customers and the same needs to be shared with the Reinsurer. The Company had several rounds of positive discussions with Reinsurance Company and there is a high probability that the amount shall be recovered. The net amount receivable will be ₹125,22,95.85 thousand (previous year ₹126,10,10.79 thousand) after adjusting Reinstatement premium of ₹35,46,73.33 thousand. (Previous year ₹35,79,32.16 thousand)
- 4(e) Advances and Other Assets (Schedule 12) includes amount of ₹88,88,43.28 thousand (previous years ₹86,97,38.03 thousand) capitalised in African Trade Insurance (ATI) on behalf of the Govt. of India. ATI has declared dividend of ₹1,91,05.25 thousand (USD 2,31.69 thousand) and the same is capitalised during the current year.

5. CURRENT LIABILITIES:

- 5(a) Current Liabilities include ₹4,52,90.00 thousand (previous year ₹6,16,00.00 thousand) towards Productivity Linked Lump Sum Incentive (PLLI) payable to the employees which has been accounted for based on the provisional rating of the Company as on 31st March, 2024 under the annual Memorandum of Understanding (MOU) signed with the Administrative Ministry, pending final rating to be conveyed by the Administrative Ministry.
- 5(b) The Company has made a provision of ₹36,38,69.00 thousand towards wage revision during the year due to its employees based on prevalent Industry practices which includes differential provision of ₹14,07,93.00 thousand attributable to the period 1st August, 2022 to 31st March, 2023 and the same will be payable to the employees upon approval from Ministry of Commerce, Government of India

- 5(c) As per the Accounting practice followed by the Company, liability towards claims preferred and outstanding is provided for based on the assessment of individual claims. Liabilities towards such claims have been recognized based on information available up to the year end. In the opinion of management, the impact if any, of the above has been considered during the year while assessing the overall provision of unreported and not enough reported (IBNR & IBNER) claims and additional provision for outstanding claims which is arrived at based on actuarial valuation by the Appointed Actuary. Accordingly, an amount of ₹4550,64,56.96 thousand (previous year ₹5572,29,75.28 thousand) has been recognized as estimated liability towards unreported and not enough reported claims (IBNR & IBNER).
- 5(d) The Company has rejected the claim of a Policy Holder against which the Policy Holder (PH) has filed a suit against the Company for performance of the contract and as on 31/03/2024 the matter is sub-judice. Premium Received in advance under Schedule 13 – Current Liabilities includes an amount of ₹2,32,44.55 thousand of premium not adjusted due to non-receipt of declaration from the PH. The Policy issued by the Company has expired on August 31, 2009. As per the terms of the policy, the PH committed ₹2,40,00.00 thousand as the minimum premium to the Company and the balance is to be refunded to the PH in case the same is not utilized. As the policy documentation gives the option of refund or adjusting the premium and the issue being sub-judice, the entire amount of ₹2,32,44.55 thousand (including amount of ₹30,00.00 thousand being over and above the minimum premium) is shown under the head Sundry Creditors – Schedule 13.
- 5(e) **Further, 'Sundry Creditors' under 'Schedule 13 - Current Liabilities' includes an amount of ₹24,61.77 thousand (previous year ₹24,61.77 thousand) on account of premium received from various banks, towards extension of cover to be given by the Company to various banks on account of guarantees provided by the banks to an exporter - borrower. The Company has not accepted the said amount and has communicated to the banks about its inability to extend the cover. The Company has refunded the said premium amount to the bankers some of the banks have not accepted the refund. Accordingly, the Company has reflected the said amount under the head 'Sundry Creditors'.**
6. PROVISIONS
- Investment in Debentures amounting to ₹105,00,00.00 thousand Face Value (previous year ₹105,00,00.00 thousand) and has a Book Value of ₹104,97,70.60 thousand (previous year ₹109,97,70.60 thousand). Out of the above, out of above, the Company has received ₹6,94,12.45 thousand during the year and having remaining book value of ₹98,03,58.15

thousand is treated as doubtful and fully provided in the Books of accounts in the earlier years in line with IRDAI norms. It is shown under the head Provision for Investment Assets – Schedule 14.

7. FACTORING

The Company has made provision of ₹85.63 thousand (previous year ₹61.38 thousand) on account of standard assets, whereas in relation to doubtful assets the company in the past has made a provision of ₹7,04,26.80 thousand in line with IRDAI norms.

8. REINSURANCE

The Company has ceded obligatory cession of 4% (previous year 4%) of the entire business of the Company (Short-Term as well as Medium and Long-Term business) as required under the IRDAI guidelines to General Insurance company of India. The Company does not have any other treaty cession for the FY 2023-24. The re-insurance programme for the earlier year was as under:

Financial year	Quota Share		XOL (ST)
	Obligatory	Treaty (ST)	
2007-08 (Only ST)	15%	20%	XOL not available
2008-09	10%	10%	XOL available
2009-10	10%	15%	XOL available
2010-11	10%	NIL	XOL not available
2011-12	10%	13%	XOL available
2012-13	10%	12%	XOL available
2013-14	5%	15%	XOL available
2014-15 (Policy)	5%	20%	XOL available
2014-15 (ECIB)	5%	13%	XOL available
2015-16 (Policy)	5%	25%	XOL available
2015-16 (ECIB)	5%	25%	XOL available
2016-17 (Policy)	5%	25%	XOL available
2016-17 (ECIB)	5%	25%	XOL available
2017-18 (Policy)	5%	27%	XOL available
2017-18 (ECIB)	5%	23%	XOL available
2018-19 (Policy)	5%	26%	XOL available
2018-19 (ECIB)	5%	21.5%	XOL available
2019-20 (Policy)	5%	26%	XOL available
2019-20 (ECIB)	5%	14.5%	XOL available
2020-21 (Policy)	5%	15%	XOL available
2020-21 (ECIB)	5%	8%	XOL available
2021-22 (Policy)	5%	19.24%	XOL available
2021-22 (ECIB)	5%	8.85%	XOL available
2022-23 (Policy)	4%	21%	XOL not available
2022-23 (ECIB)	4%	10%	XOL not available

9. ALTERNATE RISK TRANSFER AGREEMENTS (ART)

The company had risk sharing arrangement for some high value exposures under Medium and Long Term (MLT) covers with the NEIA Trust set up by Government of India. In the absence of NEIA support due to non-availability of headroom since June 2022, the covers are being issued with complete risk retention by the Company following the exposure norms in place.

10. PREMIUM INCOME

Premium income is recognised on assumption of risk. As per the accounting policy, the assumption of risk and the premium income, relating to shipments made by the exporters / export credits disbursed by banks in the month of March is recognised in the subsequent year. IRDAI vide its letter No. FNA/GEC/LR/001/2013-14/12 dated 30th January, 2014, has concurred with the method of Premium accounting consistently followed by the Company since inception. The Company has estimated such premium income, based on available information relating to shipments made / advances granted in the month of March 2024 at ₹59,20,15.28 thousand (previous year ₹19,01,16.81 thousand) which is recognised in subsequent year.

11. NEIA TRUST

The administrative charges receivable by the Company from the NEIA Trust is ₹2,08,14.02 thousand (previous year ₹7,92,14.26 thousand). Administrative charges received in advance of ₹11,38,57.00 thousand (previous year ₹12,81,97.53 thousand), are included in Current Liabilities – Others – NEIA Trust.

12. As per the Standard practice followed by the Company, claims are settled by the various officials of the Company including the Head Office Claims Committee (HCC) within their delegated powers by condoning some lapses in the claims preferred. All these claims settled are considered to have been settled in the normal course of business of the Company.

13. Prior Period Adjustments Include:

Debits: (₹ '000)

Particulars	Current Year	Previous Year
Premium	-	64.24
Others	3.56	2,77.96

Rent, rates, and Taxes	40.00	5,47.80
Repair and Maintenance	-	2,46.27
Depreciation	3,29.97	-
Agency Commission	-	21.50
Total	3,73.53	11,57.77

Credits: (₹ '000)

Particulars	Current Year	Previous Year
Others	34.52	-
Depreciation	35,42.71	-
Total	35,77.23	-

Net Debit / (Credit) in prior Period Adjustments	(32,03.70)	11,57.77
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14. Earnings and Expenditure in Foreign Exchange:

(₹ '000)

Earnings	Current Year	Previous Year
Re-insurance*	3,21,72.80	30,77,18.51
Other Receipt	5,04.23	6,47.30
Expenditure	Current Year	Previous Year
Membership Fees and other expenses	36,79.07	42,00.33
Consultancy Charges	61,61.25	-
Status Enquiry Fees	86,03.24	1,18,52.00
Books and periodicals	17,96.92	34,48.22
Travelling Expenses	12,81.81	23,91.67

*Reinsurance earning is the recoveries in foreign currency for claims paid net off reinsurance premium.

15. The Company does not have any exposure in derivative contracts and forward contracts. The Company has no exposure in foreign currency (un-hedged).

16. Segmental Reporting (Accounting Standard 17)

The Company operates mainly in 'Export Credit Insurance'. The Company also provide factoring activities to exporters. Total bill factored during the year amounting to ₹4,58,76.39 thousand (previous year ₹3,61,47.94 thousand) Total revenue during the year is ₹7,17.47 thousand (previous year ₹6,05.57 thousand). Since factoring revenue, profit or loss and assets are less than 10% of total segment activity, therefore, it is not reportable segment as per AS 17.

