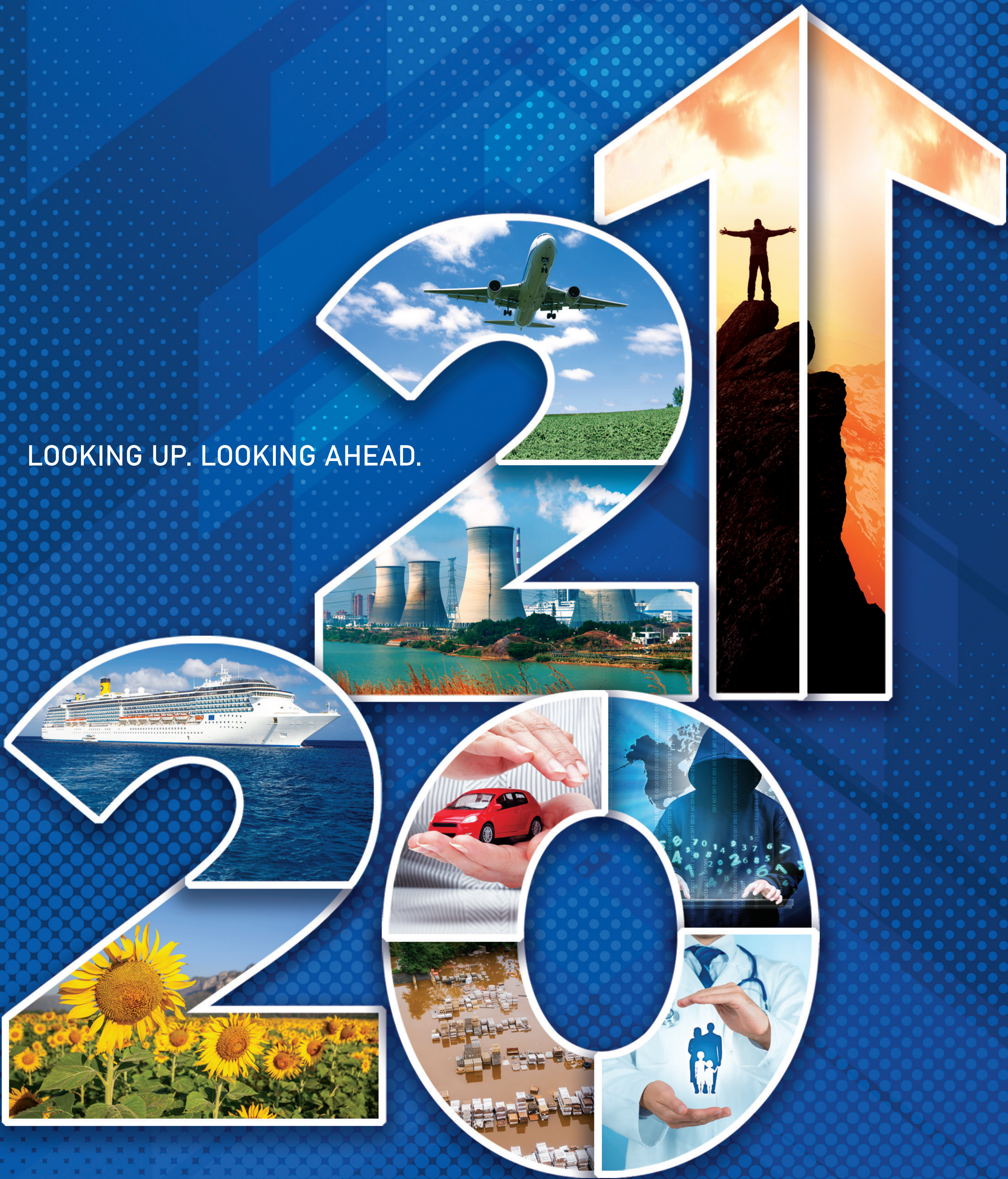
7th ANNUAL REPORT 2020-2021

आपत्काले रक्षिष्यामि
GIC Re SA Ltd.

LOOKING UP. LOOKING AHEAD.



आपत्काले रक्षिष्यामि

GIC Re SA Ltd.

GIC RE SOUTH AFRICA LTD

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

The financial statements have been audited in compliance with Section 30 of the South African Companies Act 71 of 2008.

Prepared under the supervision of:
N. Sarvanabhavan
Managing Director & Chief Executive Officer

CONTENTS

आपत्काले रक्षिष्यामि
GIC Re SA Ltd.

Directors’ Responsibility Statement

The directors are responsible for the preparation and fair presentation of the annual financial statements of GIC Re South Africa Ltd, comprising the statement of financial position as at 31 March 2021, and the statement of comprehensive income, changes in equity and cash flows for the period then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa. In addition, the directors are responsible for preparing the Directors' report.

The directors are also responsible for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management. The directors have made an assessment of the ability of the company to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the annual financial statements

The annual financial statements of GIC Re South Africa Ltd, as identified in the first paragraph, were approved by the board of directors on 14th June 2021 and are signed on their behalf by

________________________	________________________
N. Sarvanabhavan	**Jonathan Bagg**
Mananging Director & CEO	Chairman

Declaration of the Company Secretary

In terms of S88 (2)(e) of the Companies Act 71 of 2008, I certify that in respect of the financial period ended 31 March 2021, the company has lodged with the Registrar of Companies all such returns that are required by the Companies Act, and that all such returns are to the best of my knowledge and belief, true, correct and up to date.

____

W Mwase
Company Secretary

In addition to having specific statutory responsibilities, the audit committee is a sub-committee of the board. It assists the board through advising and making recommendations on financial reporting, oversight of financial risk management and internal financial controls, external audit functions and statutory and regulatory compliance of the company. General risk management remains the responsibility of the board.

Terms of reference

The audit committee has adopted the formal terms of reference that have been approved by the board of directors and has executed its duties during the past financial year in accordance with these terms of reference.

The composition of the audit committee

Name	Appointed	Qualifications	Position	Independent
S Bhikha	24-Apr-14	B Compt Hons CA(SA)	Chairman	Yes
J Bagg	24-Apr-14	B.Sc. FASSA, FIA	Member	Yes
C I Moosa	25-Feb-19	B.A. (Law) (UDW), LLB (UDW), PG Diploma Labor Law (UJ)	Member	Yes

The executive directors and managing executives attend the committee meetings by invitation only. The external and internal auditors have unrestricted access to the audit committee.

Meetings

The audit committee held three meetings during the year. Attendance at the meetings is shown below:

Members	21-Sep-20	14-Nov-20	15-Feb-21
S Bhikha	Yes	Yes	Yes
J Bagg	Yes	Yes	Yes
C I Moosa	Yes	Yes	Yes

Statutory duties

In the execution of its statutory duties, as required in terms of the Companies Act (the Act) during the past financial year, the audit committee has:

- Ensured the reappointment of an external registered auditor, who in the opinion of the audit committee is qualified and independent of the Company.
- Determined the fees to be paid to the external auditor and such auditor's terms of engagement.
- Ensured that the appointment of the external auditor complies with this Act and any other legislation relating to the appointment of such auditor.
- Considered the independence of the external auditor and has concluded that the external auditor has been independent of the company since being appointed during the year taking into account all other non-audit services performed and circumstances known to the audit committee.
- Confirmed that there were no complaints relating to the accounting practices of the company, the content or auditing of its financial statements, the internal financial controls of the company, or to any related matter.
- Based on reports from the external auditor, internal auditor and appropriate inquiries, made submissions to the board on any matter concerning the company's accounting policies, financial control, records and reporting, including input to the board's statement regarding control effectiveness.

Legal requirements

The audit committee has complied with all applicable legal, regulatory and other responsibilities for the year under review.

Annual financial statements

Following our review of the annual financial statements of GIC Re South Africa Ltd for the year ended 31 March 2021, we are of the opinion that, in all material respects, they comply with the relevant provisions of the Companies Act and International Financial Reporting Standards, and that they fairly present the financial position at 31 March 2021 and the results of operations and cash flows for the year then ended.

S Bhikha
Chairman of the Audit Committee

GIC RE SOUTH AFRICA LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors have pleasure in presenting their report for the year ended 31 March 2021.

Business

GIC Re South Africa Ltd is a 100% owned subsidiary of General Insurance Corporation of India (GIC Re) which is controlled by the Government of India (holding 85.78% equity share).

GIC Re made its first move to Africa in April 2014, when it acquired the South African composite reinsurer Saxum Re and renamed it as GIC Re South Africa Ltd.

GIC Re South Africa Ltd's vision is to become a truly African Reinsurer. The core business philosophy includes reinsurance capacity development in Africa, application of the state-of-the-art technology, mutually beneficial relationships, benchmarking reinsurance and service delivery mechanism and a professional attitude.

The company is rated BB+ (Global) with negative outlook and zaAAA (National) by S&P.

GIC Re South Africa Ltd commenced underwriting business on 1 January 2015. The company underwrites business from the entire African continent except Egypt and Libya.

Global Economic Outlook:

According to the World Economic Outlook published by the International Monetary Fund in April 2021, the Global prospects remain highly uncertain one year into the Covid 19 pandemic because of the new virus mutations and the accumulating human toll raising concerns, even as growing vaccine coverage lifts sentiment. The second and third infection waves have necessitated renewed restrictions in many countries since the October 2020 World Economic Outlook (WEO) forecast. The outlook depends not just on the outcome of the battle between the virus and vaccines, but it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis.

As published by the International Monetary Fund in April 2021, the global economy is projected to grow at 6 percent in 2021, moderating to 4.4 percent in 2022. The contraction for 2020 is 1.1 percentage points smaller than projected in the October 2020 WEO, reflecting the higher-than-expected growth the anticipated vaccine-powered recovery in the second half of the year. This pace reflects continued adaptation of all sectors of the economy to the challenging health situation. Beyond 2022 global growth is projected to moderate to 3.3 percent into the medium term.

South Africa Economic Outlook:

The International Monetary Fund, in its World Economic Outlook publication April 2021 indicates that growth is expected to rebound to 3.4 percent in 2021 significantly lower than the trend anticipated before the pandemic. This is a major improvement following the largest contraction ever for the sub-Saharan African region of –1.9 percent in 2020. Tourism-reliant economies will likely be the most affected.

According to the World Economic Outlook, inflation is unlikely to increase much and whether inflation temporarily overshoots or starts trending up has very different implications and depends on the credibility of monetary frameworks and the reaction of monetary authorities to rising inflation pressure. In South Africa, Monetary policy assumptions are consistent with maintaining inflation within the 3 percent to 6 percent target band.

In emerging market and developing economies, vaccine procurement data suggest that effective protection will remain unavailable for most of the population in 2021. The pandemic continues to exact a large toll on sub-Saharan Africa (especially, for example, Ghana, Kenya, Nigeria, South Africa).

Share capital

The company has in issue, 149,174,187 ordinary shares of no par value equating to R298.35 million.

There were no new shares issued in 2021.

Overview for the year

The results for the year and the financial position of the company are fully disclosed in the attached financial statements.

Holding company

The company is a wholly owned subsidiary of General Insurance Corporation of India (GIC Re).

Dividends

No dividends were paid or declared during the year (2020: Nil).

Directors

The directors in office at the date of this report are:	Date Appointed	Date Resigned
J Bagg (Chairman)	24-Apr-14	
D Srivastava (non-executive)	18-Jun-18	
S Bhikha (Independent, non-executive)	24-Apr-14	
C I Moosa (Independent, non-executive)	24-Apr-14	
M Bhaskar (non-executive)	06-Mar-20	
C G Asirvatham (Executive)	29-Mar-18	29-May-20
N. Sarvanabhavan (executive)	17-Apr-20	

Directors' interest

No directors have a conflicting interest in the company.

Secretary and registered office

W Mwase is the company secretary. The registered office and office of the secretary are:

First Floor, Block C
Riviera Road Office Park
No. 6-9 Riviera Road, Houghton - 2193

Auditor

SizweNtsalubaGobodo Grant Thornton Inc.

Company registration number

1956/003037/06

Number of employees

The number of people employed by the company at 31st march 2021 is 30 (2020: 31).

