

APRIL 20, 2016

CARE REAFFIRMS RATING TO THE CLAIMS PAYING ABILITY OF GENERAL INSURANCE CORPORATION OF INDIA (GIC RE)

Ratings

Facilities	Ratings ¹	Remarks
Claims Paying Ability	CARE AAA (In) (Triple A [Insurance])	Reaffirmed

Rating Rationale

The rating factors in GIC Re's 100% ownership by Government of India (GOI), GIC Re's strategic importance as the sole national reinsurer, good solvency position and comfortable liquidity profile. Ownership by GOI, solvency position and profitability are key rating sensitivities.

Background

GIC Re was incorporated in November 1972, as a part of Government of India's (GoI) move to nationalize the general insurance business. It is wholly owned by GoI and it is the sole national reinsurer. Apart from the domestic operations, GIC Re has overseas offices namely, representative office in Moscow and branch offices in London, Dubai and Malaysia. GIC Re also has presence in Bhutan through its joint venture, GIC Bhutan Re (GIC Re holds 26% stake) and in South Africa through its wholly owned subsidiary, GIC Re South Africa Limited. GIC Re is present in various segments of which major segments are fire, health, motor and marine. GIC Re is headed by Mrs. Alice G Vaidyan who took charge as the Chairman cum Managing Director in January 2016.

GIC Re reported a PAT of Rs.2,694 crore on Gross Premium Written (GPW) of Rs.15,184 crore in FY15 as against a PAT of Rs.2,253 crore on Gross Premium Written of Rs.14,680 crore during FY14. Of the total GPW of Rs.15184 crore, 57% is attributable to domestic business and 43% to foreign business. In 9MFY16, the company reported a PAT of Rs.1,637 crore on Gross Premium Written of Rs.12,671 crore. Solvency margin stood at 3.04 times as on March 31, 2015 and at 3.52 times as on December 31, 2015.

Analyst Contact

Name: MrAnuj Jain

Tel: 022-67543451

Email: anuj.jain@careratings.com

CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Disclaimer

CARE's CPA rating does not apply to non-policy obligations of the insurer, such as debt, nor does it address the suitability of terms of any individual policy or contracts. The rating does not take into account any limitation that the insurer might face in settling its foreign claims due to exchange control/sovereign restrictions that might be placed on foreign currency payments by

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

the Government of India. CARE's CPA rating is not a recommendation to buy, hold or terminate any insurance policy

CONTACT

Head Office Mumbai

Mr. Sanjay Kumar Agarwal

Mobile: + 91 8108007676

E-mail: sanjay.agarwal@careratings.com

Mr. Amod Khanorkar

Mobile: + 91 9819084000

E-mail: amod.khanorkar@careratings.com

CREDIT ANALYSIS & RESEARCH LIMITED

Corporate Office: 4th Floor, Godrej Coliseum, Somaia Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022

Tel: +91-22-6754 3456 | Fax: +91-22-6754 3457 | E-mail: care@careratings.com

AHMEDABAD

Mr. Mehul Pandya

32, Titanium, Prahaladnagar Corporate Road,

Satellite, Ahmedabad - 380 015

Cell: +91-98242 56265

Tel: +91-79-4026 5656

E-mail: mehul.pandya@careratings.com

BENGALURU

Mr. Deepak Prajapati

 Unit No. 1101-1102, 11th Floor, Prestige Meridian II,
 No. 30, M.G. Road, Bangalore - 560 001.

Cell: +91-99000 41975

Tel: +91-80-4115 0445, 4165 4529

E-mail: dinesh.sharma@careratings.com

CHANDIGARH

Mr. Sajan Goyal

 2nd Floor, S.C.O. 196-197, Sector 34-A,
 Chandigarh - 160 022.

Cell: +91 99888 05650

Tel: +91-172-5171 100 / 09

Email: sajan.goyal@careratings.com

CHENNAI

Mr. V Pradeep Kumar

 Unit No. O-509/C, Spencer Plaza, 5th Floor,
 No. 769, Anna Salai, Chennai - 600 002.

Cell: +91 98407 54521

Tel: +91-44-2849 7812 / 0811

Email: pradeep.kumar@careratings.com

COIMBATORE

Mr. V Pradeep Kumar

T-3, 3rd Floor, Manchester Square

Puliakulam Road, Coimbatore - 641 037.

Tel: +91-422-4332399 / 4502399

Email: pradeep.kumar@careratings.com

HYDERABAD

Mr. Saikat Roy

 401, Ashoka Scintilla, 3-6-502, Himayat Nagar,
 Hyderabad - 500 029.

Cell : + 91 9820998779

Tel: +91-40-4010 2030

E-mail: saikat.roy@careratings.com

JAIPUR

Mr. Nikhil Soni

304, Pashupati Akshat Heights, Plot No. D-91,

Madho Singh Road, Near Collectorate Circle,

Bani Park, Jaipur - 302 016.

Cell: +91 - 76655 96136

Tel: +91-141-402 0213 / 14

 E-mail: rakesh.jayaraman@careratings.com

KOLKATA

Ms. Priti Agarwal

3rd Floor, Prasad Chambers, (Shagun Mall Bldg.)

10A, Shakespeare Sarani, Kolkata - 700 071.

Cell: +91-98319 67110

Tel: +91-33- 4018 1600

E-mail: priti.agarwal@careratings.com

NEW DELHI

Ms. Swati Agrawal

13th Floor, E-1 Block, Videocon Tower,

Jhandewalan Extension, New Delhi - 110 055.

Cell: +91-98117 45677

Tel: +91-11-4533 3200

E-mail: swati.agrawal@careratings.com

PUNE

Mr. Rahul Patni

9th Floor, Pride Kumar Senate,

Plot No. 970, Bhamburda, Senapati Bapat Road,

Shivaji Nagar, Pune - 411 015.

Cell: +91-78754 33355

Tel: +91-20- 4000 9000

E-mail: rahul.patni@careratings.com

CIN - L67190MH1993PLC071691