17. Related Party Disclosures pursuant to Accounting Standard No. 18:

(i) Key Management Personnel:

S. No.	Name	Designation	Category	As of 31.03.2024
1	Shri Sristiraj Ambastha	Executive Director (Policy Matters)	Functional Director - Executive	Appointed w.e.f. 01-11-2023
		Chairman-cum-Managing Director (Addl. Charge)	Chief Executive Officer	Appointed w.e.f. 01-11-2023
2	Shri Subir Kumar Das	Executive Director	Executive Director (Operations)	Appointed w.e.f. 01-11-2023
3	Shri P. L. Thakur	General Manager	Chief Marketing Officer	Appointed w.e.f. 08-06-2023
4	Shri Ish Nath Jha	General Manager	(i) Chief of Internal Audit	(i) Appointed w.e.f. 09-11-2023
			(ii) Chief Vigilance Officer	(ii) Appointed w.e.f. 15-09-2023
5	Smt. Priscilla Sinha	Appointed Actuary	Appointed Actuary	Appointed w.e.f. 27-01-2020
6	Smt. Smita Pandit	General Manager	Company Secretary & Chief Compliance Officer	Appointed w.e.f. 04-06-2013
7	Shri Anand Singh	General Manager	Chief Underwriting Officer (ECIB-ST)	Appointed w.e.f. 08-06-2023
8	Shri Abhishek Kumar Jain	General Manager	Chief Financial Officer	Appointed w.e.f. 07-06-2023
9	Shri Gaurav Anshuman	General Manager	General Manager Human Resource Development and Administration Department	Appointed w.e.f. 01-09-2023
			Chief Risk Officer	Appointed w.e.f. 02-11-2023
10	Smt. Arpita Sen	General Manager	(i) Chief Underwriting Officer (Policy) (ii) Chief Underwriting Officer (MLT)	(i), (ii) Appointed w.e.f. 01-11-2023
11	Shri Sabyasachi Dash	General Manager	Chief Technology Officer	Appointed w.e.f. 25-09-2023
12	Shri Yashwant Breed	Deputy General Manager	Chief Investment Officer	Appointed w.e.f. 09-09-2021

(ii) Remuneration paid to Key Management Personnel during the year:

(₹ '000)

Particulars	Current year	Previous Year
Salary and Allowances	6,19,16.01	4,78,50.93
Appointed Actuary	1,07,38.46	94,99.02

(iii) Transactions during the year with related parties:

NEIA Trust

(₹ '000)

S. No.	Nature of Transactions	Current year	Previous Year
1	Administrative Charges Received for the	2,08,14.02	7,92,14.26
2	Administrative Charges received in advance (Balance as on date)	11,38,57.00	12,81,97.53
3	Prepaid Expenses paid to NEIA (Balance as on date)	3,58,17.30	5,35,67.19
4	Outstanding Dues as at year end – Debit Balance	92,27,34.24	112,61,49.57
5	Guarantee Fees paid	1,77,49.89	2,23,19.68

M/s Kumar International

(₹ '000)

S. No.	Nature of Transactions	Current year	Previous Year
1	Amount Received for Advance Premium	55.30	87.00

18. DEFERRED TAX ACCOUNTING

During the year the Company has accounted for the Deferred Tax in accordance with the Accounting Standard 22. This has resulted in a Net Deferred Tax Credit during the year amounting to ₹51,61.34 thousand (previous year Debit ₹43,47.10 thousand). The Net Deferred Tax Assets at the end of the year amounts to ₹43,80,76.63 thousand (previous year Deferred Tax Assets ₹44,32,37.97 thousand). The breakup of Deferred Tax Assets and Deferred Tax Liabilities is as under:

(₹ '000)

Particulars	Opening at 01-04-2023	Charge/Credit during the year	Closing at 31-03-2024
Liability			
Depreciation	3,46,95.67	1,21,79.07	4,68,74.74
Total	3,46,95.67	1,21,79.07	4,68,74.74
Assets			
Provision for leave encashment	14,26,20.45	1,11,69.01	15,37,89.46
Provision for doubtful debts	28,54,93.98	(1,74,63.63)	26,80,30.35
Provision for gratuity	1,27.16	15,49.76	16,76.92

Particulars	Opening at 01-04-2023	Charge/Credit during the year	Closing at 31-03-2024
Provision for Tax Liability	3,40,52.22	55,55.39	3,96,07.61
NPS	1,36.34	41.29	1,77.63
PLLI	1,55,03.49	(41,04.90)	1,13,98.59
Wage Revision (PF& Leave Encashment)	-	1,02,70.81	1,02,70.81
Total	47,79,33.64	70,17.73	48,49,51.37
Deferred Tax Asset/(Liability)	44,32,37.97	(51,61.34)	43,80,76.63

19. Earnings Per Share is calculated as under:

S. No.	Particulars	Current Year	Previous Year
a)	Numerator: Net Profit as per Profit & Loss A/c (₹ '000)	2159,04,64.55	2164,25,38.46
b)	Denominator: Weighted Average Number of Shares Outstanding during the year	43,38,00,000	40,03,15,068
c)	Earnings per share: Basic (₹)	49.77	54.06
d)	Nominal Value of Shares (₹)	100.00	100.00

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

20. CONTINGENT LIABILITIES

(₹ '000)

S. No.	Particulars	Current year	Previous Year
1.	Partly paid-up investments	Nil	Nil
2.	Claims, other than against policies, not acknowledged as debts by the Company	170,83,44.00	170,83,17.00
3.	Policies and ECIB claims against the Company not acknowledged as debt	2907,55,66.00	2126,63,60.00
4.	Guarantees given by or on behalf of the Company	Nil	Nil
5.	Income Tax	71,43,25.55	824,57,00.00

21. CAPITAL COMMITMENTS

Amount of capital commitments outstanding is ₹87,28,94.39 thousand (previous year ₹204,23,49.85 thousand).

22. Based on the actuarial valuations by the Appointed Actuary, no premium deficiency reserve is provided as per IRDAI requirements.

23. RESERVE FOR CORPORATE SOCIAL RESPONSIBILITY:

The Company has computed CSR provision for the year 2023-24 as per section 135 and section 198 of the Companies Act, 2013. The details of opening reserve, payments made and closing reserve is as follows:

(₹ '000)

(a)	Gross amount required to be spent by the Company during the year:				31,64,91.16		
(b)	Amount approved by the Board to be spent during the year:				30,10,00.00		
(c)	Amount spent during the year on:						
	(i)	Construction / acquisition of any asset			NIL		
	(ii)	On purposes other than (i) above			29,08,46.01		
(d)	Details of related party transactions, e.g., contribution to a trust/society/section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures.				NIL		
(e)	The details as per section 135(5) and section 135(6) are given below:						
Section 135(5) Unspent Amount							
Opening Balance	Amount Deposited in Specified Fund of Schedule VII within 6 Months		Amount Required to be Spent During the Year	Amount Spent during the Year	Closing Balance		
1,54,91.16	3,68.66		30,10,00.00	29,04,77.35	2,56,45.15		
Section 135(5) Excess Amount Spent							
Opening Balance	Amount Required to be Spent During the Year		Amount Spent During the Year		Closing Balance		
Not Applicable							
Section 135(6) Ongoing Project							
Years	Opening Balance		Amount Required to be Spent	Amount Spent During the Year		Closing Balance	
	With Company	In Separate CSR Unspent A/c		From Company's Bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
2022-23	3,68.66*	1,51,22.50	-	3,68.66*	1,51,22.50	-	-
2023-24	-	-	30,10,00.00	27,53,54.85	-	180.37**	2,54,64.78

*Unspent amount of ₹ 3,68.66 thousand not relating to any project (Balance unspent amount related to Swachta Action Plan and Administrative Expenses) for FY 2022-23 was transferred to Swachh Bharat Kosh during the FY 2023-24.

**Unspent amount of ₹1,80.37 thousand not relating to any project (Balance unspent amount related to Swachta Action Plan and Administrative Expenses) for the current year proposed for transfer to Swachh Bharat Kosh during the FY 2024-25.

24. Disclosures as required under the Insurance Regulatory and Development Authority (**preparation of Financial Statements and Auditors' Report of Insurance Companies**) Regulation, 2002 are enclosed herewith as per Annexure – 1A & 1B.

25. Investment in Central Government Securities (Schedule 8) includes:

(a) 7.54% 2036 Government of India bonds having book value of ₹5,02,37.00 thousand (previous year ₹4,99,25.00 thousand 7.16% 2023 Government of India bonds) charged to Clearing Company of India Limited towards margin for secondary market transactions entered into by the Company.

(b) 7.54% 2036 Government of India bonds having book value of ₹1,00,47.00 thousand (previous year ₹93,17.00 thousand 8.24% 2027 Government of India bonds) charged to Clearing Company of India Limited towards margin for collateral borrowing and lending obligations by the Company.

(c) 7.95% 2032 Government of India bonds having face value of ₹40,00,00.00 thousand (previous year 7.95% 2032 Government of India bonds ₹40,00,00.00 thousand) is charged to National Stock Exchange Limited towards margin for secondary market equity transactions entered into by the company as per the regulatory requirement.

26. Investments

(a) In the year 2018-19, Company has segregated ₹290,58,37.42 thousand Book Value (Face Value ₹275,00,00.00 thousand) for Shareholders Fund in excess of solvency margin. After transfer to the African Trade Insurance as mentioned in para 4(e), balance in the Shareholders fund in excess of Solvency Margin as on March 31, 2024 is ₹288,70,07.36 thousand Book Value (Face Value ₹279,69,31.79 thousand).

(b) **As per the resolution plan approved by the Hon'ble NCLT** for Amtek Auto Limited, the Company was entitled to receive an amount of ₹48,58.96 thousand. Out of above, the Company has received ₹2,35.99 thousand during the financial year 2022-23 and balance receivable amount is ₹46,22.97 thousand which has already been fully provided.