Independent Auditor's Report

To the shareholder of GIC Re South Africa Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of GIC Re South Africa Limited (the company) set out on pages 08 to 47 which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of GIC Re South Africa Limited as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for Opinion

We have conducted our audit in accordance with International Standards on Auditing (ISAs). 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 public entity in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethica requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Information

The board of directors (directors) are responsible for the other information. The other information comprises the information included in the document titled "GIC Re South Africa Ltd annual financial statements for the year ended 31 March 2021", which includes the directors' report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs, we exercise professional judgement 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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.

We communicate with the directors 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.

Other reports

We draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of our opinion on the financial statements or our findings on the reported performance information or compliance with legislation.

We were engaged to perform the following audit-related services:

- Quantitative Reporting Template in compliance with section Insurance Act, 2007 (the Act) for the year ended 31 March 2021

SizweNtsalubaGobodo Grant Thornton Inc.

Directore :Nhlanhla Sigasa
Chartered Accountant (SA)
Registered Auditor
14 June 2021

20 Morris Street East,
Woodmead, 2191

GIC RE SOUTH AFRICA LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Note	Year ended 31 March 2021 R	Year ended 31 March 2020 R
ASSETS			
Cash and cash equivalents	24.2	**16,03,34,867**	25,08,68,962
Other accounts receivable		**4,57,424**	6,07,996
Investments	9	**2,52,20,37,380**	2,74,83,01,120
Technical assets under insurance contracts		**2,10,87,61,234**	1,84,70,84,599
Retroceded outstanding claims	6	**1,77,31,65,855**	1,53,41,41,623
Retroceded unearned premium reserve	7	**26,42,25,497**	24,64,50,224
Gross deferred acquisition costs	8	**7,13,69,882**	6,64,92,752
Amounts due under reinsurance contracts	26.1	**60,14,79,818**	71,55,44,954
Amounts due from retrocessionaire contracts	26.2	**70,47,106**	87,68,943
Property, plant and equipment	5	**39,17,180**	19,95,476
Current tax receivable	24.3	**2,00,00,000**	-
Total assets		**5,42,40,35,009**	**5,57,31,72,050**
LIABILITIES AND SHAREHOLDER'S EQUITY			
Technical liabilities under insurance contracts		**2,54,11,57,366**	2,39,31,92,986
Gross outstanding claims	6	**2,10,07,01,469**	1,99,55,34,060
Gross unearned premium reserve	7	**39,06,40,306**	35,12,21,689
Retroceded deferred acquisition cost	8	**4,98,15,591**	4,64,37,237
Deposits withheld from retrocessionaires	13	**1,31,18,76,708**	1,22,86,94,253
Amounts payable to retrocessionaire contracts	26.3	**15,37,41,565**	56,09,90,177
Other accounts payable	11	**3,24,58,375**	3,90,08,687
Current tax payable	24.3	**-**	-
Lease liability	20	**25,59,363**	-
Total liabilities		**4,04,17,93,377**	**4,22,18,86,103**
SHAREHOLDER'S EQUITY			
Share capital	12	**1,14,20,61,725**	1,14,20,61,725
Retained earnings		**24,01,79,907**	20,92,24,222
Total shareholder's equity		**1,38,22,41,632**	1,35,12,85,947
Total liabilities and shareholder's equity		**5,42,40,35,009**	5,57,31,72,050

GIC RE SOUTH AFRICA LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Year ended 31 March 2021 R	Year ended 31 March 2020 R
Gross premiums written	23	**1,16,87,64,346**	1,06,70,89,683
Retroceded premiums	23	**(85,12,84,776)**	(78,46,93,448)
Net premiums written		**31,74,79,570**	28,23,96,235
Change in provision for unearned premiums		**(2,16,43,344)**	12,57,44,274
Gross	7	**(3,94,18,617)**	42,32,34,239
Reinsured	7	**1,77,75,273**	(29,74,89,965)
Net premium earned	**23**	**29,58,36,226**	40,81,40,509
Commission income	16	**27,23,60,059**	38,39,84,387
Net investment income	14	**18,47,52,366**	16,41,68,924
Net income		**75,29,48,651**	95,62,93,820
Claims incurred, net of reinsurance	15	**(9,86,85,522)**	(36,34,62,257)
Commission expense	16	**(33,56,64,870)**	(48,79,81,529)
Interest paid	23	**(7,14,57,370)**	(7,91,96,681)
Investment management expenses	23	**(54,38,014)**	(51,32,399)
Management expenses	23	**(4,23,55,045)**	(3,73,84,433)
(Increase)/decrease in provision for doubtful debts	23	**42,24,147**	(1,98,77,267)
Foreign exchange (loss)/gain	23	**(18,35,58,953)**	25,73,50,169
Profit before taxation	**23**	**2,00,13,024**	22,06,09,423
Taxation	18	**1,09,42,661**	(8,36,59,187)
Profit for the year		**3,09,55,685**	13,69,50,236

GIC RE SOUTH AFRICA LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Share capital R	Retained earnings R	Total R
31 March 2021			
Balance as at 1 April 2020	1,14,20,61,725	20,92,24,222	1,35,12,85,947
Total comprehensive profit for the period	-	3,09,55,685	3,09,55,685
Non-life	-	3,09,55,685	3,09,55,685
Balance as at 31 March 2021	**1,14,20,61,725**	**24,01,79,907**	**1,38,22,41,632**
31 March 2020			
Balance as at 1 April 2019	1,14,20,61,725	7,22,73,986	1,21,43,35,711
Total comprehensive profit for the period	-	13,69,50,236	13,69,50,236
Non-life	-	13,76,66,336	13,76,66,336
Life	-	(7,16,100)	(7,16,100)
Balance as at 31 March 2020	**1,14,20,61,725**	**20,92,24,222**	**1,35,12,85,947**

GIC RE SOUTH AFRICA LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Year ended 31 March 2021 R	Year ended 31 March 2020 R
Cash flows from operating activities			
Cash (utilised) / generated by operations	24.1	**(41,97,45,636)**	35,87,61,975
Interest income	14	**6,65,44,187**	22,07,93,662
Interest paid	24.4	**(7,14,57,370)**	(7,91,96,681)
Dividends received- listed	14	**60,83,038**	49,24,694
Tax paid	24.3	**(90,57,339)**	(13,25,43,417)
Net cash inflow/(outflow) from operating activities		**(42,76,33,120)**	37,27,40,233
Cash flows from investing activities			
Net acquisition and disposal of investments		**33,83,88,879**	(22,00,34,290)
Additions to property,plant and equipment	5	**(2,80,595)**	(11,11,836)
Net cash inflow/(outflow) from investing activities		**33,81,08,284**	(22,11,46,126)
Cash flows from financing activities			
Lease payments	20	**(10,09,259)**	-
Net cash inflow/(outflow) from financing activities		**(10,09,259)**	-
Net increase in cash and cash equivalents		**(9,05,34,095)**	15,15,94,107
At the beginning of year		**25,08,68,962**	9,92,74,855
At the end of year	24.2	**16,03,34,867**	25,08,68,962

GIC RE SOUTH AFRICA LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

GIC Re South Africa Ltd ("company") is a company domiciled in South Africa. The company is wholly owned by General Insurance Corporation of India (GIC Re) and authorised to write short-term reinsurance business as per Insurance Act 2017.

1 Accounting policies

1.1 Statement of compliance

The financial statements of the company are prepared on the going concern basis and in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act of South Africa. The accounting policies set out below have been applied consistently to all years presented in the financial statements.

1.2 Basis of preparation

The company is domiciled in South Africa and its reporting currency is Rand. The presentation of the statement of financial position is based on the descending order of liquidity.

Basis of measurement

The financial statements are prepared on the historical cost basis except for investments which are carried at fair value. All figures are rounded off to nearest one Rand.

1.3 Significant judgements and source of estimation uncertainty

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The most significant judgements, estimates and assumptions relate to technical provisions and liabilities under insurance contracts detailed in note 4. In addition, assumptions are made about the recoverability of insurance receivables and credit control is strictly monitored.

Assumptions

As a reinsurer, it is necessary to estimate proportional premiums earned, but not yet reported by cedants (pipeline premiums estimates). The pipeline premium is calculated separately for Facultative, Proportional Treaty and Non-proportional treaty business. For each, triangulation is done on an annual basis, separately for foreign and local business. The chain ladder method is then applied to determine the pipeline premium. Assumptions based on actual claims experience to date have been used in determining the claim provisions.

Profit commissions are payable to cedants based on the performance of the contracts underwritten and are estimated with reference to premiums and claims recorded in the financial statements.

1.4 Insurance contracts

Contracts under which the company accepts significant insurance risk from another party (the policyholder) through reinsurance inwards by agreeing to compensate the policyholder or other beneficiary if a specific uncertain future event (the insured event) adversely affects the policyholder or other beneficiary are classified as insurance contracts. The same definition is applied to reinsurance outwards. Insurance risk is a risk other than financial risk transferred from the holder of a contract to the issuer. Financial risk is the risk of a possible future change in one or more of a specific interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, a credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

Contracts that do not meet the above definition of financial risk are classified as investment contracts.

1.4.1 Commission expense

Acquisition costs comprise commission and other variable costs directly connected with the acquisition or renewal of insurance policies. Commission expenses are charged to profit or loss as incurred and include commission, brokerage, taxes, and profit commission which is paid to cedants based on the performance of the contracts underwritten. Commissions that vary with and are related to securing new contracts and renewing existing contracts are deferred over the period in which the related premiums are earned and recognised as an asset. All other costs are recognised as expenses when incurred.

1.4.2 Retrocession

The company retrocedes insurance risk in the normal course of business for the purpose of limiting its net loss potential through the diversification of its risk. Retrocession arrangements do not relieve the company from its direct obligation to cedants. Amounts recoverable under retrocession contracts are recognised in the same year as the related claim. Amounts recoverable under retrocession agreements are assessed for impairment at each reporting date. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after its initial recognition that the company may not recover all amounts due.

Premiums retroceded, claims reimbursed and commission income are presented in the statement of comprehensive income and statement of financial position separately from the gross amounts. Deferred retrocession income is recognised on a basis consistent with the provision for earned premiums.

1.4.3 Retroceded outstanding claims

Outstanding claims represent the company's estimate of the cost of settlement of claims that have occurred and were reported by the reporting date, but that have not yet been finally settled. The provision for outstanding claims is initially estimated at a gross level and thereafter the retrocession recoveries are separately recognised based on the relevant retrocessionaire contract.

1.4.4 Retroceded unearned premium reserve

Unearned premiums represent the proportion of premiums written in the current year, which relate to risks that have not expired by the end of the financial year. The provision for unearned premiums is first determined on a gross level and thereafter the retroceded portion is separately recognised based on the relevant retrocessionaire contract.

1.4.5 Amounts due under reinsurance contracts

Trade and other receivables which includes amounts due from reinsurance contracts at amortised cost using the effective interest method.

1.4.6 Amounts due from retrocessionaire contracts

Amounts recoverable from retrocessionaires are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each retrocessionaire contract.

1.4.7 Amounts payable to retrocessionaire contracts

Amounts that the company is required to pay under retrocessionaire contracts held are recognised as retrocessionaire liabilities and are measured at amortised cost.

1.5 Deposits

Deposits retained on retrocession placed are stated at amortised cost.

1.5.1 Deposits withheld from retrocessionaires

Deposits retained on ceded business are collateral for technical provisions covering business ceded to retrocessionaires. premium reserve deposits are retained at 40% of premium received and released on an annual basis. Outstanding Losses Reserves are retained at 100% of outstanding losses and released on a quarterly basis. Actual interest earned per annum on premium reserve deposits and actual interest earned per quarter on loss reserve deposit is paid to the retrocessionaire.

1.6 Premiums

Premium income on insurance contracts is brought to account at the earlier of the date of coverage inception or the date of receipt. At year end, an estimate is raised for premiums where notification has not been timeously received.

