

**ANNUAL
REPORT
2023**

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**GROWING
AS A TEAM
TOGETHER**



ioga
INDIAN
OCEAN GENERAL
ASSURANCE LTD

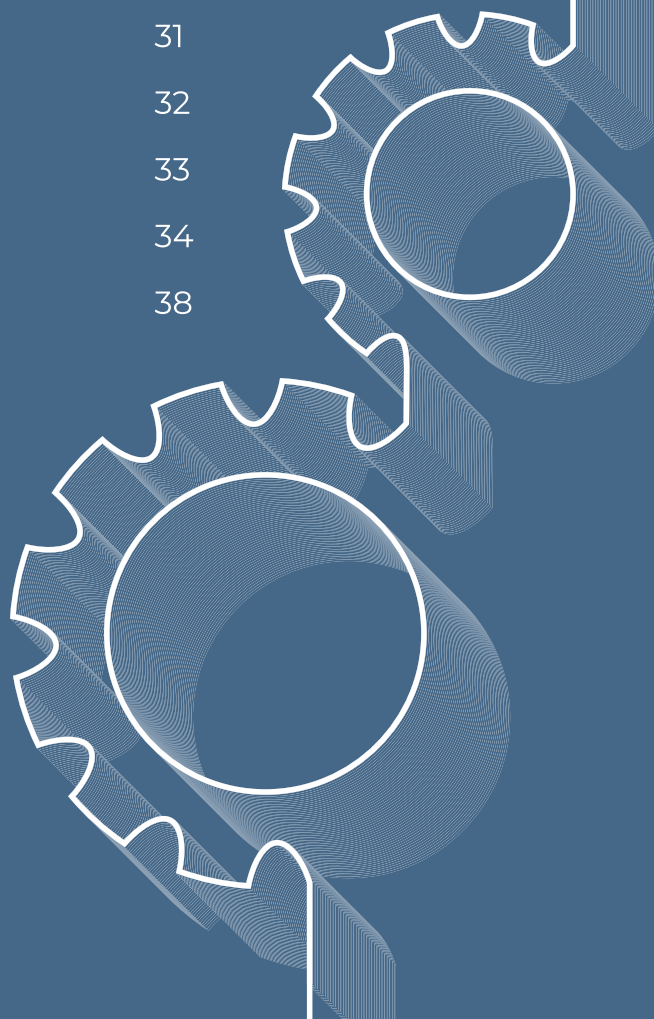
If everyone is moving forward together, then success takes care of itself. - Henry Ford





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CORPORATE DATA

Registered Address and Head Office Address

12, Volcy Pougnet Street
Port Louis, MAURITIUS
Tel: 208 9000
Fax: 212 2603
Email: info@iogaltd.com
Web: <https://www.ioga.mu>

Auditors

**Moore
Chartered Accountants**
6th Floor, Newton Tower
Sir William Newton Street
Port Louis
MAURITIUS

Independent Actuary

Actuarial Insight
The Depot, Labourdonnais Village
Mapou
Mauritius

Corporate Secretary

Mr V.K. Dwarka
Descoins Street
Long Mountain
MAURITIUS

Bankers

Afrasia Bank Ltd
ABC Banking Corporation Ltd
Bank One Ltd
BCP Bank (Mauritius) Ltd
ABSA Mauritius
SBI (Mauritius) Ltd
State Bank of Mauritius Ltd
The Mauritius Commercial Bank Ltd

Branches

Triolet
Rose Hill
Riviere du Rempart
Flacq
Port Louis



CHAIRPERSON'S REVIEW

"Whilst assuring all our stakeholders of the Board's commitment to set guidelines for the continued growth of the Company, we will not fail in our mission to ensure that the necessary support is given to all those who participate actively in the progress of the Company".

Mr Logonaden Pillay Thandrayen
Chairperson



Dear Shareholders,

I have the honour this year as Chairman of the Board of Directors to bring my appreciation of the Company's performance during the year ended 30th June 2023.

Mauritius now seems to have almost fully recovered from the sad effects of the Covid-19 pandemic and the economy shows undoubted signs of recovery. The hotel and construction sectors presently have the wind in their sails again. However, the fears that the political conflicts in Ukraine and Israël may become worse and jeopardize our hopes for a real and permanent recovery of our economy do exist.

The Insurance Industry, on the other side, seems to have also recovered after more than two years in a lethargic state from the pandemic. However, a study of the post-pandemic situation gave evidence of a depreciated Mauritian Rupee coupled with a substantial increase in freight charges. The inevitable impact of inflation on the cost of spare parts and on repair costs in general has burdened the results of Insurance Companies. Indian Ocean General Assurance made no exception to the rule.

A few words on our operations for the year under review. Our sales objectives have this year been met following a strengthening of

the management team and reorganization of our sales force. The progress so far achieved is expected to continue at the same pace during the coming year. The development of our new MIS is underway and will hopefully be completed towards the end of the coming year. Meanwhile, the website and other social media windows have been finetuned.

Whilst assuring all our stakeholders of the Board's commitment to set guidelines for the continued growth of the Company, we will not fail in our mission to ensure that the necessary support is given to all those who participate actively in the progress of the Company. May I extend my heartfelt thanks to our valued customers who continue to show their unfailing trust in the Company; our agents, salespersons and brokers who spend their valuable time and efforts promoting our reputation and products; our devoted staff members for their excellent performance, and finally to the Management of the Company and my fellow Board Members for their continued support towards the good health and prosperity of the Company.

Mr Logonaden Pillay Thandrayen
Chairperson
24 October 2023



MANAGEMENT REVIEW BY CHIEF EXECUTIVE OFFICER

“Our company has witnessed significant growth over the last year. Its gross premium has crossed the Rs. 100M mark for the first time, a major milestone and achievement in our lifecycle”.

Mr Natarajen M. Cunden
Chief Executive Officer



Dear shareholders,

We are back again to provide you with a review of our financial results. Our company has witnessed significant growth over the last year. Its gross premium has crossed the Rs. 100M mark for the first time, a major milestone and achievement in our lifecycle. Total gross premium for the year was Rs. 142.1 M as compared to Rs. 86.3 M a year earlier, representing an increase of 64.7%.

Performance review of the general business

Gross premium for our general insurance business has grown from 85.3 M to 141.2 M representing a growth of 65.5%. This increase was driven mainly by new business coming from new channel partners. Internal growth also contributed commendably. The total number of policies rose from 17,869 to 24,198 by 6,329. This represents a growth of 35.4%. Our renewal rate also improved. Net earned premium grew by Rs. 16.0 M while Net incurred claims grew by Rs. 21.0 M. We saw a deterioration of the overall loss ratio (net claims incurred/net earned premiums) which increased considerably from 60.3% to 74.3%. Claims inflation has been a major contributor.