27. EMPLOYEE BENEFITS:

- (a) The Defined Benefit Pension Scheme has been extended to include all employees who have joined the Company on or before 31/03/2010. The employees who have joined the Company on or after 01/04/2010 are covered by the New Pension Scheme (NPS) under the Defined Contribution Scheme.
- (b) The Company pays 10% of basic salary & dearness allowance/ personal allowance to a Pension Fund administrator for each eligible employee.
- (c) In case of employees who are eligible for the Defined Benefit Pension Scheme, the Company remits the contribution to the Pension Fund Trust. For those employees, who are not covered under Defined Benefit Pension Scheme or Defined Contribution Pension Scheme, the Company remits the Company's share to the Provident Fund Trust.
- (d) The Guidance note on implementing AS 15 (Revised 2005), issued by ICAI, states that provident funds set-up by employers, which require interest shortfall to be met by the employer, need to be treated as a defined benefit plan.
- (e) As the corpus of the Provident Fund and earnings thereon are sufficient to meet the requirement of the interest payable on the Provident fund, no provision for the same and no specific disclosure on account of provision is made in the account. However, the Company has paid ₹44,18.30 thousand during the year to the Provident Fund Trust to meet the shortfall of Interest for the previous year 2022-23.
- (f) The employees of the Company are entitled to leave and long service benefits as per the policy of the Company. The liability on account of accumulated leave and long service benefits as on last day of the accounting year is recognised at present value of the defined obligation at the balance sheet date based on the actuarial valuation.

(₹ '000)

	Category	Current Year	Previous Year
1	Recognized in the Balance Sheet		
	Present Value of the Defined Benefit Obligation	61,10,51.58	56,66,73.75
	Liability at the beginning of the year	56,66,73.75	56,16,24.84
	Additional Liability recognised in the Balance Sheet	4,43,77.83	50,48.91

- (g) The details of employee benefits under **“defined employee benefit plans”** for the period on account of gratuity and superannuation which are funded are as under.

Pension

(₹ '000)

	Category	Current Year	Previous Year
1	Change in Benefit Obligations		
	Projected benefit obligations at the beginning of the year	416,44,75.49	390,71,88.52
	Interest Cost	31,35,85.00	28,95,22.67
	Current Service Cost	10,51,98.78	10,56,89.80
	Liability Transferred		
	Benefits paid	(48,25,86.95)	(43,25,19.15)
	Actuarial (Gain) / Loss	21,29,45.59	29,45,93.65
	Projected Benefit Obligations at the end of the year	431,36,17.92	416,44,75.49
2	Change in Plan Assets		
	Plan Assets at the beginning of the year at fair value	381,57,05.87	361,12,30.94
	Expected return on Plan Assets	28,73,22.65	26,75,92.21
	Contributions	38,88,00.04	33,79,96.25
	Assets Transferred in	-	-
	Benefits paid	(48,25,86.95)	(43,25,19.15)
	Actuarial Gain / (Loss)	1,46,33.44	3,14,05.62
	Plan Assets at the end of the year at fair value	402,38,75.05	381,57,05.87
3	Recognized in the Balance Sheet		
	Present Value of the Defined Benefit Obligation	431,36,17.92	416,44,75.49
	Plan Assets at the end of the year at fair value	402,38,75.05	381,57,05.87
	Liability recognised in the Balance Sheet	28,97,42.87	34,87,69.62
4	Cost for the year		
	Current Service Cost	10,51,98.78	10,56,89.80
	Interest Cost (Includes Expected return on Plan Assets)	2,62,62.35	2,19,30.46
	Actuarial (Gain) / Loss	19,83,12.14	26,31,88.03
	Expense recognised in the Revenue account	32,97,73.27	39,08,08.29

Gratuity

(₹ '000)

	Category	Current Year	Previous Year
1	Change in Benefit Obligations		
	Projected Benefit Obligations at the beginning of the year	40,58,55.39	41,27,38.89
	Interest Cost	3,03,98.57	3,02,53.76

	Category	Current Year	Previous Year
	Current Service Cost	84,00.00	79,82.27
	Past Service Cost – Vested Benefit		
	Benefits paid	(4,12,67.33)	(4,76,90.92)
	Actuarial (Gain) / Loss	1,75,44.68	25,71.39
	Projected Benefit Obligations at the end of the year	42,09,31.31	40,58,55.39
2	Change in Plan Assets		
	Plan Assets at the beginning of the year at fair value	39,15,33.81	36,60,55.74
	Expected return on Plan Assets	2,93,25.88	2,68,31.39
	Contributions	2,44,63.99	4,50,18.40
	Assets Transferred In	-	-
	Benefits paid	(4,12,67.33)	(4,76,90.92)
	Actuarial Gain / (Loss)	2,39.45	13,18.70
	Plan Assets at the end of the year, at fair value	40,42,95.80	39,15,33.81
3	Recognized in the Balance Sheet		
	Present Value of the Defined Benefit Obligation	42,09,31.31	40,58,55.39
	Plan Assets at the end of the year at fair value	40,42,95.80	39,15,33.81
	Liability recognised in the Balance Sheet	1,66,35.51	1,43,21.58
4	Cost for the year		
	Current Service Cost	84,00.00	79,82.27
	Interest Cost (Includes Expected return on Plan Assets)	10,72.69	34,21.67
	Actuarial (Gain) / Loss	1,73,05.23	12,52.69
	Past Service Cost – Vested Benefit		
	Expense Recognised in the Revenue account	2,67,77.92	1,26,56.63
	Category	Pension	Gratuity
5	Assumptions		
	Interest rate for Discounting	7.25% (7.53%)	7.21% (7.49%)
	Estimated rate of return on Plan Assets	7.25% (7.53%)	7.21% (7.49%)
	Salary Escalation	7.00% (7.00%)	7.00% (7.00%)
	Rate of Employee Turnover	0.50%	0.50%

	Category	Current Year	Previous Year
6.	Method of Valuation	Projected Unit Credit Method	
	Basis used to determine the expected rate of return on Plan Assets.	The expected rate of return on plan assets is based on the current portfolio of the assets, investment strategy and the market scenario, in order to protect capital and optimize returns within acceptable risk parameters; the Plan Assets are well diversified.	

28. OPERATING LEASES

The Company has operating leases for office premises and residential flats at various locations that are renewable on a periodic basis and are cancellable by giving a notice period ranging from one month to six months. Rent escalation clauses vary from contract to contract. Rent expenses included in Revenue Account towards operating leases are ₹6,28,21.03 thousand (previous year ₹16,52,21.70 thousand). As per AS-19 "Leases" amount of minimum future payments for operating leases is ₹21,60,56.98 thousand (previous year ₹24,26,86.66 thousand).

29. As per the provisions of the MSMED Act, 2006:

- (a) The principal amount and the interest due thereon remaining unpaid to the supplier till the appointed date: ₹ NIL (previous year ₹ NIL)
- (b) The amount of interest paid by the buyer on account of delayed payments: ₹ NIL (previous year ₹ NIL)
- (c) The principal amount and interest due beyond the appointed date for the period of delay: ₹ NIL (previous year ₹ NIL)
- (d) The amount of interest accrued and remained unpaid at the end of each year: ₹ NIL (previous year ₹ NIL)
- (e) The amount of further interests: ₹ NIL (previous year ₹ NIL)
- (f) Remaining due and payable even in succeeding years, until such date when the interest due is actually paid to the MSMEs: ₹ NIL (previous year ₹ NIL)

30. The recoveries of claims paid in earlier years (Schedule 2) are accounted net of expenses at ₹173,91,36.27 thousand (previous year ₹169,50,60.10 thousand) such as recovery commission, bank charges, etc. incurred on such recoveries as per the practice consistently followed by the Company.

31. Pursuant to the regulatory requirement vide IRDAI circular no. 067/IRDA/F&A/CIR/MAR-08 dt. 28/03/2008 the additional disclosure is given as under:

(₹ '000)

S. No	Particulars	Current Year	Previous Year
I	Outsourcing Expenses	37,15,74.21	40,88,37.81
II	Business Development	1,86,90.31	1,87,22.39
III	Marketing Support	7,71,99.44	8,67,82.27

32. RATIOS FOR NON – LIFE COMPANIES

Information in respect of ratios is as per Annexure – 2 attached.

33. Extent of risk retained and reinsured is set out below (excluding catastrophe reinsurance)

₹'000

Premium Statistics for the Period April 2023 to March 2024					
FY	Premium	Retention	%	RI Ceding	%
2023-24	1270,76,53.05	1179,62,42.91	92.83%	91,14,10.14	7.17%
2022-23	1197,52,85.83	977,67,22.67	81.64%	219,85,63.16	18.36%

34. Statement showing Age-wise Analysis of un-claimed amount of the policy-holders as per IRDAI Master Circular no. IRDA/F&A/CIR/Misc/282/11/2020 dated 17/11/2020 is given in Annexure – 3A & 3B.

35. Pursuant to the regulatory requirement vide IRDAI circular no. 005/IRDA/F&A/CIR/MAY-09 dt. 7/05/2009 the additional disclosure is given as under:

S. No	Authority	Non-Compliance/ Violation	Amount in ₹'000		
			Penalty Levied	Penalty Paid	Penalty Waived/ Reduced
1.	Insurance Regulatory and Development Authority of India	NIL	NIL	NIL	NIL
2.	GST/Service Tax Authorities	NIL	NIL	NIL	NIL
3.	Income Tax Authorities.	NIL	NIL	NIL	NIL
4.	Any other Tax Authorities	NIL	NIL	NIL	NIL
5.	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	NIL	NIL	NIL	NIL
6.	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act,2013	NIL	NIL	NIL	NIL
7.	Penalty awarded by any Court/	NIL	NIL	NIL	NIL

	Tribunal for any matter including claim settlement but excluding compensation				
8.	Securities and Exchange Board of India	Not Applicable as the Company is not a Listed Entity			
9.	Competition Commission of India	NIL	NIL	NIL	NIL
10.	Any other Central/State/Local Government / Statutory Authority	*The Maharashtra Stamp Act, 1958	4,46.71	NIL	NIL

Note:

The Maharashtra Stamp Act, 1958: Stamp Office, Mumbai, Maharashtra State, vide its letter dated January 06, 2015, has imposed a penalty of ₹4,46,710/- (Rupees four lakh forty-six thousand seven hundred and ten only), for non-payment of stamp duty of ₹7,20,500/- (Rupees seven lakh twenty thousand and five hundred only) payable on the construction contract agreement entered with Project Contractor, Unity Infra projects Limited on April 07, 2012.