1.6.1 Gross premiums written

Premium income on insurance contracts is brought to account at the earlier of the date of coverage inception or the date of receipt. At year end, an estimate is raised for premiums where notification has not been timeously received. All premiums are shown before deduction of commission payable to intermediaries.

1.6.2 Retroceded premiums

The retroceded premiums relating to earned premiums are recognised as expense in accordance with the retrocessionaire contract and services received. Retroceded premiums are written during the period in which the risks incept and are expensed over the contract period in proportion to the period of risk covered.

1.6.3 Unearned premium reserve (UPR)

The provision for unearned premium comprises the portion of premiums written which are estimated to be earned in future periods. The unearned premium provision is calculated at the reporting date using the 365th method for Facultative business and using 8th method for Proportional treaty and Non-proportional treaty business.

For Facultative business, both the start date and end date of cover were included, and it was assumed that risk emergence was not materially non-uniform over the coverage period, so the 365ths method was appropriate.

For both Proportional and Non-Proportional Treaty business, the 8ths method was applied on the assumption that a contract which starts within a quarter starts on average half-way through that quarter.

1.6.4 Change in provision for unearned premiums

The portion of gross written premium on short term insurance contracts, which is estimated to be earned in the following or subsequent years, is accounted for as unearned premium provision and recognised in the statement of financial position as technical liabilities under insurance contracts. The change in the provision is recognised through profit or loss as an adjustment to gross written premiums to determine the net premium earned.

1.7 Property, plant & equipment

The cost of item of property and equipment is recognised as an asset when:

It is probabble that future economic benefits associated with the item will flow to the company; and the cost of the item can be measured reliably.

Equipment, furniture and motor vehicles are stated at cost less accumulated depreciation and any accumulated impairment which is calculated to write off the cost of the assets to its residual value over their useful lives in a pattern that reflects their economic benefits. Cost includes all expenditure that is directly attributable to the acquisition of an asset to bring it to its intended use. Maintenance and repairs which neither adds to the value of the property and equipment is recognised directly in the statement of profit or loss.

The current estimated useful lives are as follows:

Equipment	
Office equipment	6 years
Computer equipment	3 years
Furniture	6 years
Motor vehicles	5 years

Equipment, furniture, and motor vehicles are depreciated on a straight-line basis. The useful lives and methods are reassessed annually. The residual values (if not insignificant) are also reassessed annually. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Equipment, furniture, and motor vehicles is subsequently measured using the cost model.

Assets are removed from the statement of financial position on disposal or when it is withdrawn use and no further economic benefits are expected from its disposal

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets and are included in profit or loss. Depreciation for the financial year is disclosed in the statement of profit or loss as management expenses

1.8 Outstanding and unintimated claims

Provisions are made for claims incurred up to the reporting date. The provisions exclude Value Added Tax (VAT) but include an estimate for future claims handling costs.

1.9 Share capital

GIC Re South Africa Ltd is 100% owned by GIC of India. Shares are classified as equity shares and there is no obligation to transfer cash or other assets.

1.10 Gross deferred acquisition costs

Commissions that vary with and are related to securing new contracts and renewing existing contracts are deferred over the period in which the related premiums are earned, and recognised as an asset. All other costs are recognised as expenses when incurred.

Deferred acquisition cost are calculated using the 365ths method for the Facultative business and using the 8ths method for the Proportional and Non-Proportional Treaty business

For Facultative business, both the start date and the end date of cover were included, and it was assumed that the risk emergence was not materially non-uniform over the coverage period, so the 365ths method was appropriate.

For both Proportional and Non-Proportional Treaty business, the 8ths method was applied on the assumption that a contract which starts within the quarter starts on average half-way through that quarter.

1.11 Gain or loss on realisation of investments

Gains or losses on realisation of investments are recognised in profit and loss

1.12 Income taxes

Income tax on profit and loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity, or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1.13 Impairment of non-financial assets

The carrying amounts of the company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset is impaired, its recoverable amount is estimated. The recoverable amount is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount. In assessing the value in use, the expected future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation) had an impairment loss not been recognised in prior years.

1.14 Financial instruments

1.14.1 Financial assets

Financial assets are recognised when the company becomes a party to the contractual terms that provisions of the instruments. On initial recognition, these instruments are recognised at fair value or for financial instruments not carried at fair value, the cost thereof, including transaction costs. Subsequent to initial recognition, these instruments are measured as set out below:

1.14.1.1 Investment through Profit and Loss

Investments are classified at fair value through profit or loss. The investments are managed and their performance evaluated and reported internally on a fair value basis in terms of a documented investment strategy in line with the changes in insurance liabilities that are recognised in profit and loss. The fair value of listed investments is measured with reference to their quoted bid prices at the reporting date.

1.14.1.2 Investment through amortised cost

Investments are classified as subsequently measured at amortised cost and are accounted for using the effective interest rate method. The interest is calculated by applying the effective interest rate on the gross carrying amount of the investment. Gains and losses are recognised in the profit and loss.

1.14.1.3 Trade and other receivables

Trade and other receivables (which includes amounts due from reinsurance contract retrocessionaire) are stated at amortised cost using the effective interest rate method. Amounts recoverable under insurance contracts are assessed annually. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after impairment losses at each reporting date. The carrying amounts of the assets are reduced by the impairment losses. Impairment losses are recognised in the profit or loss account for the period.

1.14.1.4 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Cash and cash equivalents are stated at amortised cost.

1.15 Financial liabilities

Financial liabilities are initially measured at cost, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with the interest expense being recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating the corresponding interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts future cash payments through the expected life of the financial liability or, where appropriate, a shorter period.

Non-derivative financial liabilities are carried at amortised cost, comprising of the original debt, principal payments and amortisation.

1.15.1 Trade and other payables

Trade and other payables (which includes amounts due to reinsurance contract retrocessionaire) are stated at amortised cost using effective interest rate method.

1.16 Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount at the date of derecognition and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

The entity generally derecognises a financial liability when its contractual obligations expire or are discharged or cancelled. The entity also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

1.17 Impairments of assets

Financial assets other than those carried at fair value through profit or loss are impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a "loss even") and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

If there is objective evidence that an impairment loss has been incurred on loans and receivables carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised.

Change in provision for doubtful debts

The provision for doubtful debts is recognised through profit or loss. Premium debtors older than 365 days are classified as doubtful debts and are not assessed as part of premium debtors.

1.18 Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the company has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.19 Foreign currencies

Assets and liabilities in foreign currencies are translated to South African Rand at rates of exchange ruling at the reporting date.

Foreign currency transactions during the year are recorded at rates of exchange ruling at the transaction date. Realised and unrealised gains or losses on exchange are accounted for in profit and loss during the period that they arise.

1.20 Employee benefits

Leave pay: Employee entitlements to annual leave are recognised when they accrue to employees. Provision is made for the estimated liability of this leave as a result of services rendered by employees up to the statement of financial position date. Bonus: Employees are entitled to Christmas bonus as per the company's human resource policy Medical Aid: Employees are covered under Medical Aid Plan.

1.21 Lease

At inception of a contract, GIC assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. GIC has not elected to apply the practical expedient to account for each lease component and any non-lease components as a single lease component.

GIC recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits.The right of use of the asset is included in the property, plant and equipment.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the GIC's estimate of the amount expected to be payable under a residual value guarantee, or if GIC changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

GIC has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. The threshold of these assets is R75 000.

2 Reinsurance risk management

2.1 Non-life reinsurance contracts

2.1.1 Risk management objectives and policies for mitigating reinsurance risk

The company reactivated its underwriting non-life reinsurance business as of 1 January 2015 after having been in run off since 2002. The cover periods for all historical reinsurance contracts, which were annual in nature, had expired by the end of 2005. The company's exposure is therefore limited to the uncertainty surrounding the timing of payment and severity of claims already incurred under historical reinsurance contracts. This is commonly referred to as claims development risk.

Sound underwriting principles are applied when the reinsurance contracts are underwritten. In order to ensure that each contract was comprehensively evaluated for underwriting and rating purposes, strict underwriting guidelines, agreed to with the parent company, are followed. The underwriting guidelines stipulate the type of risks that could be underwritten, as well as the exposure per risk that was acceptable.

The reinsurance contracts underwritten by the company comprise:

- Property reinsurance: contracts that indemnify against physical loss or damage and the financial consequences from a loss or damage to land and buildings.
- Transport reinsurance: contracts that indemnify against losses from the possession, use or ownership of a vessel, aircraft or other craft for the conveyance of persons or goods.
- Accident reinsurance: contracts that indemnify against losses from a variety of risks. These include:
  - Motor
  - Personal accident and health
  - Guarantee
  - Liability
  - Engineering
  - Miscellaneous

The claims liabilities recognised for each of these classes at year end are disclosed in note 6.

The largest claims development uncertainty is concentrated in those classes that are classified as long tail, such as liability and engineering. Long tail business is defined as reinsurance contracts under which claims are typically not settled within one year of the occurrence of the events giving rise to the claims. In long tail classes, there is still significant scope for future development, positive or negative, both in number of claims, as well as the value of the claims.

2.1.1 Risk management objectives and policies for mitigating reinsurance risk (continued)

- The company commenced its operations from 01 January 2015 and is underwriting non-life reinsurance business emanating from Sub-Saharan Africa. In the month of October 2017, the company's territorial scope was widened to underwrite business from 5 North African Countries namely Algeria, Tunisia, Morocco, Sudan and South Sudan. As a result, the company has been underwriting business from the entire Africa continent except Egypt and Libya.
- The company has regarded its concentration in South Africa as a primary concern from the point of view of hailstorm and earthquake exposures. To mitigate the underwriting risk, it has in place a 70% Whole Account Quota Share Treaty from Sirius, Sweden. Further based on its internal assessment and a catastrophe model sourced from a third party, has calculated realistic disaster scenario in any one catastrophe and as a matter of abundant precaution procured an excess of loss protection from

Sirius International for US$ 49 million excess US$ 1 million for the year 2020-21. The cover is currently in place. These arrangements will protect the capital of the company in any catastrophe event.

- The company had launched two new products in 2018 namely (1) Stand-alone Political Violence and Terrorism (PVT) and (2) Retakaful business.
- For PVT business, the company has obtained a Quota Share Protection for 12 months beginning 01 August, 2020 from the Lloyd's Market.
- The Retakaful business has been protected under the existing Whole Account Quota Share Treaty and Whole Account Excess of Loss Cover.

2.1.2 Concentrations of reinsurance risk

Concentrations of risk may arise with a particular event or series of events for example in one geographical location.

2.1.3 Claims development information

Consistent with practice in the reinsurance industry, quarterly statements received from insurers under proportional reinsurance contracts, do not detail the date of loss of reinsurance claims. Proportional reinsurance contracts make up the largest part of the company's business. The majority of the business underwritten is classified as "short-tail" meaning that claims are settled within a year after the loss date. In terms of IFRS 4, an insurer need only disclose claims run-off information where uncertainty exists about the amount and timing of claim payments not resolved within one year.

Claims development is monitored in aggregate for all loss years. Note 6 provides details of the overall changes in estimates of claims liabilities created in earlier years.

2.3.4 Claims incurred, net of reinsurance

Claims incurred in respect of short-term insurance contracts consist of claims and claims handling expenses paid during the financial year as well as movements in provision for outstanding claims and claims incurred but not reported (IBNR).

2.2 Risk management objectives and policies for mitigating reinsurance risk

The company ceased underwriting life reinsurance business during 2002 and entered into a run-off phase. The company has recaptured the entire life business in the year ended 2018 and no liabilities are remaining at the year end related to this business.

3 Financial risk

Transactions in financial instruments result in the company assuming financial risks. These include market risk, liquidity risk and credit risk. Each of these risks is described below, together with ways in which the company manages these risks.

3.1 Market risk

Market risk can be described as the risk of a change in the fair value of a financial instrument brought about by changes in interest rates, equity prices, or foreign exchange rates.

- Equity price risk

  The portfolio of listed equities, which are stated at fair value at reporting date, has exposure to price risk, being the potential loss in market value resulting from adverse changes in prices. The company's objective is to earn competitive relative returns by investing in a diverse portfolio of securities. Portfolio characteristics are analysed on a regular basis. The portfolio is invested in various industries as detailed in note 9, and the largest investment in any one company comprises 1.25% (2020: 1.23%) of the total assets.