Management is however monitoring the matter closely. We commit to the view that growth must not be made at the expense of an increase in the loss ratio.

Review of composite results

Our composite results show that total other income amounted to Rs 15.3 M as compared to Rs 13.1 M a year earlier. This represents an increase of 16.8%. This was mainly due to dividends received on foreign investments. Management expenses increased significantly from Rs. 23.3 M to Rs. 30.0 M by 28.8%. This increase was mainly driven by increased staff costs linked to, one, a general review of salaries across the company and two, the recruitment of new personnel including our chief operating officer and marketing manager. As a percentage of gross premium however, we fared better with a management expense ratio (management expenses/gross premium) going down from 27.0% to 21.1%. We are confident that we will continue to benefit from economies of scale in the coming years and this will help lower down the management expense. The company closed the financial year with a loss of Rs. 14.7 M as compared to a profit of Rs. 4.4 M in FY2022.



Scaling up our operating capacity

The period under review has seen strong growth in both our turnover and client base. The numerous business development strategies implemented over the last years are starting to pay off. We strive to maintain a trusted environment for our staff and clients to interact and devote time to strengthen our client relationships. Our agents have delivered commendable results. At the same time, the volume of work for the business has increased significantly. In context, we have reinforced our teams with new recruits and ensured that regular training is conducted to make sure that quality is maintained to our standard. Among the new recruits, we are pleased to inform you that we have a high-profile chief operations officer and an experienced marketing manager. Our chief operating officer has been mandated to conduct a full review of our systems, processes, and procedures. Management believes that we can improve productivity by streamlining processes and by leveraging on our new MIS. Our marketing manager will be focusing on driving internal growth.

Systems and technology

On the systems and technology side, we are pleased to inform you that the motor business module of our new MIS has been delivered. Adoption so far has been smooth and developing as per expectation. The project team is now finalizing the new CRM and non-motor modules. We expect the next delivery in the first quarter of 2024. Our new MIS will provide us with the necessary boost as we enter a new phase of growth over the next two years.

Marketing support, tools, and branding

With the aim to support our expanding distribution network, we will be revamping

our sales toolkit. The initiative will be supported by a sustained socio media campaign. We expect to boost our image and promote client engagement. At the same time, our team will have the opportunity to refresh itself with new concepts in customer care and direct marketing. Management is committed to empowering our agents and sales team.

Best practice, risk management and sustainability

As customary, we renew our commitment to best practice and to maintaining a sustainable growth path. We will continue our initiatives on human development and capacity building. In the coming year, we shall focus on the revamping of our claims department. Regulatory compliance is another area where we will spend time and attention. During the year under review, we have had a few breaches on capital adequacy side and investment side. Both breaches are linked and temporary. As we unwind some investment positions, the breaches will be eliminated automatically. At the time of writing this report, I am pleased to inform you we no longer have any breach on capital adequacy and only have some breaches on investment side. These are of strategic nature and will unfold as the company grows over the next few years. Management keeps a close eye on them.

Finally, I wish to thank our Board of Directors for their continuous support. Our employees have also showed dedication and diligence. The merit of our achievement is well shared. I thank them for that. And to our Clients, thank you for the continued trust that you have placed in us.

Mr Natarajen M. Cunden
Chief Executive Officer

24 October 2023



CORPORATE GOVERNANCE REPORT YEAR 2023

Compliance Statement

Indian Ocean General Assurance Ltd, hereafter referred to as "the Company" is a Public Interest Entity as defined by the Financial Reporting Act 2004. The Company strongly believes in maintaining a simple and transparent corporate structure which defines the division of power and establishes a mechanism for achieving accountability between Board of Directors and shareholders driven solely by business needs.

In line with the above, the Board, management and staff of the Company fully support and are committed to the principle of business integrity, transparency, gender equality and professionalism as recommended by the National Code of Corporate Governance (2016) ("the Code"). The Company strives to ensure that all the activities are conducted in such a way so as to ensure high ethical standards that have the characteristics of good governance namely: discipline, transparency, accountability, responsibility, fairness and social responsibility. The Company operates in the insurance industry and complies with the Code. The Company has adopted all the eight principles of the Code as far as is reasonably possible and practical.

PRINCIPLE 1: Governance Structure

In line with principle 1 of the Code the Board is responsible to establish policies, procedures and strategies to enhance the ultimate value of the business for all its stakeholders and shareholders. The Board reviews the Company performances through quarterly management accounts and performances reports.

Charters and Code of Ethics: The Board has approved a Board Charter and the organisation's code of Ethics and Practice for its directors, officers, employees, agents, salesmen and brokers. The board embraces a policy of high standards of conduct and ethical behaviour which is fundamental to the reputation of the Company and intends to review its Charters every five years. The code of ethics was last reviewed in 2020.

Statement of Accountabilities and Organisation Chart: The Board is fully committed to maintain a high standard of good corporate governance and operates within a well-structured and defined framework. The Board is fully aware of its role and responsibilities and where appropriate can delegate that authority while remaining in control.

The Board established a well-defined Organisation Chart as set out on page 21. Key Senior Position has been defined with the reporting lines well established and a clear job description and accountability.

The Board of Directors has set up a Corporate Governance Committee, an Audit Committee, a Risk Management Committee and an Investment Committee. The Directors are thus continually focusing on maintaining the sustainability of the Company's business and discharging their responsibilities of stewardship of the Company's assets with integrity through the existence of a proper control environment and a well-functioning system of internal control.

PRINCIPLE 2 The Structure of the Board and its Committees

In accordance with principle 2, the Company is headed by a unitary Board composed of ten Directors, two of whom are executives, three are non-executives and five are independent Directors. The Board met on six occasions during the year under review. The Directors possess expertise and experience in different fields such as Administration, Accountancy, Banking, Corporate Management, Law and Insurance. The Board collectively and the Directors are individually involved in the Company's affairs and adhere to ethical standards.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 2 The Structure of the Board and its Committees (continued)

The Board bears the responsibility of organising and directing the affairs of the Company in a manner that is in the best interest of shareholders and other stakeholders. The Board retains full and effective control over the Company, delegating the day-to-day running and operational issues to the Chief Executive Officer and his management team. The Board of Directors is appointed by the shareholders based on integrity, skill, acumen and experience to make sound judgements relevant to the business of the Company.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities. Mr P A Pather chaired all meetings since election on 27 February 2020 up to December 2022, then replaced by Mr Logonaden Pillay Thandrayen.