However, the Company had represented its case on January 22, 2015 to the Deputy Inspector General of Registration for waiver of penalty and the matter is being continuously followed up with the respective authority for early decision.

The Appeal is pending as of date for orders with the Chief Controlling Revenue Authority and Inspector General of Registration (Appellate Authority), Maharashtra State, Pune, and no next date of hearing is assigned in the matter.

36. ALLOCATION OF INCOME AND EXPENSES

Investment incomes and expenses are allocated pro-rata between the Revenue Account and the Profit & Loss Account on the basis of opening balances of **Policyholders'** Fund and **Shareholders'** Fund which practice has been followed consistently. This is in line with the disclosure norm set by IRDAI by its master circular No IRDA/F&I/CIR/F&A/231/10/2012 dated 5th October, 2012 and corrigendum IRDA/F&A/CIR/FA/126/07/2013 issued dated 3rd July, 2013 effective from FY 2013-14.

37. The Board of Directors at their meeting has proposed a dividend of ₹10 per share of the Company subject to the approval of the members at the ensuing Annual General Meeting. In terms of revised Accounting Standard AS-4 '**Contingencies and Events occurring after the Balance Sheet date**' as notified by the Ministry of Corporate Affairs through the amendments to the Companies Accounting Standard Rules 2016, the Company has not

appropriated proposed dividend amounting to ₹433,80,00.00 thousand from the Profit Loss Account for the year ended on March 31, 2024.

38. The figures for the previous period/year have been re-grouped/re-classified wherever necessary to make them comparable with the current period's/year's figures.

(SRISTIRAJ AMBASTHA)
Executive Director/CMD-Addl.Charge
DIN – 10375617

(SIDDHARTH MAHAJAN)
Director
DIN - 03349759

(HARSHA BANGARI)
Director
DIN - 01807838

(AMIT KUMAR AGARWAL)
Director
DIN - 05333909

(PALANIAPPAN MUTHU)
Director
DIN - 10200176

(ABHISHEK JAIN)
Chief Financial Officer

(SMITA PANDIT)
Company Secretary

As per our Report of even date attached:

For KBDS & Co.
Chartered Accountants
Firm Registration No. 323288E

For M. L. Puri & Co.
Chartered Accountants
Firm Registration No. 002312N

(Dashrath Kumar Singh)
Partner - M. No. 060030

(Rajesh Chand Gupta)
Partner - M. No. 095584

Place: Mumbai

Date : 16th May, 2024

ECGC Limited

CIN: U74999MH1957GOI010918

Annexure - 1 (a) to Schedule 17

DISCLOSURES FORMING PART OF FINANCIAL STATEMENTS

	Current Year (₹ '000)	Previous Year (₹ '000)
1		
The details of encumbrances to the assets of the Company are as under		
a) In India	Nil	Nil
Outside India	Nil	Nil
2		
Commitments Outstanding (as per the data provided by the management)		
a) Commitments made and outstanding for loans and investments	Nil	Nil
b) Commitments made for Fixed Assets (Net of advances)	87,28,94.39	204,23,49.85
3		
Claims, less reinsurance, paid to claimants		
a) In India	360,07,08.14	516,57,00.38
b) Outside India	Nil	Nil
4		
Claim liabilities where claim payment period exceeds four years	Nil	Nil
5		
Claims outstanding for more than six months (Gross - Indian)		
Number of Claims	31	27
Amount	36,31,09.09	99,94,47.82
Claims outstanding for less than six months (Gross - Indian)		
Number of Claims	114	183
Amount	142,61,71.47	342,52,65.93
Total Number of Claims outstanding (Gross - Indian)	145	210
Amount	178,92,80.56	442,47,13.75
6		
Premiums, less reinsurance, written from business		
In India	1179,62,42.91	977,67,22.67
Outside India	Nil	Nil
7		
Premium is recognised as Income as per the declared accounting policy. A reserve for un-expired risks is created at 50% of net premium.	589,81,21.46	489,95,21.18
8		
Details of contracts in relation to investments for,		
a) Purchase where deliveries are pending	Nil	Nil
b) Sales where payments are due	Nil	Nil

	Current Year (₹ '000)	Previous Year (₹ '000)
9	The entire operating expenses pertain to credit insurance business.	
10	Investments are valued in accordance with the declared accounting policy.	
11	Computation of Managerial Remuneration: The Company is exempted vide notification: GSR 463 u/s 462 of the Companies Act, 2013, being a Government Company.	
12	Refer Point no. 4.6 of Significant Accounting Policy Nil	Refer Point no. 4.6 of Significant Accounting Policy Nil
13	Basis of amortisation of debt securities Provision for diminution in the value of the investments	
	a) Unrealised gains and losses due to changes in fair value of listed equity shares under Fair value change a/c	1541,46,93.55
	b) Pending realisation, credit balance in Fair value change a/c not available for distribution.	687,03,74.24
14	The Company does not have investment in 'Real Estate Investment Property.'	
15	A Claims settled and remaining unpaid for a period more than six months as on balance sheet date are as under	
	Number of claims	Nil
	Amount	Nil
	B All Significant accounting policies forming part of the financial statements are disclosed separately.	
	C	
	1 Deposits made in accordance with statutory requirements are as under	
	a) In India- under Section 7 of the Insurance Act 1938 (Face Value 1000.00 lacs)	N.A
	b) Outside India	N.A
	2 Segregation of Investments into performing and non-performing investments is as under	
	Performing(Standard) Investments	17575,91,24.60
	Non Performing Investments	16156,39,52.48
	Total Book Value(Closing Value)	105,46,22.97
		17674,41,05.71
		16261,85,75.45
	3 Percentage of business sectorwise As the company caters to exporters only, no such sectors are specifically identifiable.	
4	A summary of financial statements for 5 years is enclosed. As per Annexure 1b As per Annexure 1b	

	Current Year (₹ '000)	Previous Year (₹ '000)	Growth %
5 Various Financial Ratios (as compiled by the management) (in the absence of specific ratios prescribed by the authority, some of the important ratios are given.) (Year-end unless otherwise stated)			
Gross Premium	1270,76,53.05	1197,52,85.83	6.12
Net Premium	1179,62,42.91	977,67,22.67	20.66
Net Retention Ratio (%) (Net Premium/Gross Premium)	92.83	81.64	13.70
Profit before Tax to Share Capital (%)	65.90	63.65	3.54
Profit before Tax to Networth (%)	24.14	27.29	-11.54
Profit after Tax to Networth (%)	18.23	21.39	-14.77
Expenses of Management to Gross Premium (%)	29.68	27.90	6.38
PBDIT to Total Employment	4,85,72.55	4,64,08.25	4.66
Technical Reserves to Net Premium			
Unexpired Risks Reserve	589,81,21.46	489,95,21.18	20.38%
Outstanding Claims	4699,74,56.98	5929,31,09.23	-20.74%
Total Technical Reserves	5289,55,78.44	6419,26,30.41	-17.60%
Net Premium	1179,62,42.91	977,67,22.67	20.66%
Ratio	4.48	6.57	-31.71

ECGC Limited

CIN: U74999MH1957GOI010918

DISCLOSURES FORMING PART OF FINANCIAL STATEMENTS

Annexure - 1 (b) to Schedule 17

(₹ '000)

		2023-24	2022-23	2021-22	2020-21	2019-20
	OPERATING RESULTS					
1	Gross Direct Premium	1270,76,53.05	1197,52,85.83	1106,61,67.81	1062,28,19.61	1075,47,39.68
2	Net Earned Premium	1179,62,42.91	977,67,22.67	902,00,40.54	862,32,31.91	792,28,95.24
3	Income from Investments (Net)	459,85,42.33	556,51,48.48	587,77,84.61	566,17,10.29	507,97,46.56
4	Other Income(Fee & Other Receipts)	2,39,87.68	2,05,93.28	3,06,12.44	1,10,74.60	2,04,07.18
5	Total Income	1641,87,72.92	1536,24,64.43	1492,84,37.59	1429,60,16.80	1302,30,48.98
6	Commission (Net) (Including Brokerage)	19,05,47.55	(4,41,15.93)	(31,37,84.39)	(26,19,85.99)	(37,15,68.81)
7	Operating Expenses	335,42,52.16	297,82,31.63	281,32,81.11	270,92,57.55	314,08,13.26
8	Net Incurred Claim	(974,47,47.18)	(702,92,04.79)	546,19,29.35	884,52,05.49	958,41,52.78
9	Change in Unexpired Risk Reserve	(99,86,00.28)	(38,95,00.91)	(19,84,04.32)	(35,01,68.34)	38,86,55.95
10	Operating Profit / (Loss)	2162,01,20.11	2215,32,52.61	684,88,07.20	159,09,71.41	86,91,07.70
	NON OPERATING RESULTS					
11	Total Income under Shareholders' account	696,93,57.90	545,84,83.73	475,98,36.22	428,99,99.01	313,10,81.51
12	Profit / (Loss) before tax	2858,94,78.01	2761,17,36.34	1160,86,43.42	588,09,70.42	400,01,89.21
13	Provision for tax	699,90,13.46	596,91,97.88	285,70,23.57	127,79,21.46	76,17,91.80
14	Profit / (Loss) after tax	2159,04,64.55	2164,25,38.46	875,16,19.85	460,30,48.96	323,83,97.41
	MISCELLANEOUS					
15	Policyholders' Account *					
	Total Funds	6736,59,94.21	8339,63,97.28	8627,45,43.68	8027,76,02.10	7644,96,74.89
	Total Investments #	6893,02,01.23	8130,92,87.73	8523,15,27.47	7892,22,17.77	7144,83,19.52
	Yield on Investments	7.83	7.81	8.12	8.52	8.29
16	Shareholders' Account *					
	Total Funds	10536,73,24.28	8339,63,97.28	7058,82,63.01	6056,02,96.32	5312,60,45.27
	Total Investments #	10781,39,04.48	8130,92,87.73	6973,48,86.11	5953,78,13.41	4965,05,27.13
	Yield on Investments	7.83	7.81	8.12	8.52	8.29
17	Paid up Equity Capital	4338,00,00.00	4338,00,00.00	3950,00,00.00	3190,00,00.00	2500,00,00.00
18	Net Worth	11841,88,52.13	10116,63,87.58	7840,88,49.12	6365,22,29.27	5214,91,80.31
19	Total Assets	19376,63,97.25	17884,44,89.05	16929,71,23.07	15303,60,21.60	13422,97,91.57
20	Yield on Total Investments	7.83	7.81	8.12	8.52	8.29
21	Earnings Per Share (Rs.)	49.77	54.06	25.59	16.01	14.09
22	Book Value per share (Rs.)	272.98	233.21	198.50	199.54	208.60
23	Total Dividend	-	433,80,00.00	276,50,00.00	159,50,00.00	-
24	Dividend per share (Rs.)	-	10.00	7.00	5.00	-