  At 31 March 2021, the company's ordinary listed equities were recorded at their fair value of R 254.63 million (2020: R 124.25 million). A hypothetical 25% decline or increase in each share's price would have decreased or increased profit before tax (PBT) respectively by R 63.65 million (2020: R 31.06 million).

- Interest rate risk

  Fluctuations in interest rates impact on the value of government securities and corporate bonds and inhouse fixed deposits from these investments. The maturity profile of these instruments is set out in note 9. Management is trying to find other instruments which gives good return to manage interest rate risk. The method for deriving sensitive information has not been changed.

	ZAR (Million)	ZAR (Million)	ZAR (Million)	ZAR (Million)
Increase/decrease in interest rate	**Effect on PBT March 2021**	**Effect on PBT March 2020**	**Effect on shareholder's equity on March 2021**	**Effect on shareholder's equity on March 2020**
+1%	**20.0**	18.5	**1,397**	1,365
-1%	**-20.0**	-18.5	**1,368**	1,338

- Foreign currency risk

The company is exposed to foreign currency risk for transactions that are denominated in a currency other than Rand. The company is writing business from whole of Africa, except Egypt and Libya. Initially the company's focus is to build foreign currency reserves and match ZAR, USD and EUR Liabilities with ZAR(South African Rand), USD (US Dollar) and EUR (EURO) assets. The method for deriving sensitive information has not been changed.

	ZAR (Million)	ZAR (Million)	ZAR (Million)	ZAR (Million)
Increase/decrease in interest rate	**Effect on PBT March 2021**	**Effect on PBT March 2020**	**Effect on shareholder's equity on March 2021**	**Effect on shareholder's equity on March 2020**
-10%	**55.0**	28.0	**1,422**	1,371
-10%	**-55.0**	-28.0	**1,343**	1,331

3.2 Liquidity risk

The company ensures that the solvency of the company meets the regulatory requirements at all times by maintaining a high level of liquidity.

The company follows the regulatory provisions, in conjunction with prudential norms laid out by the Board of directors, with regard to the investment of its funds. The general investment strategy is to use cash as the default asset class. In the initial years of operations equity exposure will be maintained at lower levels. The company maintains liquid assets which can be used for immediate cash flow needs (refer note 24.2).

Expected cash flows of liabilities:

2021

	Carrying amount	**1 year**	**2 years**	**More than 2 years**
Deposits withheld from retrocessionaires	**1,31,18,76,708**	1,31,18,76,708	-	-
Amounts payable to retrocessionaire contracts	**15,37,41,565**	15,37,41,565	-	-
Other accounts payable	**3,24,58,375**	3,24,58,375	-	-

2020

	Carrying amount	**1 year**	**2 years**	**More than 2 years**
Deposits withheld from retrocessionaires	**1,22,86,94,253**	1,22,86,94,253	-	-
Amounts payable to retrocessionaire contracts	**56,09,90,177**	56,09,90,177	-	-
Other accounts payable	**3,90,08,687**	3,90,08,687	-	-

Maturity of technical liabilities under insurance contracts have been included in Note 6.

The company performs a currency-wise asset and liability management exercise every quarter and any decision on conversion of currencies is taken in ALCO (Asset Liability Committee).

For Rand funds, the fund managers are instructed to keep funds invested in such a way as to offer maximum flexibility and high liquidity.

Over and above these liquidity measures, a letter of comfort given by the parent company provides support to the company in order to maintain adequate capital, to meet solvency and policy holder liability requirements and financial obligations.

Credit risk

The company has several exposures to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the company is exposed to credit risk are:

- amounts due from reinsurance policyholders;
- amounts due from reinsurance contract intermediaries;
- investments excluding equities; and
- retroceded technical liabilities.

Exposure to individual policyholders and groups of policyholders are monitored as part of the credit control process. Reputable financial institutions are used for investing and cash handling purposes.

Under the terms of the retrocession agreements, retrocessionaires agree to reimburse the ceded amount in the event that a gross claim is paid. However, the company remains liable to its cedants regardless of whether the retrocessionaire meets the obligations it has assumed. Consequently, the company is exposed to credit risk.

GIC Re South Africa Ltd reinsures with Sirius International Insurance Corporation which has been rated A (Excellent) by A.M.Best and A- (Strong) by S&P Ratings.

Sirius International Insurance Corporation arranged a 70% whole account quota share treaty whereby 70% of the claims are recovered from Sirius International Insurance Corporation. In addition to this GIC Re South Africa Ltd continues to withhold 40% of the premium as premium reserve deposit and retain 100% of the outstanding claims reserve as an outstanding claims reserve deposit.

None of the company's financial assets exposed to credit risk are past 182 days due and are not impaired. The company does not hold any collateral as security held for receivables.

Age analysis of amounts due from companies on reinsurance contracts.

	Total	Current	More than 30 days	More than 60 days	More than 90 days	More than 120 days*
2021						
Amounts due under reinsurance contracts	**60,14,79,818**	51,13,55,809	68,65,339	1,53,14,155	2,87,06,240	3,92,38,275
2020						
Amounts due under reinsurance contracts	**71,55,44,954**	63,27,07,211	57,38,129	7,89,485	2,62,17,761	5,00,92,368

* But less than 182 days

3.3 Credit risk (continued)

Analysis of the credit quality of the company's assets

	AAA R	AA R	A R	BBB and lower R	Not Rated R	Total R
2021						
Technical assets under insurance contracts	-	-	2,03,73,91,352	-	7,13,69,882	2,10,87,61,234
Investments						
Government securities	-	-	-	30,50,26,164	-	30,50,26,164
Negotiable Certificate of Deposit	-	-	-	19,80,19,242	17,64,60,171	37,44,79,413
Fixed Deposits	-	-	-	1,49,08,42,475	-	1,49,08,42,475
Treasury bills	-	-	1,00,19,036	-	-	1,00,19,036
Ordinary shares - listed	-	-	25,46,35,883	-	-	25,46,35,883
Collective investment schemes	-	-	7,78,51,349	-	-	7,78,51,349
Preference shares - listed	-	-	91,83,060	-	-	91,83,060
Accounts receivable (Net)	1,08,77,397	2,50,80,620	1,98,00,657	3,12,87,448	51,44,33,696	60,14,79,818
Cash and cash equivalents	-	70,18,907	4,64,84,493	7,07,35,511	3,60,95,955	16,03,34,866
	1,08,77,397	**3,20,99,527**	**2,45,53,65,830**	**2,09,59,10,840**	**79,83,59,704**	**5,39,26,13,298**
2020						
Technical assets under insurance contracts	-	-	1,78,05,91,847	-	6,64,92,752	1,84,70,84,599
Investments						
Government securities	-	-	-	23,20,90,034	-	23,20,90,034
Negotiable Certificate of Deposit	-	21,62,24,123	-	11,76,58,668	18,63,14,015	52,01,96,806
Fixed Deposits	-	-	-	1,84,64,66,774	-	1,84,64,66,774
Ordinary shares - listed	-	-	12,42,56,238	-	-	12,42,56,238
Collective investment schemes	-	-	1,64,90,835	-	-	1,64,90,835
Preference shares - listed	-	-	88,00,433	-	-	88,00,433
Accounts receivable (Net)	1,41,82,724	2,22,28,484	1,00,96,836	1,38,00,657	65,52,36,253	71,55,44,954
Cash and cash equivalents	-	5,02,426	54,26,888	23,10,10,621	1,39,29,027	25,08,68,962
	1,41,82,724	**23,89,55,033**	**1,94,56,63,076**	**2,44,10,26,754**	**92,19,72,047**	**5,56,17,99,634**

The company's maximum exposure to credit risk is analysed in the tables above.

The assets as above are based on external credit ratings obtained from various reputable rating agencies like Fitch and Standard and Poor's. The assets under investment are designated at fair value through profit and loss. The international rating scales are based on long-term investment horizons under the following broad investment grade definitions:

AAA The financial instrument is judged to be of the highest quality, with minimal credit risk and indicates the best quality issuers that are reliable and stable.

AA The financial instrument is judged to be of high quality and is subject to very low credit risk and indicates quality issuers.

A The financial instrument is considered upper-medium grade and is subject to very low credit risk although certain economic situations can more readily affect the issuers' financial soundness adversely than those rated AAA or AA.

BBB The financial instrument is subject to moderate credit risk and indicate medium class issuers, which are currently satisfactory.

*Amount Receivable is net of provision for doubtful debts of R 35.37 million (2020: R 39.59 million)

Fair value hierarchy

The table below analyses assets carried at fair value. The different levels have been defined as follows:

Level 1

Quoted market price in an active market for an identical instrument.

Level 2

Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly observable from market data.

Level 3

Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets designated at fair value through profit or loss*	30,50,26,164	-	-	30,50,26,164
Financial assets mandatory at fair value through profit or loss**	26,38,18,943	7,78,51,349	-	34,16,70,292
	56,88,45,107	**7,78,51,349**	**-**	**64,66,96,456**

2020	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets designated at fair value through profit or loss*	23,20,90,034	-	-	23,20,90,034
Financial assets mandatory at fair value through profit or loss**	13,30,56,671	1,64,90,835	-	14,95,47,506
	36,51,46,705	**1,64,90,835**	**-**	**38,16,37,540**

* Government bonds - listed

** Ordinary shares, collective investment schemes and preference shares

Collective Investment schemes are valued based on its unit price or the net asset value (NAV), depending on the market value of the underlying investments in which the pool of money is invested. Its yield is calculated by taking the interest and income receivable of all the instruments in the fund divided by the net asset value, expressed as a nominal annual rate.

Capital management

The company recognises equity and reserves as capital and management closely monitors the company's capital position relative to the economic and regulatory (PA) requirements. The company submits quarterly and annual returns to the Prudential Authority in terms of the Insurance Act, 2017. The company is required to at all times to maintain a minimum capital adequacy requirement as defined in the Insurance Act, 2017.

The company with the assistance of its consulting actuary, has addressed the capital needs under the new Solvency Assessment and Management (SAM) regime (from July 2018) and have complied with the transitional reporting requirements as communicated by the Regulator.

Particular	2021	2020
Total Shareholder's Equity	**1,38,22,41,632**	1,35,12,85,947
Cash & Cash equivalents	**16,03,34,867**	25,08,68,962
Capital	**1,54,25,76,499**	1,60,21,54,909
Total Shareholder's Equity	**1,38,22,41,632**	1,35,12,85,947
Leasing liabilities	**25,59,363**	-
Overall financing	**1,38,48,00,995**	1,35,12,85,947
Capital to overall financing ratio	**1.11**	1.19

4 Technical provisions and liabilities under insurance contracts

Insurance risks are unpredictable and the company recognises that it is impossible to forecast with absolute precision claims payable under insurance contracts. Over time, the company has developed a methodology that is aimed at establishing insurance provisions and liabilities that have a reasonable likelihood of being adequate to settle all its insurance obligations.

The earned premium, Unearned Premium Reseve (UPR) and Deferred Acquisition Cost (DAC) are calculated using the 365ths method for Facultative business and using the 8ths method for Proportional and Non-Proportional Treaty business.

In respect of claims incurred but not yet reported (IBNR), for most classes of business, the loss ratio method was used. It was assumed there was no IBNR beyond the point at which historically almost all development based on the Chain Ladder pattern had occurred.

There was no major impact of COVID 19 on the assumptions and no material effect on the financial statements.

4.1 Non-life reinsurance contracts

4.1.1 Claim provisions

The outstanding claims provisions include notified claims as well as incurred but not yet reported claims.(IBNR) Outstanding claims provisions are not discounted.

Notified claims

Claims notified by cedants are assessed with due regard to the specific circumstances, information available from the cedant and/or loss adjuster and past experience with similar claims. The company employs staff experienced in claims handling and rigorously applies standardised policies and procedures around claims assessment.