Composition of Board

The Board comprises the following members and does ensure a proper gender and residency mix as elaborated under Principle 3:

Mr. Logonaden Pillay Thandrayen	Chairperson & Independent
Mr. Natarajen Modeliar Cunden	Executive
Ms. Analaxmi Cunden	Non-executive
Ms. Shrivana Cunden	Non-executive
Mr. Raouf Dusmohamud (retired 22 Dec 2022)	Independent
Mr. P.A. Pather	Non-executive
Mr. Karunanidi Teeroovengadum Sornum	Independent
Mr. Yuvhen Modelly Cunden	Independent
Mr. Vivek Cunden	Independent
Mr. J.M. Percy Rose	Executive
Mr. Ashfaq Ally Dusmohamud	Independent

Directors' Interest

The Directors' interests in the ordinary share capital of the Company as at 30 June 2023 are as follows:

	Ordinary share of Rs. 10 each	
	2022	%
Ms. Analaxmi Cunden	116,662	4.666
Mr. Natarajen Modeliar Cunden	126,662	5.066
Ms. Shrivana Cunden	116,562	4.656
Mr. Raouf Dusmohamud	3,728	0.149
Mr. P. A. Pather	728	0.029
Mr. Jean Marie Percy Rose	482	0.019
Mr. Karunanidi Teeroovengadum Sornum	400	0.016
Mr. Logonaden Pillay Thandrayen	100	0.004



CORPORATE GOVERNANCE REPORT

PRINCIPLE 2 The Structure of the Board and its Committees (continued)

Committees of the Board of Directors

In compliance with the principles 2 of Good Governance, the Board of Directors has set up four Board Sub Committees, namely: Corporate Governance Committee, Audit Committee, Risk Management Committee, Investment Committee.

1 Corporate Governance and Nomination Committee

The Corporate Governance and Nomination Committee is composed of four non-executive independent Directors namely Miss Analaxmi Cunden (Chairperson), Mr. Logonaden Pillay Thandrayen, Mr. Yuvhen M. Cunden, Mr Ashfaq Ally Dusmohamud and Mr Natarajen M. Cunden. Terms of reference of the Corporate Governance Committee include the following:

- ensuring that Professional Personnel and Human Resources Management policies are practised and implemented in the areas of recruitment and other staff related matters.
- ensuring that the Company follows a well-defined and properly structured remuneration policy; and
- ensuring that all the management decisions are appropriately recorded with due transparency for the benefit of stakeholders.

The Corporate Governance Committee is responsible for implementing the Code throughout the Company and ensuring that the reporting requirements on Corporate Governance are made in accordance with the principles enunciated in the Code.

2 Audit Committee

The audit committee comprises Mr P.A Pather (Chairperson), Mr. Ashfaq Ally Dusmohamud, Mr. Vivek Cunden, Mr. Karunanidi Sornum and external auditors attend the meeting when invited. The Audit Committee has adopted formal terms of reference, and it confirms that it has discharged its responsibilities for the year, in compliance with its terms of reference. The Audit Committee oversees the management's financial stewardship of the Company and the performance of the external audit functions.

The Audit Committee focuses on:

- ensuring that adequate controls and checks are installed in the accounts department.
- ensuring that there are well defined procedures and mechanisms for purchase of movable and immovable properties.
- ensuring that all the accounting returns for Financial Service Commission and other government agencies are correctly prepared and submitted on time.
- ensuring that there is a proper and adequate system in the areas of investment without any compromise on the security of the funds pertaining to General Insurance and Life Insurance Businesses; and
- taking cognizance of the auditors' report and actuaries' report before these are taken to the Board.

Terms of Reference

Financial Reporting

- Provide assurance that financial disclosures made by management reasonably portray the Company financial conditions, results of operations and long-term commitments.
- Review critically the draft financial and interim reports and other financial documents.
- Consider the appropriateness of the accounting policies applied and whether they are prudent and consistent with prior practice and comply with regulations and legal requirements.
- Consider the validity of any changes in accounting treatment or disclosure by comparing with previous year.
- Review critical accounting issues.
- Review significant estimates based on judgment which are included in the financial statements.
- Review adequacy of provisions including provision for credit impairment losses.
- Consider any difference of opinion between auditors and management on the level of provisions, on accounting treatment or on disclosure.
- Review the financial reporting process with a view to ensuring the Company's compliance with accounting standards and financial matters and the applicable laws and regulations.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 2 The Structure of the Board and its Committees (continued)

Committees of the Board of Directors (Continued)

2 Audit Committee (Continued)

External Audit

- Make recommendations for the appointment and retention of the external auditors.
- Review and discuss the scope of the audit and audit plan.
- Consider differences of opinion between management and the external auditors.
- Evaluate the performance, objectivity, and independence of the external auditors.
- Review the nature and extent of non-audit services provided by the auditors.
- Obtain assurance from the auditors that adequate accounting records are maintained.

Internal Audit

- The Company has an adequate internal control system even though the role of an in-house internal auditor is being considered.
- Responsibilities and duties of officers are clearly defined, thus providing proper checks and balance of transactions carried out in the Company.
- The objectives and policies of the Company are properly communicated up and down the line in the Company;
- The Audit Committee and the key management personnel regularly receive reports from various departments and review the same.

Internal Control Systems

- Review the systems of internal controls to ascertain its adequacy and effectiveness.
- Review and discuss any previously identified material weaknesses in controls and deficiencies in the system.
- If considered necessary, recommend additional procedures to enhance the system of internal controls.
- Review external auditors' reports (management letter) and management's responses thereto and consider status of actions taken by management.
- Identify any change necessary to the agreed audit scope or to other services because of any weaknesses or deficiencies revealed.

Whistleblowing

To review the arrangements for employees to raise concerns in confidence and ensure that the arrangements allow proportionate and independent investigation of possible wrongdoing and appropriate follow-up action.

Evaluating performance

- To evaluate the Committee's own performance both of individual members and collectively, on a regular basis and provide for ongoing training needs.
- To assess the achievements of the responsibilities specified in the terms of reference and report the findings to the board.
- Independence of management.
- Integrity.

Focus on the year ahead

- Continue to monitor the maturity of internal financial controls.
- Continue to monitor key financial accounting and reporting developments that are likely to impact on the Company.
- Continue to monitor the activities of external audit, compliance, and financial crime control as they pertain to the regulatory and internal control environment of the Company.
- Continue to monitor regulatory developments, feedback from the Company's response to interaction with regulators.
- Review reports relating to financial crime, material incidents, mitigations strategies and remedial actions.
- Review reports from management.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 2 The Structure of the Board and its Committees (continued)

Committees of the Board of Directors (Continued)

3 Risk Management Committee

The Risk Management Committee comprises Mr. Karunanidi Sornum (Chairperson), Mr. Logonaden Pillay Thandrayen, Miss Shrivana Cunden and Mr. Natarajen M. Cunden.