* Total funds & total investments shown above are as of year end. Funds & investments has been divided into Policyholders(PH) & shareholders(SH) accounts in the ratio of total funds available at the start of year under PH & SH account.

Investments includes Fixed deposits under Sch 11 - Cash & Bank Balances.

ECGC Limited

CIN: U74999MH1957GOI010918

Annexure 2 to Schedule 17

Analytical Ratios for the period ended on 31st March 2024

Sl. No	Particular	31 March 2024	31 March 2023
1	Gross Direct Premium Growth Rate Gross Direct Premium Growth	1270,76,53.05 6.12%	1197,52,85.83 8.22%
2	Gross Direct Premium to Net Worth Ratio (Times) Total Gross Direct Premium Net Worth (Closing) Ratio (times)	1270,76,53.05 11841,88,52.13 0.11	1197,52,85.83 10116,63,87.58 0.12
3	Growth Rate of Net Worth Net Worth (Opening) Net Worth (Closing) Growth rate of Net Worth	10116,63,87.58 11841,88,52.13 17.05%	7840,88,49.12 10116,63,87.58 29.02%
4	Net Retention Ratio Net Premium Gross Direct Premium Net Retention Ratio	1179,62,42.91 1270,76,53.05 92.83%	977,67,22.67 1197,52,85.83 81.64%
5	Net Commission Ratio Net Commission Net Premium Ratio	19,05,47.55 1179,62,42.91 1.62%	(4,41,15.93) 977,67,22.67 -0.45%
6	Expenses of Management to Gross Direct Premium Ratio Expenses of Management Gross Direct Premium Ratio	377,18,52.85 1270,76,53.05 29.68%	334,15,26.73 1197,52,85.83 27.90%
7	Expenses of Management to Net Written Premium Ratio Expenses of Management Net Written Premium Ratio	377,18,52.85 1179,62,42.91 31.98%	334,15,26.73 977,67,22.67 34.18%
8	Net Incurred Claims to Net Earned Premium Net Incurred Claims Net Earned Premium Ratio	(974,47,47.18) 1079,76,42.63 -90.25%	(702,92,04.79) 938,72,21.76 -74.88%
9	Combined ratio Net Incurred Claims Net Earned Premium Ratio (a) Expenses of management Net Written Premium Ratio (b) Combined Ratio (a + b)	(974,47,47.18) 1079,76,42.63 -90.25% 364,92,23.61 1179,62,42.91 30.94% -59.31%	(702,92,04.79) 938,72,21.76 -74.88% 303,82,31.04 977,67,22.67 31.08% -43.80%
10	Technical Reserves to Net Premium Ratio (Times) Reserve for Outstanding Claims Reserve For Un-expired Risks Reserve for Premium Deficiency Total Net Premium Ratio (Times)	4699,74,56.98 589,81,21.46 - 5289,55,78.44 1179,62,42.91 4.48	5929,31,09.23 489,95,21.18 - 6419,26,30.41 977,67,22.67 6.57
11	Underwriting Balance Ratio Underwriting Profit Net Premium Ratio	1697,05,19.24 1079,76,42.63 157.17%	1656,73,92.85 938,72,21.76 176.49%

ECGC Limited

CIN: U74999MH1957GOI010918

Annexure 2 to Schedule 17

Analytical Ratios for the period ended on 31st March 2024

Sl. No	Particular	31 March 2024	31 March 2023
12	Operating Profit Ratio		
	Underwriting Profit	1697,05,19.24	1656,73,92.85
	Investment Income	462,56,13.19	556,52,66.48
	Other Income in Revenue account	2,39,87.68	2,05,93.28
	Operating Profit	2162,01,20.11	2215,32,52.61
	Net Earned Premium	1079,76,42.63	938,72,21.76
	Ratio	200.23%	235.99%
13	Liquid assets to liabilities ratio: (Liquid assets of the insurer divided by the policy holders' liabilities) (Times)		
	Liquid Assets	2470,19,40.85	2439,69,37.43
	Policy Holder Liabilities	5289,55,78.44	6419,26,30.41
	Ratio (Times)	0.47	0.38
14	Net earnings ratio		
	Profit After Tax	2159,04,64.55	2164,25,38.46
	Net Premium	1179,62,42.91	977,67,22.67
	Ratio	183.03%	221.37%
15	Return on net worth		
	Profit After Tax	2159,04,64.55	2164,25,38.46
	Net Worth	11841,88,52.13	10116,63,87.58
	Ratio	18.23%	21.39%
16	Available Solvency to Required Solvency margin Ratio (Times)		
	Available Solency Margin	11292,75,23.00	9394,14,59.00
	Required Solvency Margin	235,92,48.60	195,98,08.40
	Ratio (Times)	47.87	47.93
17	NPA Ratio		
	Investment:	0.557%	0.649%
	Factoring:	76.78%	82.18%

Ratios for the Current Year & Previous Year calculated as per IRDA's Master circular IRDA/F&I/CIR/F&A/231/10/2012 dated 5th October 2012 and corrigendum IRDA/F&A/CIR/FA/126/07/2013 issued dated 3rd July 2013 effective from FY 2013-14.

(SRISTIRAJ AMBASTHA)
Executive Director/CMD-Addl.Charge
DIN - 10375617

(SIDDHARTH MAHAJAN)
Director
DIN - 03349759

(HARSHA BANGARI)
Director
DIN - 01807838

(AMIT KUMAR AGARWAL)
Director
DIN - 05333909

(PALANIAPPAN MUTHU)
Director
DIN - 10200176

(ABHISHEK JAIN)
Chief Financial Officer

(SMITA PANDIT)
Company Secretary

As per our report of even date attached

For KBDS & Co.
Chartered Accountants
Firm Registration No. 323288E

For M. L. Puri & Co.
Chartered Accountants
Firm Registration No. 002312N

(DASHRATH KUMAR SINGH)
Partner - M.No. 060030

(RAJESH CHAND GUPTA)
Partner - M.No. 095584

Place : Mumbai
Date : 16th May, 2024

ECGC Limited

CIN: U74999MH1957GOI010918

Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders as on 31-March-2024

Annexure 3(A) to Schedule 17
Amount in ₹ '000

Sl. No	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
1	Claims settled but not paid to the policyholders/ beneficiaries due to any reasons except under litigation from the policyholders/ beneficiaries	-	-	-	-	-	-	-	-	-
2	Sum due to the policyholders/ beneficiaries on maturity or otherwise	-	-	-	-	-	-	-	-	-
3	Any excess collection of the premium / tax or any other charges which is refundable to the policyholders/ beneficiaries 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	67,29.05	3,00.00	8,56.35	86.15	5.43	25.46	7,55.41	45,06.39	1,93.86
4	Cheques issued but not encashed by the policyholder/ beneficiaries	44,35.52	2,43.00	21.86	3,26.95	2,92.24	11.58	3.59	34,62.19	74.11
	Total	1,11,64.57	5,43.00	8,78.21	4,13.10	2,97.67	37.04	7,59.00	79,68.58	2,67.97

Note : Cheques issued but not encashed under point no 4 above includes only the amount on account of cheques issued whose validity has expired. In respect of other cheques issued but not cleared, the management is of the opinion that the policyholder is legally entitled to encash the cheque anytime till the validity of cheque. Accordingly the amount of such cheques need not be classified as unclaimed.