The ultimate cost of the reported claims may vary as a result of future developments or better information becoming available about current circumstances. Estimates are therefore reviewed regularly and followed up with the cedant to ensure that it is still current.

4.1.2 Premium provisions and deferred commission

Unearned premium provisions and deferred commission assets have been recognised. For Facultative 365th method is used, a blend of 8th method and 50% method is used for Proportional treaty business and for the Non-proportional treaty 8th method is used.

4.1.3 Recoverability of insurance receivables

Amounts due from cedants have been assessed for an indication of impairment due to significant financial difficulty, a breach of contract or other observable data indicating a measurable decrease in the future cash recoverable. This may include adverse changes in the payment status of cedants or economic conditions that may lead to default of amounts due.

The carrying amount of insurance receivables has been reduced by a provision for doubtful debts and the amount of the loss has been recognised in the statement of comprehensive income. If in future the amount becomes recoverable the previously recognised provisions for doubtful debts will be reversed through the statement of profit or loss.

5 Property, Plant and Equipment

	31 March 2021 R	31 March 2020 R
At cost		
Equipment	**23,37,707**	20,57,112
Furniture	**8,82,097**	8,82,097
Motor vehicles	**30,58,260**	30,58,260
Right-of-use asset	**35,68,623**	-
	98,46,687	59,97,469
Accumulated depreciation and accumulated impairment		
Equipment	**(19,93,539)**	(17,29,467)
Furniture	**(7,12,831)**	(6,28,716)
Motor vehicles	**(20,33,595)**	(16,43,810)
Right-of-use asset	**(11,89,542)**	-
	(59,29,507)	(40,01,993)
Net book value		
Equipment	**3,44,168**	3,27,645
Furniture	**1,69,266**	2,53,381
Motor vehicles	**10,24,665**	14,14,450
Right-of-use asset	**23,79,081**	-
	39,17,180	19,95,476
Equipment		
Net book value at beginning of year	**3,27,645**	4,79,119
Additions	**2,80,595**	1,94,194
Depreciation	**(2,64,072)**	(3,45,668)
Net book value at end of year	**3,44,168**	3,27,645
Furniture		
Net book value at beginning of year	**2,53,381**	2,44,008
Additions	**-**	1,15,946
Depreciation	**(84,115)**	(1,06,573)
Net book value at end of year	**1,69,266**	2,53,381
Motor vehicles		
Net book value at beginning of year	**14,14,450**	11,39,572
Additions	**-**	8,01,696
Depreciation	**(3,89,785)**	(5,26,818)
Net book value at end of year	**10,24,665**	14,14,450
Right-of-use asset		
Net book value at beginning of year	**-**	-
Additions	**35,68,623**	-
Disposals	**-**	-
Depreciation	**(11,89,541)**	-
Net book value at end of year	**23,79,082**	-
Total		
Net book value at beginning of year	**19,95,476**	18,62,699
Additions	**38,49,218**	11,11,836
Depreciation	**(19,27,514)**	(9,79,059)
Net book value at end of year	**39,17,180**	19,95,476

6 Provision for outstanding claims

	31 March 2021 Non-Life R	31 March 2020 Non-Life R
Balance at beginning of the period	**46,13,92,437**	43,54,85,196
Gross	**1,99,55,34,060**	1,85,37,53,563
Retroceded	**(1,53,41,41,623)**	(1,41,82,68,367)
Amounts transferred (to)/from profit or loss	**(13,38,56,823)**	2,59,07,241
Gross	**10,51,67,409**	14,17,80,497
Retroceded	**(23,90,24,232)**	(11,58,73,256)
Balance at end of the period	**32,75,35,614**	46,13,92,437
Gross	**2,10,07,01,469**	1,99,55,34,060
Retroceded	**(1,77,31,65,855)**	(1,53,41,41,623)
Transportation	**62,32,876**	2,21,53,617
Property	**23,74,85,511**	29,70,00,623
Engineering	**79,65,124**	1,00,09,616
Guarantee	**55,32,524**	67,15,286
Liability	**42,31,349**	42,35,421
Motor	**3,36,14,081**	8,55,12,157
Miscellaneous	**2,69,53,142**	2,79,46,579
Accident/Health	**55,21,008**	78,19,138
	32,75,35,614	46,13,92,437

Payment Development

Gross Reporting year actual claims cost	Total	2021 R	2020 R	2019 R	2018 R	2017 R	2016 R	2015 R
2021	79,67,31,690	**3,45,707**	7,46,13,397	17,44,84,409	28,64,68,457	21,57,69,629	4,32,59,690	17,90,401
2020	1,21,12,08,388	**-**	4,635	5,33,14,628	51,43,17,035	48,54,36,650	14,06,28,469	1,75,06,971
2019	1,17,28,17,193	**-**	-	15,79,173	24,57,94,827	50,56,62,878	38,84,52,192	3,13,28,123
2018	74,00,56,477	**-**	-	-	4,49,607	13,96,62,359	56,76,80,748	3,22,63,763
2017	20,58,10,787	**-**	-	-	-	(1,60,91,252)	10,82,51,394	11,36,50,645
2016	5,37,33,177	**-**	-	-	-	-	(1,48,89,510)	6,86,22,687
Cumulative payments to date	4,18,03,57,712	**3,45,707**	7,46,18,032	22,93,78,210	1,04,70,29,926	1,33,04,40,264	1,23,33,82,983	26,51,62,591
Retro Reporting year actual claims cost	**Total**	**R**	**R**	**R**	**R**	**R**	**R**	**R**
2021	56,41,89,347	**25,502**	5,22,29,378	12,21,39,086	20,05,27,920	15,10,38,741	3,66,17,357	16,11,363
2020	87,36,53,373	**-**	-	3,73,20,237	35,98,09,007	33,98,06,205	12,08,95,734	1,58,22,190
2019	88,43,01,490	**-**	-	-	17,20,56,370	35,39,64,015	33,01,76,761	2,81,04,344
2018	60,94,33,039	**-**	-	-	-	9,74,58,063	48,30,00,196	2,89,74,780
2017	18,02,57,253	**-**	-	-	-	(1,40,42,012)	9,20,13,685	10,22,85,580
2016	4,91,04,335	**-**	-	-	-	-	(1,26,56,084)	6,17,60,419
Cumulative payments to date	3,16,09,38,837	**25,502**	5,22,29,378	15,94,59,323	73,23,93,297	92,82,25,011	1,05,00,47,649	23,85,58,676

Net Reporting year actual claims cost	Total	R	R	R	R	R	R	R
2021	23,25,42,344	**3,20,206**	2,23,84,019	5,23,45,323	8,59,40,537	6,47,30,889	66,42,332	1,79,038
2020	33,75,55,016	**-**	4,635	1,59,94,391	15,45,08,028	14,56,30,445	1,97,32,736	16,84,781
2019	28,85,15,703	**-**	-	15,79,173	7,37,38,457	15,16,98,864	5,82,75,431	32,23,779
2018	13,06,23,438	**-**	-	-	4,49,607	4,22,04,296	8,46,80,552	32,88,983
2017	2,55,53,534	**-**	-	-	-	(20,49,240)	1,62,37,709	1,13,65,065
2016	46,28,842	**-**	-	-	-	-	(22,33,427)	68,62,269
Cumulative payments to date	1,01,94,18,878	**3,20,206**	2,23,88,654	6,99,18,887	31,46,36,629	40,22,15,254	18,33,35,333	2,66,03,915

7 Unearned premium reserve

	31 March 2021 R	31 March 2020 R
Balance at beginning of year	**10,47,71,465**	23,05,15,739
Gross	**35,12,21,689**	77,44,55,928
Retroceded	**(24,64,50,224)**	(54,39,40,189)
Amounts transferred through profit and loss	**2,16,43,344**	(12,57,44,274)
Gross	**3,94,18,617**	(42,32,34,239)
Retroceded	**(1,77,75,273)**	29,74,89,965
Balance at end of year	**12,64,14,809**	10,47,71,465
Gross	**39,06,40,306**	35,12,21,689
Retroceded	**(26,42,25,497)**	(24,64,50,224)

8 Deferred acquisition costs

	31 March 2021 R	31 March 2020 R
Balance at beginning of year	**2,00,55,515**	3,91,83,459
Gross	**6,64,92,752**	12,91,67,991
Retroceded	**(4,64,37,237)**	(8,99,84,532)
Amounts transferred through profit and loss	**14,98,776**	(1,91,27,944)
Gross	**48,77,130**	(6,26,75,239)
Retroceded	**(33,78,354)**	4,35,47,295
Balance at end of year	**2,15,54,291**	2,00,55,515
Gross	**7,13,69,882**	6,64,92,752
Retroceded	**(4,98,15,591)**	(4,64,37,237)

9 Investments

	31 March 2021		31 March 2020	
	R Cost	R Fair Value or amortised cost	R Cost	R Fair Value or amortised cost
Negotiable certificates of deposits-unlisted*	**37,14,54,245**	**37,44,79,413**	49,70,00,000	52,01,96,806
Treasury bills - unlisted*	**1,00,00,000**	**1,00,19,036**	-	-
Fixed deposits - unlisted*	**1,46,98,46,540**	**1,49,08,42,475**	1,84,64,54,541	1,84,64,66,774
Ordinary shares - listed**	**21,60,82,939**	**25,46,35,883**	17,41,74,477	12,42,56,238
Collective investment schemes - listed**	**7,76,09,789**	**7,78,51,349**	1,61,79,052	1,64,90,835
Preference shares - listed**	**1,58,13,539**	**91,83,060**	1,55,45,979	88,00,433
Government bonds - listed**	**28,87,43,813**	**30,50,26,164**	22,40,00,000	23,20,90,034
Total investments	**2,44,95,50,865**	**2,52,20,37,380**	2,77,33,54,049	2,74,83,01,120

* Held at amortised cost

** Held at fair value

Listed ordinary shares portfolio analysis

	% 2021	% 2020
Basic materials	**35**	39
Consumer services	**16**	18
Financials	**37**	32
Industrials	**12**	11
	100	100

Maturity profile of fixed interest securities

	Less than one year R	One to five years R	More than five years R	Total R
2021				
Negotiable certificates of deposits-unlisted	37,44,79,413	-	-	37,44,79,413
Fixed deposits - unlisted	1,49,08,42,475	-	-	1,49,08,42,475
Treasury bills - unlisted	-	1,00,19,036	-	1,00,19,036
Government bonds- listed	-	-	30,50,26,164	30,50,26,164

	Less than one year R	One to five years R	More than five years R	Total R
2020				
Negotiable certificates of deposits - unlisted	52,01,96,806	-	-	52,01,96,806
Fixed Deposits - unlisted	1,84,64,54,541	-	-	1,84,64,54,541
Treasury bills - unlisted	-	-	-	-
Government bonds- listed	-	-	23,20,90,034	23,20,90,034

Presented below are the effective interest rates of the company's interest bearing investments:

	31 March 2021	31 March 2020
Negotiable certificates of deposits - unlisted	**5.25%**	5.84%
Fixed deposits - unlisted	**3.20%**	2.35%
Government bonds unlisted	**9.85%**	10.28%
Treasury bills (Aylett) - unlisted	**6.00%**	0.00%

10 Deferred taxation

31 March 2021

A deferred tax asset of R 21.7 million (2020: R 8.6 million) has not been recognised due to the uncertainty of future taxable income against which to utilise the deferred tax

Assessed loss at repoting date is R 74.37 million (2020: no assesed loss was reported)

11 Other accounts payable

	31 March 2021	31 March 2020
Accrual for leave pay	**7,42,809**	8,69,339
Other	**3,17,15,566**	3,81,39,348
	3,24,58,375	3,90,08,687
Other accounts payable consist of:	**2021**	**2020**
Expenses accrual	**5,86,686**	1,66,969
VAT payable	**55,47,693**	8,48,846
Unallocated premium received	**2,36,05,450**	2,16,37,230
Withholding tax on interest	**19,75,737**	1,54,86,303

12 Share capital

	31 March 2021	31 March 2020
Authorised		
1 500 000 000 ordinary shares of no par value		
Issued		
At beginning of the year		
571 030 862 ordinary shares of no par value	**1,14,20,61,725**	1,14,20,61,725
Issued during the year		
ordinary shares of no par value	**-**	-
At end of the year		
571 030 862 ordinary shares of no par value	**1,14,20,61,725**	1,14,20,61,725

The unissued shares are under the control of the directors.