The Risk Management Committee (the “Committee”) is an emanation of the Board of Directors (the “Board”) of the Indian Ocean General Assurance Ltd and has been established by the Board with the aim to comply with the Code and the Insurance (Risk Management) Rules 2016. The Committee assists the Board in discharging its duties relating to the establishment and maintenance of the Risk Management Framework in accordance with the Insurance (Risk Management) Rules 2016. Such duties include:

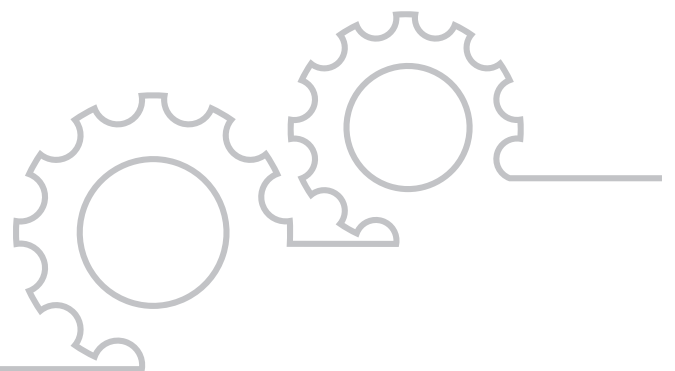
- the establishment and approval of a Risk Management Framework.
- overseeing the implementation and subsequent maintenance of the Risk Management Framework.
- determining the risk culture of the Company and formulating the matter in a Risk Appetite Statement (“RAS”).
- Ensure that the RAS is reviewed annually and is consistent with the Company’s business plans and strategies.
- providing leadership and guidance to management to create the conditions conducive to achieving the desired risk culture.
- ensuring that persons responsible for risk management have the appropriate skills, knowledge, independence and authority.
- defining roles and responsibilities of management in relation to risk management.

4 Investment Committee

The Investment Committee has been set up on the 10th March 2022, which comprises Ms Shrivana Cunden (Chairperson), Mr Logonaden Pillay Thandrayen, Mr Natarajen M. Cunden and Mr Karunanidi T. Sornum.

Role

- The role of the Committee is to support the Board of The Indian Ocean General Assurance Ltd (the “Company”) in managing investments held as principal.
- The Company’s investment management, investment strategy and appetite for investment risk remains the responsibility of the Board.
- The Board has set up the Investment Committee to establish an appropriate investment management framework, formulate a statement of investment principles, set an appropriate mix of assets consistent with the Board’s investment objectives and appetite for risk, and provide oversight of its implementation.
- The Investment Committee is accountable to the board.





CORPORATE GOVERNANCE REPORT

PRINCIPLE 2 The Structure of the Board and its Committees (continued)

Committees of the Board of Directors (Continued)

Meetings of Board and Committees

The Board and the Committees meet regularly as required by the rules and regulations approved by the Board. Directors' attendance at Board Meetings and Committees as at 30 June 2023:

	Board of Directors	Corporate Governance Committee	Audit Committee	Risk Management Committee	Investment Committee
No. of meetings held	6	4	1	1	3
Mr. Vivek Cunden	6	1	1	1	Nil
Ms. Analaxmi Cunden	6	4	Nil	Nil	Nil
Mr. Natarajen M. Cunden	6	1	Nil	Nil	3
Ms. Shrivana Cunden	Nil	Nil	Nil	Nil	1
Mr. Raouf Dusmohamud	3	1	Nil	Nil	Nil
Mr. P. A. Pather	4	Nil	Nil	1	Nil
Mr. Karunanidi T Sornum	6	Nil	1	Nil	3
Mr. J.M Percy Rose	6	Nil	Nil	1	Nil
Mr. Yuvhen Modelly Cunden	6	3	Nil	Nil	Nil
Mr. L Pillay Thandrayen	6	3	Nil	1	3
Mr. Ashfaq Ally Dusmohamud	Nil	Nil	Nil	Nil	Nil

PRINCIPLE 3: Directors appointment

In line with principle 3, the Board acknowledges responsibility for the appointment of Directors in accordance with the constitution of the Company and the Company ensures that a mix profile of directors be appointed taking into consideration experience, gender, independence and skills. Compliant to the principle a nomination policy is adopted by the board for election and re-election at annual meetings by ordinary resolution. Any new directors to be appointed is presented with a package of information that empower the director to take cognisance of the company in terms of the Company's Constitution and Board Charter, Mauritius Companies Act 2001, the Companies Code of Ethics and Practice, Organisation Chart and Annual Reports.

The Board assumes full responsibility for the succession planning when there is need for.

PRINCIPLE 4: Directors' duties, remuneration and performance

The profiles of the Directors are given below:

Mr Raouf Dusmohamud - Non-Executive Director (retired 22 December 2022)

Mr Raouf Dusmohamud was appointed as a Director on the Board of Indian Ocean General Assurance Ltd in 2004. He is presently the Managing Director of Raouf Dusmohamud Co. Ltd, which is the official representative and dealer of the following makes of cars viz: Proton, Perodua. In addition, he is the owner of Garage Raouf and Brabant Pieces Auto. He is a citizen and resident of Mauritius.

Mr Logonaden Pillay Thandrayen also known as Raj Pillay Chairperson and Non-Executive Director

Mr Raj Pillay joined the Board in 2004. He is presently the Managing Director of Thandrayen Pillay Refrigeration Centre Ltd and Jensen Trading Co. Ltd. He is also a Director of Ningbo Komans Refrigerant (Ningbo China). He has won the Peak of Success, Biz 2014 Award (Hawaii, USA), Inspirational Company Award by World Confederation of Business (Honston USA), Paris Star Quality Award Platinum Category in 2012, London Golden Crown Award QC100 in 2005 and Sablier D'Or Dan Foss Denmark in 1999. He is a citizen and resident of Mauritius.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 4: Directors' duties, remuneration and performance (Continued)

Mr Karunanidi Teeroovengadam Sornum - Non-Executive Director

Mr Karunanidi Teeroovengadam Sornum was appointed as a Director in 2002 and as a member of the Audit Committee in 2007. He is a member of the Association of Chartered Certified Accountants and of the Mauritius Institute of Professional Accountant. He is also an affiliate member of the Chartered Institute of Logistics and Transport. He is a citizen and resident of Mauritius.

Miss Analaxmi Cunden - Non-Executive Director

Miss Analaxmi Cunden was appointed as a Director in 2002. She is working as Corporate Secretary for Aviva Group Luxembourg. She has also exposure in General Banking, Accounting, Company Secretarial Practice and Human Resources Management. She is a citizen and non-resident of Mauritius.

Mr Natarajen M. Cunden - Chief Executive Officer and Executive Director

Mr Natarajen M. Cunden was appointed as Director in 2002 and enjoys a rich experience of 12 years in the Banking Sector. Prior to joining IOGA Ltd, he was Deputy CEO of the former Indian Ocean International Bank Ltd. He is a Fellow of the Chartered Management Institute of UK and is a holder of an MBA specialisation in financial services. He is a citizen and resident of Mauritius.