ECGC Limited

CIN: U74999MH1957GOI010918

Details of Unclaimed Amounts and Investment Income thereon as on 31-March-2024

Annexure 3(B) to Schedule 17

Amount in ₹ '000

Particular	Current Year (2023-24)		Previous Year (2022-23)	
	Policy Dues	Income Accrued	Policy Dues	Income Accrued
Opening Balance	1,40,10.74	43,39.68	1,53,50.33	39,87.39
Add: Amount transferred to Unclaimed Fund	15,53.01	-	23,85.57	
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	-	-	2,85.64	
Add: Investment Income on Unclaimed Fund	-	14,76.94	-	10,99.33
Less: Amount of claims paid during the quarter	21,94.74	10.20	26,47.96	7,47.04
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	22,04.43	8,40.19	13,62.84	
Closing Balance of Unclaimed Amount Fund	1,11,64.57	49,66.24	1,40,10.74	43,39.68

Receipts & Payments Account / Cash Flow Statement - (Direct Method) for the year ended 31st March 2024

		(₹ '000)	
	Particulars	2023-24	2022-23
A	CASH FLOW FROM OPERATING ACTIVITY		
1	Premium received from policyholder including advance receipts	1256,93,35.78	1149,27,30.45
2	Other Receipts / Recoveries / Fees	124,43,98.74	167,44,89.29
3	Payments to reinsurers net of commission and claims	(34,42,15.25)	(36,26,37.09)
4	Payments of Claims	(450,30,54.61)	(763,04,85.84)
5	Payments of Commission & Brokerage	(25,10,17.94)	(16,77,92.73)
6	Payments of Other operating expenses	(268,19,55.53)	(236,74,25.24)
7	Deposits, Advances & Staff Loan	11,33,40.92	(46,34,50.71)
8	Income Tax Paid (Net)	(693,80,70.12)	(615,62,92.18)
9	GST Paid	(3,14,87.16)	(4,49,12.13)
10	Other Payments/Collection (net)	(12,45,52.49)	(22,05,47.16)
	Cash Flow before extra ordinary items	(94,72,77.66)	(424,63,23.34)
11	Cash Flow from extra ordinary operations	-	-
	Net Cash Flow from Operating Activities (A)	(94,72,77.66)	(424,63,23.34)
		-	-
B	CASH FLOW FROM INVESTING ACTIVITIES		
1	Addition to Fixed Assets (including capital work in progress)	(2,42,29.45)	(10,28,07.45)
2	Proceeds from Sale of Fixed Assets	11,60.87	15,79.58
3	Net of Purchase and Sale of Investments	(930,18,77.14)	(1069,94,17.21)
4	Rent / Interest / Dividends Received	1099,58,37.16	1036,70,58.54
5	Investments in money market instruments and in liquid mutual funds	-	-
6	Expenses related to investments	(24,14.59)	(21,31.43)
	Net Cash Flow from Investing Activities (B)	166,84,76.85	(43,57,17.97)
C	CASH FLOW FROM FINANCING ACTIVITIES		
1	Proceeds from issuance of share capital (Includes Advance Received for	-	388,00,00.00
2	Interest / Dividend paid	(433,80,00.00)	(276,50,00.00)
3	Dividend Distribution Tax	-	-
	Net Cash Flow from Financing Activities (C)	(433,80,00.00)	111,50,00.00
D	Effect of foreign exchange rates on Cash and Cash equivalents, net	67.28	(70.97)
	Net Cash Flow (A+B+C+D)	(361,67,33.53)	(356,71,12.28)
E	Net increase in Cash and Cash equivalents:		
1	-- at the beginning of the year	1623,64,39.25	1980,35,51.53
2	-- at the end of the year	1261,97,05.72	1623,64,39.25
	Change in Cash and Cash equivalent	(361,67,33.53)	(356,71,12.28)

(SRISTIRAJ AMBASTHA)
Executive Director/CMD-Addl.Charge
DIN - 10375617

(SIDDHARTH MAHAJAN)
Director
DIN - 03349759

(HARSHA BANGARI)
Director
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(AMIT KUMAR AGARWAL)
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(PALANIAPPAN MUTHU)
Director
DIN - 10200176

(ABHISHEK JAIN)
Chief Financial Officer

(SMITA PANDIT)
Company Secretary

As per our report of even date attached

For KBDS & Co.
Chartered Accountants
Firm Registration No. 323288E

For M. L. Puri & Co.
Chartered Accountants
Firm Registration No. 002312N

(DASHRATH KUMAR SINGH)
Partner - M.No. 060030

(RAJESH CHAND GUPTA)
Partner - M.No. 095584

Place : Mumbai
Date : 16th May, 2024

प्रबंधन रिपोर्ट

Management
Report

MANAGEMENT REPORT AS REQUIRED IN PART IV OF SCHEDULE 'B' OF INSURANCE REGULATORY & DEVELOPMENT AUTHORITY OF INDIA (PREPARATION OF FINANCIAL STATEMENTS AND AUDITOR'S REPORT INSURANCE COMPANIES) REGULATION 2002.

1. We confirm that the registration granted by the Insurance Regulatory & Development Authority of India is valid during the year. The same was renewed for the year 2023-24.
2. We confirm that all dues payable to the statutory authorities have been duly paid / provided for.
3. We confirm that the shareholding pattern and transfer of shares are in accordance with statutory and regulatory requirements.
4. We confirm that the funds of the holders of policies issued in India have not been directly or indirectly invested outside India.
5. We confirm that required solvency margins have been maintained.
6. We certify that the value of all the assets have been reviewed on the date of the Balance Sheet and in the best of our belief the assets set forth in Balance Sheet are shown in the aggregate amounts not exceeding their realisable or market value under several headings – “Loans”, ‘Investments’, ‘Sundry Debtors’, ‘Cash’, and the several items specified under ‘Current Assets’.
7. The overall exposure of the Company is ₹118010,21,63 thousand against the enhanced Maximum Liability of ₹ 150000,00,00 thousand by Ministry of Commerce & Industry vide letter dated 09.03.2022.
8. We do not have any overseas operations.
9. Ageing of claims outstanding during the preceding five years is as per **Annexure I**.
10. Ageing of claims indicating the trend in average claims settlement time during the preceding five years is as per **Annexure II**.
11. We certify that the Investments have been valued according to the guidelines issued by Insurance Regulatory and Development Authority of India.
12. All Investment assets are reviewed periodically and assets are classified into performing and non-performing based on IRDAI norms.
13. We hereby confirm:
 - a. That in preparation of financial statements, the applicable accounting standards, principles and policies has been followed.
 - b. That the management has adopted accounting policies and applied them consistently, apart from changes made as per IRDAI Regulations, 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 at the end of the financial year and of the operating profit and net profit of the Company for the year.

- c. That the management 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) and Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That the management has prepared the financial statements on a going concern basis.
- e. That the management has ensured that the internal audit system commensurate with the size and nature of business exists and is operating effectively.

14. There are no payments made to individual firms, companies and organizations in which Directors of the Company are interested except the transactions carried out in the ordinary course of business.

For ECGC Limited.

(SRISTIRAJ AMBASTHA)
Executive Director/CMD-Addl.Charge
DIN – 10375617

(SIDDHARTH MAHAJAN)
Director
DIN - 03349759

(HARSHA BANGARI)
Director
DIN - 01807838

(AMIT KUMAR AGARWAL)
Director
DIN - 05333909

(PALANIAPPAN MUTHU)
Director
DIN - 10200176

Place : Mumbai
Date : 16th May, 2024

Annexure I

Ageing of Claim Outstanding as on 31st March of each Financial Years

(₹'000)

Period	2023-24		2022-23		2021-22		2020-21		2019-20	
	No.	Amount Involved								
30 Days	38	40,45,79.42	67	159,11,26.48	80	111,06,18.22	107	105,22,75.43	102	144,39,15.20
30 Days to 6 Months	76	102,15,92.05	116	183,41,39.45	149	452,50,16.77	322	514,08,48.88	377	618,84,38.87
6 Months to 1 Year	18	10,51,31.01	22	61,21,75.35	93	239,05,30.53	150	262,34,73.89	200	775,84,21.04
1 year to 5 years	13	25,79,78.08	5	38,72,72.47	63	334,26,02.09	111	658,87,57.42	132	1028,84,36.72
5 years & above	-	-	-	-	3	15,28,70.97	-	-	-	-
Total	145	178,92,80.56	210	442,47,13.75	388	1152,16,38.58	690	1540,53,55.62	811	2567,92,11.83

Annexure II

Ageing of Claim Settlement during each Financial Years

(₹'000)

Period	2023-24		2022-23		2021-22		2020-21		2019-20	
	No.	Amount Involved								
30 Days	97	27,80,27.91	62	18,54,25.32	51	11,89,46.04	46	8,29,16.25	41	7,05,56.70
30 Days to 6 Months	400	356,21,98.49	348	248,27,80.81	329	142,32,75.88	430	257,86,14.47	424	184,52,13.31
6 Months to 1 Year	37	64,61,09.13	103	335,03,34.52	223	258,49,51.22	177	168,36,24.40	77	154,75,50.96
1 year to 5 years	4	1,67,19.08	38	161,19,45.19	78	274,48,70.13	81	612,22,50.57	11	62,08,00.65
5 years & above	-	-	-	-	-	-	-	-	-	-
Total	538	450,30,54.61	551	763,04,85.84	681	687,20,43.27	734	1046,74,05.69	553	408,41,21.62

**भारत के नियंत्रक और
महालेखा परीक्षक की टिप्पणी**

Comments
of
C&AG

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF ECGC LIMITED FOR THE YEAR
ENDED 31 MARCH 2024**

The preparation of financial statements of ECGC LIMITED for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Insurance Act, 1938 read with Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 16 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of ECGC LIMITED for the year ended 31 March 2024 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

(BIREN D. PARMAR)
Director General of Audit (Shipping), Mumbai

Place : Mumbai
Date : 12.08.2024



स्वतंत्र लेखा परीक्षकों
की रिपोर्ट
Independent Auditors'
Report

KBDS & CO Chartered Accountants B-405, Jupiter 4 th Cross Lane, Lokhandwala, Andheri West Mumbai - 400053	M. L. Puri & Co. Chartered Accountants 904, Yoga Gulmohar Cross Road No. 12 Near Juhu circle, Juhu Mumbai - 400049
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INDEPENDENT AUDITORS' REPORT

To,
The Members of ECGC Limited,

Report on Audit of Financial Statements

Opinion

We have audited the financial statements of the ECGC Ltd. ("the Company") which comprise the Balance Sheet as at March 31, 2024, the Revenue Account, the Profit and Loss Account, the Cash Flow Statement (Receipts and Payments Account) for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, in which are incorporated returns of Forty-six branches and Four regional offices situated in India out of which Forty-five branches and Four regional offices audited by branch auditors appointed by Comptroller and Auditor General of India, New Delhi.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 ("the Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 ("the IRDAI Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the IRDAI Financial Statements Regulations"), orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI"/ "the Authority") to the extent applicable, the Companies Act, 2013 ("the Act") including the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 with other recognized accounting practices and policies and Circular No. IRDAI/F&A/CIR/MISC/256/09/2021 dated 30-09-2021 on 'Public Disclosures by Insurers' issued by Insurance Regulatory Development Authority ("the IRDA"), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 in so far as it relates to:

- i. In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2024
- ii. In the case of Revenue Account, of the surplus for the year ended on that date;
- iii. In the case of Profit and Loss Account, of the Profit for the year ended on that date;

- iv. In the case of Cash Flow Statement (Receipts and Payments Account), of the receipts and payments during the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under provision of Act and the Rules made thereunder, the Insurance Act, 1938, the Insurance Regulatory and Development Authority of India Act, 1999 and the regulations made 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 Matter

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

KEY AUDIT MATTERS	AUDITOR'S RESPONSE
INVESTMENTS	
<p>Classification, Valuation & Allocation of Investments, Revenue Recognition and Identification of and provisioning for Non-Performing Investments (<i>Clause no. 4 of Schedule 16 read with Note 25 & 26 of Schedule 17 to the financial statements</i>).</p> <p>Investments include investments made by the Company in various Government Securities, Bonds, Debentures, Shares, Mutual Funds and other approved securities & Investments.</p> <p>Investments constitute 81.90% of the Company's total assets. These are governed by the circulars and directives of the RBI and IRDAI.</p> <p>These directions of RBI and IRDAI, inter-alia, cover valuation of investments, classification of investments, identification of non-performing</p>	<p>Our audit approach towards Investments with reference to the RBI and IRDAI Circulars/directives included the understanding of internal controls and substantive audit procedures in relation to valuation, classification, revenue recognition, identification of non-performing investments (NPIs), provisioning/depreciation related to Investments. In particular:</p> <ul style="list-style-type: none"> - Test the design, implementation and operating effectiveness of key internal financial controls over allocation, classification, valuation, revenue recognition and identification & provisioning process of NPIs. - Assess & evaluate the process adopted for collection of information from various sources for determining fair

investments, the corresponding non-recognition of income and provision there against.

Valuation of actively traded equity shares and ETFs is made on the closing price of NSE. If such security is not listed/ not traded on NSE on closing day, the closing price of BSE is considered.

Valuation of Mutual Funds is made on the closing NAV of the year end subject to impairment test.

All debts securities including government securities and redeemable preference shares have been measured at historical cost subject to amortization of premium paid over residual period.

Considering the complexities and extent of judgement involved in the valuation, volume of transactions, investments on hand and degree of regulatory focus, this has been determined as a Key Audit Matter.

Accordingly, our audit was focused on valuation of investments, classification, identification of non-performing investments and provisioning related to investments.

value of these investments, appropriateness of the valuation methodologies, revenue recognition & provisioning of NPIs with reference to prudential norms of the RBI and IRDAI.

- We selected samples from the investments of each category and tested for ensuring compliance with the presentation & disclosure requirements as per RBI and IRDAI Circular/directions and determining correctness of mapping of investments, classification, valuation and revenue recognition of these investments along-with assessed and evaluated the process of identification & provisioning of NPIs.

INFORMATION TECHNOLOGY

Key Information Technology (IT) systems called Intranet & Intellect used in financial reporting process.

Company’s operational and financial processes are dependent on IT systems due to large volume of transactions that are processed on daily basis and hence, considered as a key audit matter, correctness & effectiveness of which are mainly dependent on the Key Information Technology (IT) systems called Intranet & Intellect along-with other allied systems/packages.

We have relied upon the consistent and accurate functioning of Key Information Technology (IT) systems & other allied systems/packages with respect to Income Recognition, Provisioning, Factoring, Reinsurance & Investments in conformity with the IRDA guidelines along with such other financial

We conducted an assessment and identified key IT applications, databases and operating systems that are relevant to our audit and have identified Key Information Technology (IT) systems called Intranet & Intellect System primarily as relevant for financial reporting.

Our audit approach consisted understanding & testing of the design and operating effectiveness of the general IT controls as follows:

- Obtained understanding of the Company’s IT control environment, IT infrastructure i.e. Operating systems and databases and IT policies during the audit period.

<p>accounting and reporting records & transactions.</p>	<ul style="list-style-type: none"> - Reviewed the design, implementation and operating effectiveness of the Company's general IT controls including application & access controls that are critical to financial reporting on test check basis. - Reviewed the IS Audit Reports and discussed with IS Department on compliance to key IS Controls. - Test the general, application & access IT controls for design and operating effectiveness for the audit period on test check basis
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Emphasis of Matter

We draw attention to the following:

- a. Note no. 3 to Schedule 17 regarding properties where registration formalities with appropriate authorities have not been completed and properties where agreements are lost/presently not available with the Company, though the Company is in possession of original share certificates which vests with the Company, with legal ownership of the properties.
- b. Note no. 4 (d) to Schedule 17 regarding amount receivable from Reinsurance Company, which is outstanding since June 2014.

Our opinion is not modified in respect of these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of auditor's report.

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

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

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matters to those charged with governance and determine the actions under the applicable laws and regulations.

Management's Responsibility and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 IRDAI Act'), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the IRDAI Financial Statements Regulations'), the Companies Act, 2013 ('the Act') including the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with Insurance Act 1938, the Insurance Regulatory and Development Authority of India Act, 1999 and 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, management is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the financial statement that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

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 Standalone Financial Statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditors' 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

- a. We did not audit the financial statements/information of Forty-six branches (including Guwahati sub office) and Four regional offices included in the financial statements of the Company whose financial statements / financial information reflect total assets of Rs.1502,28,78.62 thousands as at 31st March, 2024, total operating revenues in terms of Premium of Rs.1229,48,50.20 thousands and Claims paid of Rs.441,27,82.42 thousands for the year ended on that date, as considered in the financial statements. The financial statements / information of Forty-five branches and Four regional offices have been audited by the branch auditors, whose reports have been furnished to us, and one unaudited branch whose returns have been furnished to us by the management. Our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors and returns furnished to us by the management.
- b. Note No. 5(c) and 22 to Schedule 17 regarding the Actuarial Valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), Incurred But Not Enough Reported (IBNER) and Premium Deficiency as at 31st March, 2024 which is the responsibility of the Company's Appointed Actuary ('the Appointed Actuary'). The Appointed Actuary has duly certified the actuarial valuation of these liabilities IBNR, IBNER and Premium Deficiency as at March 31, 2024 and in her opinion the assumptions considered by her for such valuation are in accordance with the guidelines and norms prescribed by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the Appointed Actuary's Certificate in this regard for forming our opinion on the Financial Statements of the Company.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- a) The financial statements as at March 31, 2024 have been prepared in accordance with the requirements of the Insurance Act, 1938, the Insurance Regulatory and Development Authority of India Act, 1999 and the regulations made thereunder and the Companies Act, 2013.
- b) As required by the Regulations, we have issued a separate **Certificate** on May 16, 2024 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDAI Financial Statements Regulations.
- c) This report does not include a statement on the matters specified in paragraph 3 of the Companies (Auditors' Report) order 2020, ("the order"), issued by the Central Government of India in terms of section 143(11) of the Act, since in our opinion and according to the information and explanation given to us, the Order is not applicable to the Company.

As required by 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 purpose of our audit;
- b) In our opinion, and to the best of our information and according to the explanations given to us, proper books of account, as required by law, have been kept by the Company, so far

as appears from our examination of those books and proper returns (audited/certified) have been received from the Forty-six branches (including Guwahati sub Office) and Four regional offices, not visited by us;

- c) The reports on the accounts of the Forty-five branches and Four regional offices of the Company audited under Section 143(8) of the Act by branch auditors and returns of one unaudited branch have been sent to us, have been properly dealt with by us in preparing this report;
- d) The balance sheet, the revenue account, the statement of profit and loss, and the cash flow statement (Receipts and Payments Account) dealt with by this Report are in agreement with the books of account and returns received from the branches not visited by us;
- e) In our opinion financial statements of the Company comply with the Accounting Standards specified under section 133 of the Act.
- f) Being a Government Company, pursuant to the Notification No. G.S.R 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, provisions of sub-section (2) of section 164 of the Companies Act, 2013, are not applicable to the Company.
- g) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over the financial statements.
- h) With respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer to Note No. 20 to Schedule 17 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. (a) The management has represented that, to the best of it’s knowledge and belief, no funds have been advanced or loaned or invested 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, whether, directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or in behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or like on behalf of the Ultimate Beneficiary.
 - (b) The management has represented that, to the best of it’s knowledge and belief, 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, whether, directly or indirectly, lend or

invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or like on behalf of the Ultimate Beneficiary.

- (c) In our opinion based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under the sub-clause (a) and (b) above contain any material misstatement.
- v. The dividend declared or paid during the year by the company is in compliance with section 123 of Companies Act, 2013.
- vi. Based on our examination, the Company has been using ERP Software including license software for Investment operation for maintaining its books of account which has a feature of recording Audit Trail (edit log) facility and has been operating (enabled) for all relevant transactions recorded in the Software. However, the Company has enabled the Audit Trail facility from 1st October, 2023 for its ERP Software.

During the course of our audit, we did not come across any instance of audit trail feature being tampered with.