13 Deposits withheld from retrocessionaires

	31 March 2021	31 March 2020
Retro Loss Reserve Deposits	**92,90,26,662**	88,03,54,276
Retro IBNR Reserve Deposits	**5,70,20,220**	5,18,80,422
Retro UPR Reserve Deposits	**32,58,29,826**	29,64,59,555
	1,31,18,76,708	1,22,86,94,253

14 Net investment income

	Non-Life R	Life R	Total R
31 March 2021			
Dividends received - listed	60,83,038	-	60,83,038
Interest income	6,65,44,187	-	6,65,44,187
Realised loss on disposal of investments	(4,06,817)	-	(4,06,817)
Net movement in unrealised gains on revaluation of investments	11,25,31,958	-	11,25,31,958
	18,47,52,366	-	18,47,52,366
31 March 2020			
Dividends received - listed	47,16,840	2,07,854	49,24,694
Interest received	21,92,16,018	15,77,644	22,07,93,662
Realised loss on disposal of investments	(34,73,861)	(1,63,624)	(36,37,485)
Net movement in unrealised gains on revaluation of investments	(5,60,59,250)	(18,52,697)	(5,79,11,947)
	16,43,99,747	(2,30,823)	16,41,68,924

15 Claims incurred

	Non-Life R	Life R	Total R
31 March 2021			
Claims paid	(23,25,42,345)	-	(23,25,42,345)
Gross	(79,67,31,692)	-	(79,67,31,692)
Retroceded	56,41,89,347	-	56,41,89,347
Change in provision for outstanding claims	13,38,56,823	-	13,38,56,823
Gross	(10,51,67,409)	-	(10,51,67,409)
Retroceded	23,90,24,232	-	23,90,24,232
Claims incurred	(9,86,85,522)	-	(9,86,85,522)
31 March 2020			
Claims paid	(33,75,55,016)	-	(33,75,55,016)
Gross	(1,21,12,08,388)	-	(1,21,12,08,388)
Retroceded	87,36,53,372	-	87,36,53,372
Change in provision for outstanding claims	(2,59,07,241)	-	(2,59,07,241)
Gross	(14,17,80,497)	-	(14,17,80,497)
Retroceded	11,58,73,256	-	11,58,73,256
Claims incurred	(36,34,62,257)	-	(36,34,62,257)

16 Commission

	31 March 2021	31 March 2020
Commission expense		
Gross commission and brokerage paid	**(34,05,42,000)**	(42,53,06,290)
Gross deferred acquisition cost	**48,77,130**	(6,26,75,239)
	(33,56,64,870)	(48,79,81,529)
Commission income		
Retrocession commission and brokerage received	**27,57,38,413**	34,04,37,092
Retroceded deferred commission revenue	**(33,78,354)**	4,35,47,295
	27,23,60,059	38,39,84,387
Net Commission	**(6,33,04,811)**	(10,39,97,142)

17 Profit before taxation

	31 March 2021	31 March 2020
Profit before taxation is stated after charging:		
Employee costs - salaries and bonuses	**2,00,94,864**	1,10,44,442
External auditor's remuneration		
– audit services	**14,95,844**	10,40,000
	14,95,844	10,40,000
Consulting fees paid	**31,72,975**	32,63,240

	31 March 2021	31 March 2020
Lease expense	-	18,21,779
Utilities	**3,00,412**	-
Depreciation		
Equipment	**2,64,072**	3,45,668
Furniture	**84,115**	1,06,573
Motor vehicles	**3,89,785**	5,26,818
Right-of-use asset	**11,89,541**	-
Total	**19,27,514**	9,79,059

18 Taxation

	Total R
31 March 2021	
South African normal tax	
Current taxation	-
– current year (prior year over provison of tax expenses)	1,09,42,661
– utilisation of tax credit	-
Deferred taxation	-
– current year	-
	1,09,42,661
Tax rate reconciliation:	**%**
Standard tax rate	**28.00**
Non-taxable income- dividend received	(8.47)
Non-deductible expenditure	0.26
Accounting loss on disposal of investments	3.36
Other - Expenditure incurred in the production of exempt income	0.17
Miscellaneous expenses - Not incurred in the production of income	0.22
Unrealised loss/(profit) on equity and preference shares	(24.86)
Effect of temporary differences raised at CGT rate	0.00
Under/overprovision in prior years	(54.43)
Unutilised calculated assessed loss and deductible temporary differences	1.33
Effective tax rate	(54.42)
31 March 2020	
South African normal tax	
Current taxation	
– current year	(8,08,79,669)
– utilisation of tax credit	(27,79,518)
Deferred taxation	-
– current year	-
	(8,36,59,187)

	Total R
Tax rate reconciliation:	**%**
Standard tax rate	**28.00**
Non-taxable income- dividend received	(0.53)
Non-deductible expenditure	0.00
Accounting loss on disposal of investments	0.45
Other - Expenditure incurred in the production of exempt income	0.02
Miscellaneous expenses - Not incurred in the production of income	0.03
Unrealised loss/(profit) on equity and preference shares	7.35
Effect of temporary differences raised at CGT rate	0.00
Under/overprovision in prior years	2.60
Effective tax rate	**37.92**

19 Related party transactions

19.1 Identity of related parties

The current holding company is General Insurance Corporation of India (GIC Re India) which is controlled by Government of India (holding 85.78% equity share), it acquired 100% of the company's shares on 24 April 2014.

19.2 Transactions with Directors & Key Management Personnel

The remuneration of the Non-Executive Directors, of the company, is set out below in aggregate.

Name	Designation	Basic Remuneration#	Medical Benefits	Cash Incentive	Other allowances	Total
2021						
S Bhikha	Non-Executive Director	4,09,958	-	-	-	4,09,958
CI Moosa	Non-Executive Director	3,60,266	-	-	-	3,60,266
J Bagg	Non-Executive Director	4,03,746	-	-	-	4,03,746
		Total				**11,73,970**
2020						
S Bhikha	Non-Executive Director	5,31,197	-	-	-	5,31,197
CI Moosa	Non-Executive Director	4,96,306	-	-	-	4,96,306
J Bagg	Non-Executive Director	5,11,612	-	-	-	5,11,612
		Total				**15,39,115**

Basic Remuneration is referred as directors siting fees. The remuneration of other Non-Executive Directors not included above

The following other Non- Executive Directors do not earn any remuneration for their service pertaining to the company:

D Srivastava

M Bhaskar

Names	Designation	Basic Remuneration*	Medical Benefits	Cash Incentive	Other allowances	Total
2021						
CG Asrivatham*	MD & CEO	6,14,305	1,11,293	-	3,59,473	10,85,071
N Saravanabhavan**	MD & CEO	-	-	-	-	-
2020						
CG Asrivatham	MD & CEO	33,84,817	1,53,300	-	5,32,603	40,70,720
N Saravanabhavan	MD & CEO	-	-	-	-	-

KMP	Designation	Basic Remuneration	Medical Benefits	Cash Incentive	Other allowances	Total
2021						
W Mwase	Public Officer, Company Secretary, Manager - Admin	4,37,500	22,308		1,18,303	5,78,111
S Shankar	Chief Operating Officer	7,65,815	2,07,408		8,16,955	17,90,178
S Sapdhare#	Chief Finance Officer, Manager – Manager HR	7,42,346	79,827		9,08,640	17,30,813
C Verma	Chief Underwriting Officer	7,94,740	2,07,408		9,82,187	19,84,335
A Tamhane	Chief Risk Officer	7,54,010	1,74,168		9,27,433	18,55,611
R Ugile	Chief Technology Officer, Manager HR	7,28,670	1,90,788		8,98,048	18,17,506
N Kasture	Chief Finance Officer, Manager – Manager HR	7,28,850	1,90,788		8,97,857	18,17,495
B Zhawu ##	Chief Technical Accounts Officer	3,80,384			89,281	4,69,665
A Chinyamunzore ###	Chief Technical Accounts Officer	60,000	-		-	60,000
2020						
F Mosam	Chief Technical Accounts Officer	1,20,334			12,365	1,32,699
W Mwase	Public Officer, Company Secretary, Manager - Admin	4,26,414			78,834	5,05,248
S Shankar	Chief Operating Officer	8,04,028	1,88,642		2,92,067	12,84,737
S Sapdhare	Chief Finance Officer, Manager – Human Resource	6,83,240	79,208		2,01,836	9,64,284
C Verma	Chief Underwriting Officer	7,91,626	1,20,391		3,25,945	12,37,962
A Tamhane	Chief Risk Officer	7,02,024	1,57,822		1,69,030	10,28,876

KMP	Designation	Basic Remuneration	Medical Benefits	Cash Incentive	Other allowances	Total
R Ugile	Chief Technology Officer, Manager Human Resource	3,70,208	73,219		2,10,024	6,53,451
N Kasture	Chief Finance Officer	3,51,196	42,063		2,37,028	6,30,287
B Zhawu ***	Chief Technical Accounts Officer	3,39,625			45,158	3,84,783

* Retired 29 May 2020
** Appointed 17 April 2020
#Repatriated 26 February 2021
Resigned 31 December 2020
Joined 18 January 2021

19.3 Other related party transactions

The following transactions were entered with the current holding company:

	2021 R	2020 R
Statement of comprehensive income effects:		
Retroceded premiums	**1,71,35,045**	2,35,97,021
Retroceded claims	**3,82,28,720**	(13,67,17,923)
Retroceded commission	**(24,42,226)**	(24,98,727)
Interest paid on reserve deposits	**51,16,065**	(1,25,49,151)
Statement of financial position effects:		
Retroceded outstanding claims	**47,34,82,539**	49,49,82,621
Retroceded unearned premium provision	**10,19,747**	-
Retroceded deferred acquisition cost	**34,720**	-
Retroceded reserve deposit	**15,56,58,689**	20,76,08,879

20 Lease

Lease payments represent rentals payable by the company for office premises. The lease has been negotiated for a term of three years and escalates at 8% per annum.

	2021 R	2020 R
Minimum Lease payments due		
- within one year	**13,23,961**	-
- in one year to two years	**14,29,878**	-
Total undiscounted lease liability	**27,53,839**	-
less: future finance charges	**(1,94,476)**	-
Present value of minimum lease payments	**25,59,363**	-
Reconciliation of lease liability		
Opening balance	**-**	-
Lease liability recognised during the period	**35,68,623**	-
Finance charges	**2,17,831**	-
Lease payments	**(12,27,090)**	-
Present value of minimum lease payments	**25,59,363**	-

The operating lease expired on 31 March 2020 and further renewed for three years.

21 Other company information

Business

The company was a composite reinsurer that was previously in run-off and as of 1 January 2015 began writing non-life reinsurance business. Company has recaptured the entire Life Run-off business during the 31 March 2018 financial year end. Further, the company received non-life reinsurance license on 30 June 2020.

Dividends

No dividends were paid during the year (2020: Nil).

Going concern

GIC Re South Africa Ltd is regulated by Prudential Authority (PA) and is complying with all rules and regulations issued by PA. The company is being rated by S&P from its inception and continues to be rated by them. As GIC Re South Africa Ltd is a wholly owned subsidiary of GIC of India, it has been given unconditional parental guarantee. There are no borrowings by the company including from its parent company and has adequate liquidity policy. It is liquid enough to meet its liabilities. COVID 19 has not adversely affected the company in 2020 & 2021 and is in position to pay claims/debit balances on time. The company has improved the Solvency Capital Requirement (SCR) from March 2020 (1.33) to March 2021 (2.33). Considering the facts, the directors believe that the company will be a going concern in future.