Miss Shrivana Cunden - Non-Executive Director

Miss Shrivana Cunden was appointed as Director in 1998 and she acted as the Managing Director of the Company for the period 1998 to February 2006. She is a holder of MBA from Birmingham University (UK) and currently working in a leasing company, Toronto, Canada. She is a citizen and non-resident of Mauritius.

Mr Vivek Cunden - Independent Director

Mr Vivek Cunden was appointed as an independent director on 17th December 2021. He is a holder of MBA in Project Management at the University of Technology, Mauritius. He has experience as a production manager in the Sugar and Textile Industries. He is a citizen and resident of Mauritius.

Mr Yuvhen Modelly Cunden - Independent Director

Mr Yuvhen Modelly Cunden was appointed as independent director on 11th June 2010. He is currently employed with SBI (Mauritius) Ltd as IT Supervisor. He holds a Diploma in Information Technology through AEA (Ncc). He is a citizen and resident of Mauritius.

Mr Poobalasoondaram Arnasala Pather - Independent Director

Mr P.A Pather was appointed as independent director on 29th December 2011. He is a Fellow of the Chartered Association of Certified Accountants (FCCA). He has long experience in accounting and financial services. He is currently the managing partner of Palsam Associates, Chartered Certified Accountants. He was appointed Chairperson on 27th February 2020. He is a citizen and resident of Mauritius.

Mr Jean Marie Percy Rose - General Manager and Executive Director

Mr J. M. Percy Rose joined the Company as independent director in June 2011. Career-wise, he has a long outstanding managerial and technical experience in the insurance sector since 1967. Mr J. M Percy Rose is an Associate of the Chartered Insurance Institute (UK) since 1979 and a Chartered Insurer in 1997. He is a citizen and resident of Mauritius.

Mr Ashfaq Ally Dasmohamud

Mr Ashfaq Ally Dasmohamud was appointed as director in 2023. He is working as the CEO of Autonexx and also a director of Raouf Dasmohamud & Co Ltd and Mahwa Motors Ltd. He is an ACCA fellow member and has completed his Masters in Professional Accounting at University of London. He is citizen and resident of Mauritius.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 4: Directors' duties, remuneration and performance (Continued)

Statement of Remuneration Philosophy

The remuneration of Directors and Senior Executives of the Company is reviewed annually as per the term of reference of the Nomination and Remuneration sub-committee presided by Miss Analaxmi Cunden. The remuneration philosophy is based on performance and is transparent and in compliance with principle 4 of the code.

The directors' fees and emoluments paid to each Director are as follows:

Directors	Rs
Mr. Vivek Cunden	70,000
Ms. Analaxmi Cunden	85,000
Mr. Natarajen M. Cunden	1,822,699
Ms. Shrivana Cunden	5,000
Mr. Raouf Dusmohamud	35,000
Mr. Logonaden Pillay Thandrayen	253,050
Mr. P. A. Pather	180,000
Mr. Karunanidi T Sornum	86,000
Mr. J.M Percy Rose	1,353,185
Mr. Yuvhen Modelly Cunden	80,000
Mr. Ashfaq Ally Dusmohamud	Nil

Profile of Senior Management Team

Mr Natarajen M. Cunden

Mr Natarajen M. Cunden, Chief Executive Officer has extensive experience in the management sector. He is a Fellow of the Chartered Management Institute of UK and is a holder of an MBA specialisation in financial services.

Mr Jean Marie Percy Rose (appointed in May 2016)

Mr J. M. Percy Rose joined the Company as independent Director in June 2011. Career-wise, he has a long outstanding managerial and technical experience in the insurance sector since 1967. Mr J. M Percy Rose has been an Associate of the Chartered Insurance Institute (UK) since 1979 and a Chartered Insurer in 1997.

Mr Venkat Balantrapu (appointed in July 2023)

Mr. Venkat Balantrapu is our Chief Operations Officer since July 2023. He has a rich insurance industry managerial experience since 1986, having worked in countries like India, Kenya, Uganda, Malawi, Zambia, Tanzania and Mauritius too earlier. He is an ex-banker too. He is a M.B.A as well as a B.Com. He is an Associate from the Insurance Institute Of India and a Fellow, Associate in Reinsurance Administration and an Associate in Customer Service from LOMA, USA.

Mr Amrit Hurree (appointed in July 2016) - Accountant

Mr Amrit Hurree is a Public Accountant registered with Mauritius Institute of Professional Accountants bearing registration number MRN 186/292.

He is a Fellow of the Association of Chartered Certified Accountants (UK). He worked in the insurance industry for more than 25 years in various insurance companies. He is now a Sole Partner in Practice based in Mauritius and Australia. He joined the Company as a part time consultant in July 2016.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 4: Directors' duties, remuneration and performance (Continued)

Mr Krishna Arnasala Pather (appointed in January 2017)- Risk Officer

Mr Krishna Arnasala Pather holds a Bachelor of Business Science in Actuarial Science, University of Cape Town, South Africa. He has more than 15 years of experience in the financial services sector including insurance Investment management, banking and leasing. He was appointed Risk Officer from 17 January 2017.

Company Secretary

Mr. V.K. Dwarka SA

Mr Vijay Kumar Dwarka started his legal career in 1973, he is a professionally Qualified Attorney at Law (Solicitor) of the Supreme Court of Mauritius (1973).

Appointed Company Secretary of the Company since 2005. He manages all Board proceedings and meetings. He provides guidance to the board members as to how their responsibilities should be discharged. He remains the focal point of contact between all parties concerned. He has a service agreement as approved by the Board.

Interest register is available for inspection on appointment with the Secretary.

Board Evaluation

In accordance with the Board Charter the evaluation process is being conducted by the Company Secretary by way of interviews, questionnaires and online conferences and findings and recommendations will be submitted to the Board on completion.

Information technology and information security policy

The Company IT department is headed by a competent IT manager that has input adequate security and has subscribed to antivirus software to ensure safeguard and security of data. The Management Information System is safeguarded within industry norms. The Company also complies with the Data Protection Act 2017.

PRINCIPLE 5 Risk Management and Internal Control System

The Board of Directors is responsible for risk management and for the Company's systems of internal control. The Company's policy on risk management encompasses all significant business risks including physical, operational, business continuity, financial compliance and reputational which could influence the achievement of the Company's objectives. The recent Risk Management Rules 2016 have provided new guidelines in the domain. In view of properly discharging its responsibilities, the Board has set up a Risk Committee and appointed a Risk Officer.

Since the beginning of 2017, the Board has supervised the implementation of a new risk management framework which lays down the following risk management mechanism:

- A system for the ongoing identification and assessment of risk.
- Development of strategies in respect of risks and definition of acceptable and non-acceptable levels of risk.
- Reviewing the effectiveness of the system of internal control.
- Preparation and maintenance of the Risk Appetite Statement.
- Implementation of the ORSA framework.
- Processes to reduce or mitigate identified risks and contain them within the levels of tolerance defined by the Board.