With regards to the Directions issued by the Comptroller and Auditor General of India u/s 143(5) of the Companies Act, 2013, based on our audit, we report hereunder on the action taken and the financial impact on the accounts of the financial statements of the Company:

S.No.	DIRECTIONS	ANSWER
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	<p>i) The Company has system in place to process all the accounting transactions through IT systems except for the following:</p> <ul style="list-style-type: none"> • Working of Reinsurance Business, Depreciation Working of Fixed Assets, Factoring and calculation of provision of ‘Yet to be processed’ (YTBP) claims. Though manual controls are available, they may not suffice hence Reinsurance, Fixed Assets, Factoring and ‘Yet to be processed’ (YTBP) claims are also required to be routed through system. • Investment software is not integrated with the main IT system, and the final Trial Balance of Investment Department is manually incorporated in

S.No.	DIRECTIONS	ANSWER
		<p>the main trial balance, maintained in IT system for consolidation.</p> <p>Though the Company has control at the time of incorporation of the Investment Trial Balance in the Main Trial Balance, it may not suffice hence Investment Software should also be merged with the main IT system.</p>
2.	<p>Whether there is any restructuring of an existing loan or cases of waiver / write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).</p>	<p>Not Applicable as the Company has not borrowed any money nor it has lent any money to other company.</p>
3.	<p>Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.</p>	<p>Yes, Funds received from Central Government Agency i.e Capacity Building of First Time MSE Exporters (CBFTE), were properly accounted for/ utilized as per its term and conditions.</p>

With respect to additional directions issued by Comptroller and Auditor General of India U/S 143(5) of the Companies Act, 2013, based on our audit, we report hereunder on the action taken and the financial impact on the accounts of the financial statements of the Company:

S.No.	ADDITIONAL DIRECTIONS	ANSWER
1.	<p>Number of titles of ownership in respect of CGS/SGS/Bonds/ Debentures etc. available in physical/ DEMAT form and out of these number of cases which are not in agreement with the respective amounts shown in the Company's books of accounts may be verified and discrepancy found may be suitably reported.</p>	<p>All the investments in CGS/SGS are held with RBISGL Account and have been verified with records and no discrepancies have been found. Two Central Government Securities have been kept with CCIL for secondary market operations of Government Securities and TREPS operations & further one Central Government Security is kept with National Stock Exchange, towards margin requirement against equity operations, for which we have obtained the necessary certificates.</p> <p>Bonds/Debentures are held in DEMAT account with the ICICI Bank (custodian). All securities have been</p>

		verified with the underlying records and no discrepancies have been found.															
		<table border="1"> <thead> <tr> <th>Type of security</th> <th>No. titles in DEMAT Form</th> <th>No. of titles in Physical Form</th> </tr> </thead> <tbody> <tr> <td>Central Govt Securities</td> <td>42</td> <td>Nil</td> </tr> <tr> <td>State Govt Securities</td> <td>517</td> <td>Nil</td> </tr> <tr> <td>Bonds, debentures and other securities</td> <td>195</td> <td>Nil</td> </tr> <tr> <td>Equity Shares</td> <td>56</td> <td>Nil</td> </tr> </tbody> </table>	Type of security	No. titles in DEMAT Form	No. of titles in Physical Form	Central Govt Securities	42	Nil	State Govt Securities	517	Nil	Bonds, debentures and other securities	195	Nil	Equity Shares	56	Nil
Type of security	No. titles in DEMAT Form	No. of titles in Physical Form															
Central Govt Securities	42	Nil															
State Govt Securities	517	Nil															
Bonds, debentures and other securities	195	Nil															
Equity Shares	56	Nil															
2.	Whether Investment Policy exists and includes mechanism to review investment portfolios and also whether stop loss limits are prescribed? If yes, whether it was adhered to? If not in existence or not adhered to, details may be given.	<p>As informed by the Management of the Company, the Company is having the Board approved Investment policy, SOP and Strategy which includes mechanism to review investment portfolio. Further, as informed by the Company, the Company does not have trading portfolio. Company's entire investment Portfolio is under HTM (Held-to-Maturity) / AFS (Available-for-Sale) category.</p> <p>Accordingly, Company is not having stop loss policy / stop loss limits.</p>															

<p>for KBDS & Co. Chartered Accountants Firm Registration No. 323288E</p> <p>(Dashrath Kumar Singh) Partner Membership No. 060030 Place : Mumbai Date : 16/05/2024 UDIN: 24060030BKENEF5295</p>	<p>for M.L. Puri & Co. Chartered Accountants Firm Registration No. 002312N</p> <p>(Rajesh Chand Gupta) Partner Membership No. 095584 Place : Mumbai Date : 16/05/2024 UDIN: 24095584BKCOE8930</p>
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KBDS & Co. Chartered Accountants B-405, Jupiter 4th Cross Lane, Lokhandwala, Andheri West Mumbai – 400053	M.L. Puri & Co. Chartered Accountants 904 Yoga, Gulmohar cross road No. 12 Near Juhu circle, Juhu Mumbai - 400049
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INDEPENDENT AUDITORS’ CERTIFICATE

(Referred to in paragraph (b) under “Report on other legal and regulatory requirements” forming part of our Independent Auditors’ Report dated 16th May, 2024)

To,
The Members of ECGC Limited,

Report on other legal and regulatory requirements

1. This certificate is issued to comply with the provisions of paragraphs 3 and 4 of Schedule C to the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002, read with regulation 3 of the Regulations in respect of financial statements as at 31.03.2024, of ECGC Ltd (“the Company”), Mumbai.

Management Responsibility

2. The Company’s Board of Directors is responsible for complying with the provisions of Companies Act, 2013, Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002 (“the Regulations”) and orders/ circulars issued by Insurance Regulatory and Development Authority of India (IRDAI) which includes the preparation and maintenance of books of accounts and the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of Internal Controls suitable for ensuring compliance as aforesaid.

Auditors’ Responsibility

3. Pursuant to the requirements of the Regulations, it is our responsibility to obtain reasonable assurance and form an opinion based on our audit and examination of books and records as to whether the Company has complied with the matters contained in paragraphs 3 and 4 of Schedule C of the Regulations read with Regulation 3 of the Regulations.
4. We audited financial statements of the Company as of and financial year ended March 31, 2024 on which we issued an unmodified audit opinion vide our audit report dated May 16, 2024. Our audits of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (“ICAI”). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed

in connection with any transactions to identify matters that may be of potential interest to third parties.

5. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the ICAI. The Guidance note requires that we comply with the independence and other ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standards on Quality Control (SQC)-1, Quality control for Firms that performs audits and reviews of Historical Financial Information and Other Assurance and Related service engagements.

Opinion

7. In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of accounts and other records maintained by the ECGC Ltd., for the year ended March 31, 2024, we certify that:
 - a) We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2024 and on the basis of our review, there are no apparent mistakes or material inconsistencies between the Management Report and the standalone financial statements.
 - b) Based on 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, nothing has come to our attention that causes to believe that the Company has not complied with the terms and conditions of the registration stipulated by IRDA.
 - c) We have verified the cash balances (except of the branches where audits were conducted by the concerned branch auditors and the cash balances were verified by the concerned auditors and securities relating to the loans and investments made by the company by actual inspection or by production of certificates/confirmations received from the Custodian and/or Depository Participants appointed by the Company or the other documentary evidences).
 - d) To the best of the information and explanation given to us and as per the representation made by the Company, Investments have been valued in accordance with the provisions of the Insurance Act and its regulations;
 - e) To the best of the information and explanation given to us and as per the representation made by the Company, the Company is not a trustee of any trust; and
 - f) The Company has bifurcated shareholders' funds and policyholders' funds based on the nature of items as per the last Balance Sheet and accordingly the income has been segregated in Revenue Account and Profit and Loss Account. Since no separate accounts relating to shareholders and policyholders have been maintained in terms of Section 11(1B) of the Insurance Act, 1938 and since such information is not available at the branches, the application of the funds is therefore not verifiable from the available records. Based on the verification of the books of the account and based on the information and explanation given to us and on a review of the available records,

we have not come across with the cases where any part of the assets of the policyholders' funds have been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the policyholders' funds.

<p>for KBDS & Co. Chartered Accountants Firm Registration No. 323288E</p> <p>(Dashrath Kumar Singh) Partner Membership No. 060030 Place : Mumbai Date : 16/05/2024 UDIN: 24060030BKENE5295</p>	<p>for M.L. Puri & Co. Chartered Accountants Firm Registration No. 002312N</p> <p>(Rajesh Chand Gupta) Partner Membership No. 095584 Place : Mumbai Date : 16/05/2024 UDIN: 24095584BKCQOE8930</p>
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KBDS & CO Chartered Accountants B-405, Jupiter 4 th Cross Lane, Lokhandwala, Andheri West Mumbai - 400053	M. L. Puri & Co. Chartered Accountants 904, Yoga Gulmohar Cross Road No. 12 Near Juhu circle, Juhu Mumbai - 400049
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“Annexure-A” to the Independent Auditors’ Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls of **ECGC Limited** (“the Company”), as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’).

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:-

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Other Matter

The actuarial valuation of liability in respect of Claims Incurred but not Reported (IBNR), Incurred But Not Enough Reported (IBNER) and Premium Deficiency as at March 31, 2024 is as certified by the Company's Appointed Actuary and has been relied upon by us as mentioned in our audit report on the financial statements for the year ended on March 31, 2024. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the operating effectiveness of the management's internal controls over the valuation and accuracy of the aforesaid actuarial valuation.

Opinion

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

<p>for KBDS & Co. Chartered Accountants Firm Registration No. 323288E</p> <p>(Dashrath Kumar Singh) Partner Membership No. 060030 Place : Mumbai Date : 16/05/2024 UDIN: 24060030BKENE5295</p>	<p>for M.L. Puri & Co. Chartered Accountants Firm Registration No. 002312N</p> <p>(Rajesh Chand Gupta) Partner Membership No. 095584 Place : Mumbai Date : 16/05/2024 UDIN: 24095584BKCQOE8930</p>
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(भारत सरकार का उद्यम)

ECGC Limited

(A Government of India Enterprise)

पंजीकृत कार्यालय: ईसीजीसी भवन, सीटीएस नं. 393, 393/1 से 45,
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आप निर्यात पर ध्यान केन्द्रित करें, हम जोखिम से रक्षा प्रदान करेंगे. You focus on exports. We cover the risks.