COVID 19 impact

The company faced COVID 19 pandemic and subsequent nationwide lockdown. The company has given work from home facility to all employees and made sure that company's operations were not affected. In terms of business, the company was able to function smoothly with its strong Information Technology team support and not affected adversely.The Company has booked outstanding claims under COVID 19 in the 3rd and 4th quarter of the financials year and same will be recovered from retro XOL treaty. The Gross premium written has increased by R 100 million as compared to March 2020. Despite of COVID pandemic, the company booked underwriting profit of R 134 million as compared to an underwriting loss of R 59 million last year.

Events after reporting date

The directors are not aware of any material event that occurred after the reporting date and up to the date of this report, which requires further disclosure in the financial statements.

22 New standards, amendments and interpretations issued

(a) New applied standards, amendments and interpretations issued and effective for the current financial year.

(i) *Interest Rate Benchmark Reform: The amendments to IFRS 9, IAS 39 and IFRS 7.*

Amend requirements for hedge accounting to support the provision of useful financial information during the period of uncertainty caused by the phasing out of interest-rate benchmarks such as interbank offered rates (IBORs) on hedge accounting.

- The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform.
- In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

The amedments are not applicable as the company does not apply hedge accounting.

(ii) *IAS 1, Presentation of Financial Statements. Amendment to the Definition of Material.*

The amendments clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards.

The impact is immaterial. The company's financial statements are prepared taking into consideration materiality of the information to be presented to the primary users of the entity's annual financial statements.

(iii) *IAS 8, Accounting policies, Changes in Accounting Estimates and Errors. Amendment to the Definition of Material*.

The amendments clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards.

The impact is immaterial. The company financial statements are prepared taking into consideration materiality of the information to be presented to the primary users of the entity's annual financial statements.

(b) New standards, amendments and interpretations issued but not effective for the financial year and not early adopted.

(i) *IFRS 17 Insurance Contracts.*

IFRS 17 addresses the recognition, measurement, presentation and disclosure of insurance contracts issued, reinsurance contracts held and investment contracts with discretionary participation features. The standard contains guidance on when to separate components in an insurance contract and account for them in terms of another standard. The components that have to be separated (subject to certain criteria) are embedded derivatives, distinct investment components and distinct goods and non-insurance services.

The standard requires an entity to identify portfolios of insurance contracts and to group them into the following groups at initial recognition:

- Contracts that are onerous;
- Contracts that have no significant possibility of becoming onerous subsequently; and
- The remaining contracts in the portfolio.

Groups of insurance contracts should be measured at initial recognition at the total of the following:

- The fulfilment cash flows which comprise estimates of future cash flows, an adjustment to reflect the time value of money and the financial risks and a risk adjustment for non-financial risk; and
- The contractual service margin which represents the profit in the group of insurance contracts that will be recognised in future periods.

The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of:

- The liability for remaining coverage (fulfilment cash flows related to future service and the contractual service margin) and
- The liability for incurred claims (fulfilment cash flows related to past service).

An entity may simplify the measurement of a group of insurance contracts using the Premium Allocation Approach if certain criteria are met.

The new standard will have a significant impact on the financial statements when it is initially applied which will include changes to the measurement of insurance contracts issued and the presentation and disclosure. A detailed assessment of the impact is currently underway.

The standard is effective for annual periods beginning on or after 1 January 2023 and has to be applied retrospectively. Early adoption is permitted. The entity is expecting to adopt IFRS 17 in its financial statements for the year ending 31 March 2024. The entity will in future periods estimate the impact of IFRS 17 on its financial statements.

(ii) *IAS 1, Presentation of Financial Statements. The following amendments were made.*

- *Classification of Liabilities as current or Non-current.*

  Narrow scope amendments to the accounting standard to clarify how debts and other liabilities are classified based on the contractual arrangements in place at the reporting date.

  The amendments were originally effective for annual reporting periods beginning on or after 1 January 2022, however, their effective date has been delayed to 1 January 2023.

- *Disclosure of Accounting Policies*

  The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.

  The amendments are effective for annual periods beginning on or after 1 January 2023.

  The company will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

(iii) *IAS 8, Accounting policies, Changes in Accounting Estimates and Errors. Amendment to the Definition of Accounting Estimates*

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged. The amendments are effective for annual periods beginning on or after 1 January 2023, the company will apply the amendments fromthe effective date and the amendments are not expected to significantly impact the company.

(iv) *IAS 16, Property, plant, and equipment- Proceeds before Intended use*

The amendments prohibit an entity from deducting from cost of an item of property, plant and equipment any proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in the profit or loss

The amendments are effective for annual reporting periods beginning on or after 1 January 2022, the company will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

(v) *IAS 37, Provisions, Contingent Liabilities and Contingent Assets: 'Onerous Contracts- Cost of Fulfilling a Contract*

The amendments specify which costs should be included in an entity's assessment and whether a contract will be loss Making. The amendments are effective for annual reporting periods beginning on or after 1 January 2022, GIC will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

(vi) *Interest Rate Benchmark Reform Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.*

Amendments to requirements relating to changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities, hedge accounting and disclosures.

The amendment to IFRS 4 enables an insurer applying the temporary exemption from IFRS 9 to apply a practical expedient to account for a change in the contractual cash flows that are required by IBOR reform by updating the effective interest rate to reflect any change arising from the reform.

The amendment to IFRS 7 requires a company to make additional disclosures in its financial statements so that investors can better understand the effects of IBOR reform on that company.

The amendments to IFRS 9 enable a company to apply a practical expedient to account for a change in the contractual cash flows that are required by IBOR reform by updating the effective interest rate to reflect any change arising from the reform The amendments to IFRS 9 enable (and require) companies to continue hedge accounting in circumstances when changes to hedged items and hedging instruments arise as a result of changes required by the IBOR reform, by requiring companies to amend their hedging relationships to reflect:

- designating an alternative benchmark rate as the hedged risk; or
- changing the description of the hedged item, including the designated portion, or of the hedging instrument.

The amendment to IFRS 16 enables a company to apply a practical expedient to account for a lease modification required by the IBOR reform.

The amendments to IAS 39 enable (and require) companies to continue hedge accounting in circumstances when changes to hedged items and hedging instruments arise as a result of changes required by the IBOR reform by requiring companies to amend their hedging relationships to reflect

- designating an alternative benchmark rate as the hedged risk;
- changing the description of the hedged item, including the designated portion, or of the hedging instrument; or
- changing the description of how the entity would assess hedge effectiveness.

The amendments are effective for annual periods beginning on or after 1 January 2021, GIC will apply the amendments from the effective date. The impact is not yet known.

(vii) *IFRS 9, Financial Instruments. Annual Improvements to IFRS Standards 2018–2020*

The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability. The amendments are effective for annual reporting periods beginning on or after 1 January 2022

The company will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

(viii) *IFRS 16, Leases. The following amendments were made.*

- *COVID-19-Related Rent Concessions.*

  Amendment providing lessees with an exemption from assessing whether a COVID-19-related rent concession (a rent concession that reduces lease payments due on or before 30 June 2021) is a lease modification. The amendment is effective for annual reporting periods beginning on or after 1 June 2020.

  The company will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

- *'COVID-19-Related Rent Concessions beyond 30 June 2021*

  Amendment that extends, by one year, the one from June 2020. Amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. The amendment is effective for annual reporting periods beginning on or after 1 April 2021.

  The company will apply the amendments from the effective date and the amendments are not expected to significantly impact the company.

c) New standards, amendments and interpretations issues and effective for the current financial year but not implemented by the company.

(i) *IFRS 9, Financial instruments*

It is expected that IFRS 9 will change the classification of financial assets to either amortised cost, fair value through profit or loss or fair value through other comprehensive income. In addition, IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model, which means that a loss event will no longer need to occur before an impairment allowance is recognised.

The company has elected to defer the implementation of IFRS 9 to 01 April 2023 when IFRS 17 is expected to be effective. A detailed assessment of the impact has not been made by the company, therefore the impact is not yet known.

IFRS 9 provides a temporary exemption that permits the company to apply IAS 39 rather than IFRS 9 when accounting for financial instruments for annual periods beginning before 01 April 2023.

The entity is eligible to apply the temporary exemption from IFRS 9 due to the following criteria :

- it has not previously applied any version of IFRS 9; and

- its activities are predominantly connected with insurance

As at 31st March 2021 and (31st March 2020), the carrying amount of the liabilities arising from contracts within the scope of this IFRS 4 were greater than 90% of the total carrying amount of all liabilities. Since insert date, there has been no change in the entity's activities.

The entity's financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are all measured at fair value as they are managed and performance is evaluated on a fair value basis.

23 Revenue account split between non-life and life reinsurance contracts

	Note	Total		Non-life		Life	
		31 March 2021 R	31 March 2020 R	31 March 2021 R	31 March 2020 R	31 March 2021 R	31 March 2020 R
Gross premiums written		**1,16,87,64,346**	1,06,70,89,683	**1,16,87,64,346**	1,06,70,89,683	-	-
Retroceded premiums		**(85,12,84,776)**	(78,46,93,448)	**(85,12,84,776)**	(78,46,93,448)	-	-
Gross UPR movement		**(3,94,18,617)**	42,32,34,239	**(3,94,18,617)**	42,32,34,239	-	-
Retro UPR movement		**1,77,75,273**	(29,74,89,965)	**1,77,75,273**	(29,74,89,965)	-	-
Net premiums earned		**29,58,36,226**	40,81,40,509	**29,58,36,226**	40,81,40,509	-	-
Claims incurred	15	**(9,86,85,521)**	(36,34,62,257)	**(9,86,85,522)**	(36,34,62,257)	-	-
Claims paid		**(23,25,42,345)**	(33,75,55,016)	**(23,25,42,345)**	(33,75,55,016)	-	-
Gross		**(79,67,31,692)**	(1,21,12,08,388)	**(79,67,31,692)**	(1,21,12,08,388)	-	-
Retroceded		**56,41,89,347**	87,36,53,372	**56,41,89,347**	87,36,53,372	-	-
Change in provision for outstanding claims		**13,38,56,823**	(2,59,07,241)	**13,38,56,823**	(2,59,07,241)	-	-
Gross		**(10,51,67,409)**	(14,17,80,497)	**(10,51,67,409)**	(14,17,80,497)	-	-
Retroceded		**23,90,24,232**	11,58,73,256	**23,90,24,232**	11,58,73,256	-	-
Net commission	16	**(6,33,04,811)**	(10,39,97,142)	**(6,33,04,811)**	(10,39,97,142)	-	-
Commissions paid		**(6,48,03,587)**	(8,48,69,197)	**(6,48,03,587)**	(8,48,69,197)	-	-
Gross		**(34,05,42,000)**	(42,53,06,290)	**(34,05,42,000)**	(42,53,06,290)	-	-
Retroceded		**27,57,38,413**	34,04,37,092	**27,57,38,413**	34,04,37,092	-	-
Net change in deferred acquisition cost		**14,98,776**	(1,91,27,944)	**14,98,776**	(1,91,27,944)	-	-
Gross		**48,77,130**	(6,26,75,239)	**48,77,130**	(6,26,75,239)	-	-
Retroceded		**(33,78,354)**	4,35,47,295	**(33,78,354)**	4,35,47,295	-	-
Underwriting result		**13,38,45,893**	(5,93,18,890)	**13,38,45,893**	(5,93,18,890)	-	-
Gross		**(10,82,18,242)**	(35,06,46,492)	**(10,82,18,242)**	(35,06,46,492)	-	-
Retroceded		**24,20,64,135**	29,13,27,602	**24,20,64,135**	29,13,27,602	-	-
Investment and management expenses	*	**(4,77,93,059)**	(4,25,16,832)	**(4,77,93,059)**	(4,20,31,555)	-	(4,85,277)
Net income/(loss) before other income and expenses		**8,60,52,834**	(10,18,35,722)	**8,60,52,834**	(10,13,50,445)	-	(4,85,277)
Net investment income/(loss)	14	**18,47,52,366**	16,41,68,924	**18,47,52,366**	16,43,99,747	-	(2,30,823)
Interest paid	**	**(7,14,57,370)**	(7,91,96,681)	**(7,14,57,370)**	(7,91,96,681)	-	-
(Increase)/decrease in provision for doubtful debts		**42,24,147**	(1,98,77,267)	**42,24,147**	(1,98,77,267)	-	-
Foreign exchange gain/(loss)		**(18,35,58,953)**	25,73,50,169	**(18,35,58,953)**	25,73,50,169	-	-
Profit/(loss) before taxation		**2,00,13,024**	22,06,09,423	**2,00,13,024**	22,13,25,523	-	(7,16,100)
Taxation		**1,09,42,661**	(8,36,59,187)	**1,09,42,661**	(8,36,59,187)	-	-
Profit/(loss) after taxation		**3,09,55,685**	13,69,50,236	**3,09,55,685**	13,76,66,337	-	(7,16,100)

* Management expenses includes audit fees, consultancy fees, office expenses, salaries of employees, etc.