The objective of risk management is not to eliminate risk altogether, but to reduce it to an acceptable level having regard to the objectives of the Company. While the Board is responsible for the overall risk management and internal control systems, oversight of the Company's risk management process, with the exception of the legal risk, is delegated to the Audit and Technical Committee.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 5: Risk Management and Internal Control System (Continued)

The following main risk areas have been identified for the Company:

Insurance Risks

The main activity of the Company is the acceptance of risk under an insurance contract where, in return for a consideration (the premium), a policyholder is compensated for pecuniary loss suffered as a result of a specified uncertain future event, or of an uncertain future event where the timing of the occurrence is uncertain. The main risk that the Company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. Risks are mainly associated with the Company's underwriting, reinsurance and claims handling activities.

Underwriting and Pricing Risk

The Company's underwriting strategy attempts to ensure that the underwritten risks are acceptable, well priced and diversified in type. Statistics captured and analysed by computer software are extensively used to assess and review risks and the Company reserves the right not to renew policies and/or to impose deductibles.

Reinsurance Risk

The Company determines the extent of risks retainable and transfers risks in excess of its capacity to top rated reinsurers. Thus, through effective proportional, excess of loss and facultative reinsurance covers, the maximum loss for a given risk that the Company may suffer in any one year is predetermined.

Reinsurance risk refers to the inability of the ceding company or the primary insurer to obtain insurance from a reinsurer at the right time and at an appropriate cost. The inability may emanate from a variety of reasons like unfavourable market conditions. Default risk by a reinsurer also affects the ceding insurance company in an adverse manner as it may affect their profitability.

Insurers transfer a part of their portfolio to a reinsurer in exchange for a premium. However, the unavailability of reinsurance at the right time and cost has ramifications for the ceding company. A default on the part of the reinsurer can lead to adverse impacts on the profitability and solvency of the ceding insurer. It may also lead to an adverse effect on the underwriting abilities of the insurer as the default by the reinsurer will augment the risk of the insurer. The ceding company has the onus of meeting the insured's claims in the event of a default by the reinsurer.

The Company manages its reinsurance program by a professional reinsurance broker J. B. Boda Reinsurance Brokers Private Limited who ensures that risks are only ceded to top-rated and credit worthy reinsurers.

Claims Management Risk

Claims handling is closely monitored to ensure that the loss reported is covered and properly assessed. The Company ensures that claims provisions are determined using the best information available of claims settlement patterns, inflation forecast and settlement of claims.

Financial Risks

The Company is exposed to financial risks through its financial assets, financial liabilities, reinsurance assets, reinsurance and insurance liabilities. In particular, the key financial risk that proceeds from financial assets are not sufficient to fund the obligations arising from insurance contracts. Management considers this financial risk low.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 5: Risk Management and Internal Control System (Continued)

Debtors' Credit Risk

The Company's credit is primarily attributable to debtors including agents for insurance premium payable to the Company. The amounts presented in the Statement of Financial Position are net of allowances for doubtful receivables, estimated by the Company's management based on prior experience and the current economic environment. The Company structures the levels of its credit risk it accepts by placing limits on its exposure to a single counterparty. Such risks are subject to frequent review.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet short-term debts. The Company is not exposed to significant liquidity risk.

Market risk

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices whether these changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The Audit and Technical Committee set up by management ensures that investments are sufficiently diversified in order to match assets and liabilities and liquidity requirements.

Operational Risk

Operational risks are risks of loss or opportunity gain foregone resulting from inadequate or failed internal processes, people and systems or from external events. These losses may be caused by one or more of the following:

Human Resources Risk

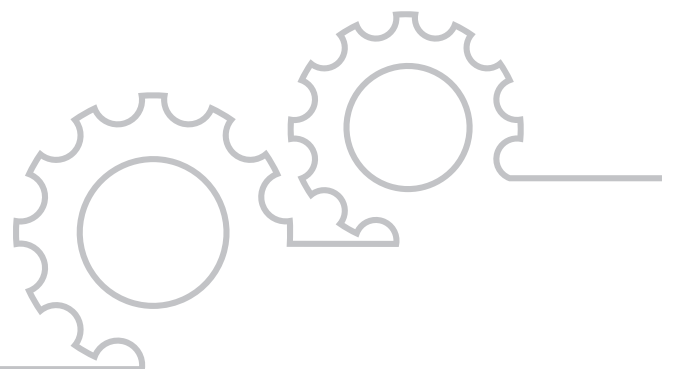
The personnel responsible for managing and controlling different sectors of the Company or a business process do not possess the requisite knowledge, skills and experience needed to ensure that critical business objectives are achieved, and significant business risks are reduced to an acceptable level.

Compliance Risk

Compliance risk, also referred to as non-conformance risk, results in lower quality, higher costs, lost revenues and unnecessary delays. Non-conformance also gives rise to service failure risk because if not detected and corrected before a service is delivered to the customer, a product or performance failure could result. A Compliance Officer has been appointed to monitor these issues.

Health and Safety Risk

Health and safety risks are significant if not controlled because they can expose the Company to substantial liability in respect of workers' compensation. Non-compliance with Health and Safety Legislation may result in heavy fines. The Health and Safety Committee ensures that these risks are minimised through control, follow-up and communication procedures. The Human Resources Department ensures compliance with labour laws.





CORPORATE GOVERNANCE REPORT

PRINCIPLE 6: Reporting with Integrity

Sustainability reporting

The Company recognizes that it operates within a social and economic community and as such is committed when taking decisions and carrying out its activities, to take into account not only its economic viability but also the environmental consequences and social implications. The Company recognizes its key role in job and wealth creation in the Mauritian society. Reporting sustainability is generally understood to be the way for a Company to strike a right balance between economic, environmental and social integration, often through commitment and activities that extend beyond the foundation of compliance with legislation.

Within the Company

The Company adopts harmonious industrial relations in order to achieve its objectives and mission in the interest of both the Company and its employees, agents, salesmen and brokers. There is a two-way communication within the Company.

Within the Society

The Company is fully conscious of its role as a social partner in the community. During the year under review, the Company has actively participated in various social activities and has sponsored several events.

Environment, health and safety

Environmental implications are considered before operational and strategic decisions are taken. The Company is committed to bring about a health and safety culture within the Company and also maintains a conducive working environment for the general well-being of the employees and its customers.

Website

The company website is being reformatted and will be launched soon.

Dividend policy

The Company has proposed and paid a dividend during the year for Rs 7,499,478 (Year 2022: Rs 2,500,000).

PRINCIPLE 7: Audit

Internal Audit

The Board of Directors has considered the role of an internal auditor in the Company. Lauthan Associates LLP has been appointed in the Company to assess the system of Internal Control. The Internal audit fees accrued to Lauthan Associates LLP amount to Rs 123,050 in 2023 (2022: Rs 149,150) Responsibilities and duties of the officers are clearly defined and regulated. This ensures proper checks and authorisation over the transactions carried out in the Company. The objectives and policies of the Company are properly communicated up and down the line in the Company.

The Audit Committee and the key management personnel regularly receive reports from various departments and review the same.

External Auditors

The external auditors are invited to attend on an annual basis meeting of directors and are given the opportunity to explain any area of concern. The external auditors have been in office for the last 5 years. The directors will consider a rotation of External Auditors in due course. The audit fees accrued to the auditors, MOORE Chartered Accountants, amount to Rs 747,500 (2022: Rs 373,750). Their audit report has been published on page 25 to 29

"I can do things you cannot, you can do things I cannot; together we can do great things". - Mother Teresa





CORPORATE GOVERNANCE REPORT

PRINCIPLE 8: Relation with Shareholders and other key stakeholders

The Company's Share Capital stands at 2,500,000 shares at Rs 10 each Rs 25,000,000.

Share ownership profile

Analysis of shareholders as at 30 June 2023

Size of Shareholding	No of shares owned	% of total issued shares
1-500	29,289	1%
501-1,000	30,041	1%
1,001-5,000	148,078	6%
More than 5,000	2,292,592	92%
Total	2,500,000	100%

Shareholders category as at 30 June 2023

Shareholder Category	No of shareholders	No of Shares	%
Individuals	211	1,214,817	49%
Corporate bodies	24	1,258,395	50%
Others	18	26,788	1%
Total	253	2,500,000	100%

Shareholders holding more than 5% of the share capital as at 30 June 2023 were:

Shareholders	No of shares owned	%
Promunit Limited	848,219	33.9%
Sam Cunden (Mauritius) Ltd	262,549	10.5%
Succession Sam Cunden	294,412	11.8%
Miss Dhanaletchunee Arnasala Pather	136,411	5.45%
Mr. Natarajen M. Cunden	126,662	5.06%

Shareholder's agreement

The directors are not aware of any shareholder's agreement.

Shareholders meeting

Annual shareholders meeting is held every year as prescribed by the Companies Act 2001. This is the main communication platform and shareholders are given the right to vote on the Company's affairs. Notice of meeting is sent within prescribed delays by the Company Secretary.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 8: Relation with Shareholders and other key stakeholders (Continued)

Other Key Stakeholders

The table below indicate the main partners and the response and engagement that the company undertake with each group:

Stakeholders	Communication and performance
Employees, Salesmen, Agents and Brokers	Emails; letters, monthly, meetings Assessment reviews and end of year gathering and above all training and continuous professional development education.
Insurers and reinsurers	Meeting; emails; agreement and negotiations for better placement and response.
Bankers and Suppliers	These are prime supporters that ensure diligent undertaking of supplies of services that bring satisfaction to our customers.
Regulators, Government and other institution	Compliance reporting and meeting when required
Customers	Office hours throughout our branches, Website and targeted advertising campaign.

Code of Ethics and Conduct

The Company is committed to ethical practices in its day-to-day operations and is governed by the Industry Code of Ethics. The company has published its code of ethics and conduct on its website (The company website is being reformatted and will be launched soon).

Donations and Sponsorship

The Company contributed towards the Corporate Social Responsibility fund, set up by the Government of Mauritius, amounting to Nil (2022: Rs 73,500).

Related party transactions

The details in respect of related party transactions have been disclosed in Note 29 of the financial statements.

Organisation Structure and Human Resource Development

The fact that the Company wants to become one of the leading insurance company brands in the industry in Mauritius, makes it highly necessary for the organisation to deliberately build a well-structured business.

The Company currently has a medium aged staff profile with most members having over ten years' work experience in the insurance industry. The staff have a mix of administrative and technical profiles. Company also ensures a proper mix in gender equality among its staff members.

The Company will soon set up a dedicated business development function that will be composed of marketing personnel, relationship officers and sales officers. The new team will coordinate business development initiatives and strive to develop sound relationships with direct clients.

Training of staff is an ongoing process and the Company participates in the upskilling courses of the Insurance Institute of Mauritius.

In addition to its staff, the Company uses the services of numerous external consultants, located both locally and abroad.