** Interest paid is on retrocession deposit and lease liability.

24 Notes to the statement of cash flows

24.1 Cash utilised by operations

	31 March 2021 R	31 March 2020 R
Profit before taxation	**2,00,13,024**	22,06,09,423
Adjustments for:		
– depreciation of property, plant and equipment	**19,27,514**	9,79,059
– realised loss on disposal of investments	**4,06,817**	36,37,485
– interest income	**(6,65,44,187)**	(22,07,93,662)
– dividends received	**(60,83,038)**	(49,24,694)
– interest paid	**7,14,57,370**	7,91,96,681
– Increase/(decrease) in net provision for unearned premium	**2,16,43,344**	(12,57,44,274)
– Increase/(decrease) in net deferred acquisition costs	**(14,98,776)**	1,91,27,944
– Increase/(decrease) in net provision for outstanding claims	**(13,38,56,823)**	2,59,07,241
– unrealised gain on revaluation of investments	**(11,25,31,958)**	5,79,11,947
Cash generated by operations before working capital changes	**(20,50,66,712)**	5,59,07,150
Increase/(decrease) in amounts due under reinsurance contract	**11,40,65,136**	58,26,29,336
Increase/(decrease) in other accounts receivable	**1,50,572**	2,72,513
Increase/(decrease) in amounts payable to retrocessionaire	**(40,72,48,612)**	21,08,56,852
Increase/(decrease) in amounts due from retrocessionaire contracts	**17,21,837**	8,93,647
Increase/(decrease) in other accounts payable	**(65,50,312)**	2,68,39,855
Increase/(decrease) in deposits withheld from retrocessionaires	**8,31,82,455**	(51,77,43,731)
	(41,97,45,636)	35,87,61,975

24.2 Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	31 March 2021 R	31 March 2020 R
Cash on call and on deposit	**5,18,37,583**	5,88,59,454
Cash at bank	**10,84,93,940**	19,20,06,490
Cash on hand	**3,344**	3,018
	16,03,34,867	25,08,68,962

24.3 Taxation Paid

	31 March 2021 R	31 March 2020 R
Opening current tax payable	**-**	(4,88,84,230)
Taxation charged on the profit or loss	**1,09,42,661**	(8,36,59,187)
Closing current tax receivable	**(2,00,00,000)**	-
	(90,57,339)	(13,25,43,417)

24.4 Interest Paid

	31 March 2021 R	31 March 2020 R
Interest paid on retro deposits	**7,12,39,539**	-
Interest paid on lease liability	**2,17,831**	-
	7,14,57,370	-

25. Categorisation of assets and liabilities

	Note	Total	Financial assets and liabilities			Other non - financial assets and liabilities	Current / non - current distinction	
			Financial assets at fair value through profit and loss	Financial Assets at amortised cost	Financial liabilities at amortised cost		Current assets and liabilities	Non - current assets and liabilities
		R	R	R	R	R	R	R
2021								
ASSETS								
Property, plant and equipment	5	39,17,180	-	-	-	39,17,180	-	39,17,180
Technical assets under insurance contracts		2,10,87,61,234	-	-	-	2,10,87,61,234	1,63,00,06,453	47,87,54,781
Retroceded outstanding claims	6	1,77,31,65,855	-	-	-	1,77,31,65,855	1,29,44,11,074	47,87,54,781
Retroceded unearned premium reserve	7	26,42,25,497	-	-	-	26,42,25,497	26,42,25,497	-
Gross deferred acquisition costs	8	7,13,69,882	-	-	-	7,13,69,882	7,13,69,882	-
Investments		2,52,20,37,380	64,66,96,456	1,87,53,40,924	-	-	2,21,70,11,216	30,50,26,164
Government securities*1	9	30,50,26,164	30,50,26,164				-	30,50,26,164
Fixed deposits	9	1,49,08,42,475	-	1,49,08,42,475	-	-	1,49,08,42,475	-
Negotiable certificates of deposits	9	37,44,79,413	-	37,44,79,413	-	-	37,44,79,413	-
Listed ordinary shares*2	9	25,46,35,883	25,46,35,883	-	-	-	25,46,35,883	-
Listed preference shares*2	9	91,83,060	91,83,060	-	-	-	91,83,060	-
Treasury bills	9	1,00,19,036	-	1,00,19,036	-	-	1,00,19,036	-
Listed collective investment schemes*2	9	7,78,51,349	7,78,51,349	-	-	-	7,78,51,349	-
Amounts due under reinsurance contracts	26.1	60,14,79,818	-	60,14,79,818	-	-	60,14,79,818	-
Amounts due from retrocession contracts	26.2	70,47,106	-	70,47,106	-	-	70,47,106	-
Other accounts receivable		4,57,424	-	4,57,424	-	-	4,57,424	-
Cash on call and on deposit	24.2	5,18,37,583	-	5,18,37,583	-	-	5,18,37,583	-
Cash at bank and on hand	24.2	10,84,97,284	-	10,84,97,284	-	-	10,84,97,284	-
Current tax receivable	24.3	2,00,00,000	-	-	-	2,00,00,000	2,00,00,000	-
Total assets		**5,42,40,35,009**	**64,66,96,456**	**2,64,46,60,139**		**2,13,26,78,414**	**4,63,63,36,884**	**78,76,98,125**
LIABILITIES								
Technical liabilities under insurance contracts		2,54,11,57,366	-	-	-	2,54,11,57,366	1,97,39,67,969	56,71,89,397
Gross outstanding claims	6	2,10,07,01,469	-	-	-	2,10,07,01,469	1,53,35,12,072	56,71,89,397
Gross unearned premium reserve	7	39,06,40,306	-	-	-	39,06,40,306	39,06,40,306	-
Retroceded deferred acquisition cost	8	4,98,15,591	-	-	-	4,98,15,591	4,98,15,591	-
Deposits withheld from retrocessionaires	13	1,31,18,76,708	-	-	1,31,18,76,708	-	1,31,18,76,708	-
Amounts payable to retrocessionaire contracts	26.3	15,37,41,565	-	-	15,37,41,565	-	15,37,41,565	-
Other accounts payable	11	3,24,58,375	-	-	5,86,686	3,18,71,689	3,24,58,375	-
Lease liability	20	25,59,363	-	-	25,59,363	-	25,59,363	-
Total liabilities		**4,04,17,93,377**	**-**	**-**	**1,46,87,64,323**	**2,57,30,29,054**	**3,47,46,03,980**	**56,71,89,397**

*1 Designated at Fair Value
*2 Mandatory Fair Value
Fair value of financial assets and financial liabilities amortised cost are approximated at their carrying amount.
As this financial instruments will be receivable or payable within 12 months.

25.1 Categorisation of assets and liabilities *(Contd.)*

	Note	Total	Financial assets and liabilities			Other non - financial assets and liabilities	Current / non - current distinction	
			Financial assets at fair value through profit and loss	Financial Assets at amortised cost	Financial liabilities at amortised cost		Current assets and liabilities	Non - current assets and liabilities
		R	R	R	R	R	R	R
2020								
ASSETS								
Property, plant and equipment	**5**	19,95,476	-	-	-	19,95,476	-	19,95,476
Technical assets under insurance contracts		1,84,70,84,599	-	-	-	1,84,70,84,599	1,43,28,47,575	41,42,37,024
Retroceded outstanding claims	6	1,53,41,41,623	-	-	-	1,53,41,41,623	1,11,99,04,599	41,42,37,024
Retroceded unearned premium reserve	7	24,64,50,224	-	-	-	24,64,50,224	24,64,50,224	-
Gross deferred acquisition costs	8	6,64,92,752	-	-	-	6,64,92,752	6,64,92,752	-
Investments		2,74,83,01,120	38,16,37,540	2,36,66,63,580	-	-	2,51,62,11,086	23,20,90,034
Government securities*1	9	23,20,90,034	23,20,90,034				-	23,20,90,034
Fixed deposits	9	1,84,64,66,774	-	1,84,64,66,774	-	-	1,84,64,66,774	-
Negotiable certificates of deposits	9	52,01,96,806	-	52,01,96,806	-	-	52,01,96,806	-
Treasury bills	9	-	-	-	-	-	-	-
Listed ordinary shares*2	9	12,42,56,238	12,42,56,238	-	-	-	12,42,56,238	-
Listed preference shares*2	9	88,00,433	88,00,433	-	-	-	88,00,433	-
Listed collective investment schemes*2	9	1,64,90,835	1,64,90,835	-	-	-	1,64,90,835	-
Amounts due under reinsurance contracts	26.1	71,55,44,954	-	71,55,44,954	-	-	71,55,44,954	-
Amounts due from retrocession contracts	26.2	87,68,943	-	87,68,943	-	-	87,68,943	-
Other accounts receivable		6,07,996	-	6,07,996	-	-	6,07,996	-
Cash on call and on deposit	24.2	5,88,59,454	-	5,88,59,454	-	-	5,88,59,454	-
Cash at bank and on hand	24.2	19,20,09,508	-	19,20,09,508	-	-	19,20,09,508	-
Total assets		**5,57,31,72,050**	**38,16,37,540**	**3,34,24,54,435**	**-**	**1,84,90,80,075**	**4,92,48,49,516**	**64,83,22,534**
LIABILITIES								
Technical liabilities under insurance contracts		2,39,31,92,986	-	-	-	2,39,31,92,986	1,85,08,33,930	54,23,59,056
Gross outstanding claims	6	1,99,55,34,060	-	-	-	1,99,55,34,060	1,45,31,75,004	54,23,59,056
Gross unearned premium reserve	7	35,12,21,689	-	-	-	35,12,21,689	35,12,21,689	-
Retroceded deferred acquisition cost	8	4,64,37,237	-	-	-	4,64,37,237	4,64,37,237	-
Deposits withheld from retrocessionaires	13	1,22,86,94,253	-	-	1,22,86,94,253	-	1,22,86,94,253	-
Amounts payable to retrocessionaire contracts	26.3	56,09,90,177	-	-	56,09,90,177	-	56,09,90,177	-
Other accounts payable	11	3,90,08,687	-	-	1,66,969	3,88,41,718	3,90,08,687	-
Taxation payable	24.3	-	-	-	-	-	-	-
Total liabilities		**4,22,18,86,103**	**-**	**-**	**1,78,98,51,399**	**2,43,20,34,704**	**3,67,95,27,047**	**54,23,59,056**

*1 Designated at Fair Value
*2 Mandatory Fair Value
Fair value of financial assets and financial liabilities amortised cost are approximated at their carrying amount.
As this financial instruments will be receivable or payable within 12 months.

26.1 Amounts due under reinsurance contracts

	31 March 2021 R	31 March 2020 R
Amounts due under reinsurance contracts	**60,14,79,818**	71,55,44,954
	60,14,79,818	71,55,44,954

26.2 Amounts due from retrocessionaire Contracts

	31 March 2021 R	31 March 2020 R
Provisional profit commission receivable from retrocession	**70,47,106**	87,68,943
	70,47,106	87,68,943

26.3 Amounts payable to retrocessionaires

	31 March 2021 R	31 March 2020 R
Amounts payable to retrocessionaires	**14,36,74,271**	54,59,47,211
Provisional profit commission payable to retrocessionaires	**1,00,67,294**	1,50,42,966
	15,37,41,565	56,09,90,177

आपत्काले रक्षिष्यामि
GIC Re SA Ltd.

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[Rated zaAAA (National) & BB+ (Global) by S&P]

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