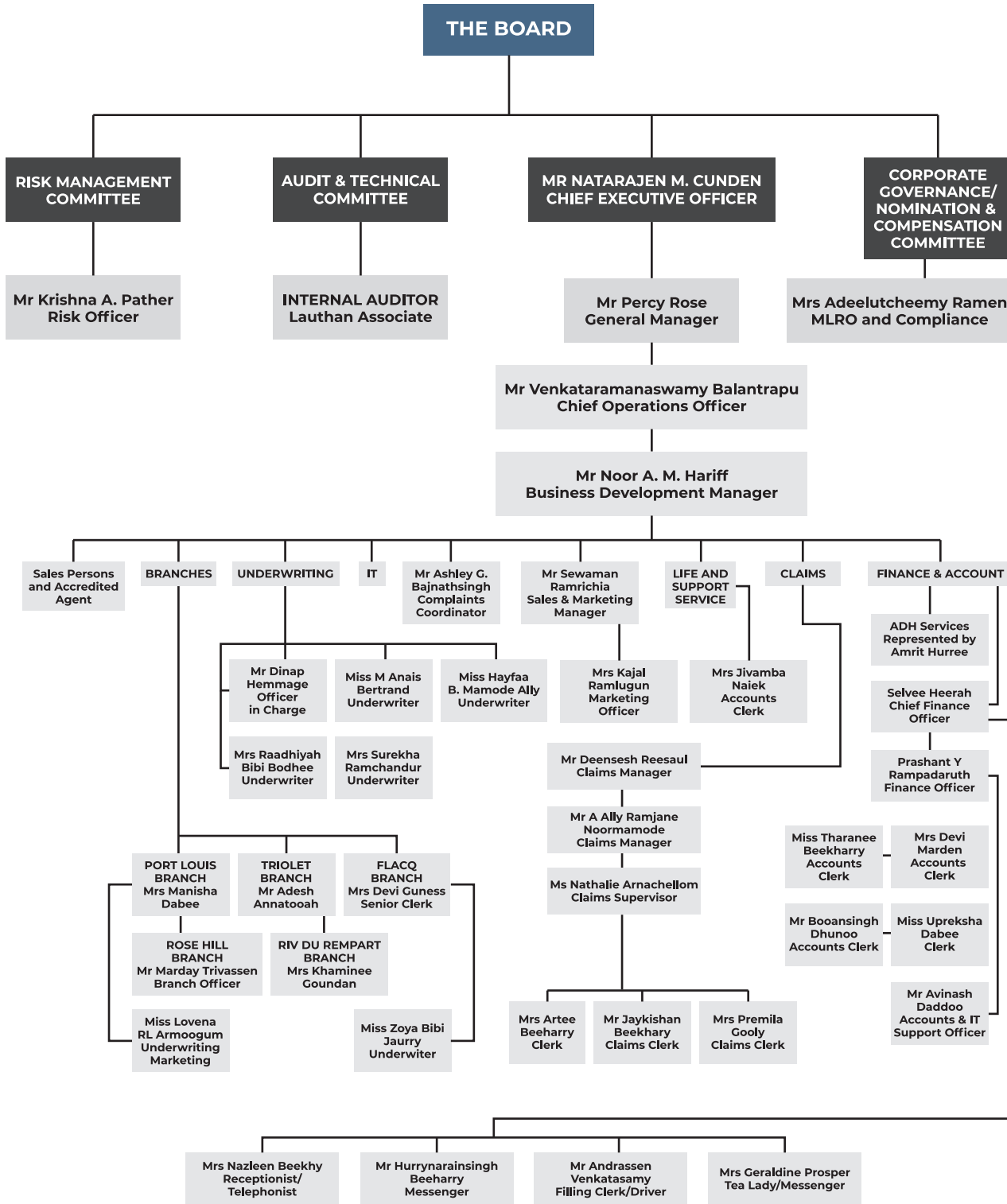


CORPORATE GOVERNANCE REPORT

PRINCIPLE 8: Relation with Shareholders and other key stakeholders (Continued)

Organigram of the Company

The table below indicate the main partners and the response and engagement that the company undertake with each group:





CORPORATE GOVERNANCE REPORT

Statement of Directors' responsibilities in respect of the financial statements Internal Control and Risk Management

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs and of the profit or loss of the Company. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently,
- Make judgments and estimates that are reasonable and prudent,
- State whether International Financial Reporting Standards (IFRS) have been followed, subject to any material departures disclosed and explained in the financial statements and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that adequate accounting records and an effective system of internal control and risk management are maintained. This helps to disclose with reasonable certainty and accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible to institute proper systems and procedures to comply with the Financial Intelligence and Anti-Money Laundering Act 2002 (FIAML Act) and the Code on the Prevention of Money Laundering and Terrorist Financing intended for Insurance Entities (the PMLTF code). Management has taken actions to implement proper systems, procedures and controls to comply with the FIAML Act and the PMLTF code.

The Directors confirm that they complied with these requirements in preparing the financial statements.

Going Concern Statement

The board of directors have assessed the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead and no significant uncertainty exist in this respect. The statement is based on assumptions that have been projected over the next 12 months and the Company does not foresee any shortage of capital.

As per the Insurance Act 2005, the Company is required to maintain a minimum surplus of assets over liabilities being the Minimum Capital Requirement (MCR).

As at date of reporting, the Company has a solvency ratio of 142%, which is lower than the 150% required, mainly following the reclassification of one item of an asset and subsequently in September 2023 the Minimum Capital Requirement has been reestablished which has been fully described and explained on page 66 of the Financial Statement.

Acknowledgement

The Board of Directors wishes to thank all stakeholders for their continued cooperation and support. The Board also expresses its appreciation for the valued support, continued trust, and loyalty of its management, staff and customers without whom the objectives of the Board would not have been attained.

Mr L Pillay Thandrayen
Chairperson

Mr. Natarajen M. Cunden
Chief Executive Officer

Mr J MPercy Rose
Director

Date: 24 October 2023



CORPORATE GOVERNANCE REPORT

STATEMENT OF COMPLIANCE

(Section 75(3) of the Financial Reporting Act)

Name of Public Interest Entity: Indian Ocean General Assurance Ltd

Reporting period: Year ended 30 June 2023

Throughout the year ended 30 June 2023, to best of the Board's knowledge, the Indian Ocean General Assurance Ltd has complied with all principles of the Code of Corporate Governance for Mauritius (2016).

Mr. L Pillay Thandrayen
Chairperson

Mr. Natarajen M. Cunden
Chief Executive Officer

Mr. J MPercy Rose
Director

Date: 24 October 2023



I certify, to the best of my knowledge and belief, that the Company has filed with the Registrar of Companies all such returns as are required of INDIAN OCEAN GENERAL ASSURANCE LTD under Section 166(d) of the Mauritius Companies Act 2001, during the year ended 30 June 2023.

Company Secretary

Vijay Kumar Dwarka

Date: 24 October 2023

Address:
Descoins Street
Long Mountain
Mauritius

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDIAN OCEAN GENERAL ASSURANCE LTD

Report on the Audit of the financial statements

Qualified opinion

We have audited the financial statements of Indian Ocean General Assurance Ltd (the "Company") set out on pages 33 to 87 which comprise the statement of financial position as at 30 June 2023 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, these financial statements give a true and fair view of the financial position of the Company at 30 June 2023 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, Financial Reporting Act 2004 and the Insurance Act 2005.

Basis for qualified opinion

The Company has made provision for doubtful debts against premium receivables as disclosed in note 13 of the financial statements. We were unable to obtain sufficient appropriate audit evidence to ascertain the adequacy of the provision made. An increase in provision to the appropriate level would reduce premium receivables and total comprehensive income for the year.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of matter

We draw attention to Note 9 of the financial statements, which describes the non-compliance with section 7(3) of the Insurance (General Insurance Business Solvency) Rules 2007 under the Insurance Act 2005 arising from the Company's new investment in available-for-sale financial assets. The investment of Rs 26.25m is above the concentration limit. Our opinion is not modified in respect of this matter.

We also draw attention to Note 5 of the financial statements concerning capital risk management, which describes the non-compliance with section 3(3) of the Insurance (General Insurance Business Solvency) Rules 2007 under the Insurance Act 2005. Subsequent to reporting date, an amount of Rs 25m initially classified as deposit on investment was refunded back to the Company. The refund has addressed the issue of non-compliance with the Insurance Act 2005, in respect of Minimum Capital Requirements and accordingly, the financial statements have been prepared on a going concern basis. Our report is not modified in respect of this matter.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDIAN OCEAN GENERAL ASSURANCE LTD

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. As at 30 June 2023, the Company had technical provisions comprising of unearned premium reserves and premium deficiency reserve as disclosed in Notes 19 and 20 to the financial statements.

The valuation of the technical provisions which includes provision for unearned premium reserves and premium deficiency reserves are significant in magnitude and require the use of judgements, estimates as well as the use of actuarial and statistical projections.

Technical provisions in respect of claims that are expected to arise over the period after the valuation date till the policy's natural expiry are computed using the 365th method and reported as UPR (unearned premium reserve).

An additional reserve is held for unexpired risk (AURR) where the combined ratio exceeds 100%. This reserve is also referred to as Premium Deficiency Reserve (PDR). The combined ratio is taken as the sum of the following:

- Net incurred claims/ net earned premium
- Management expense / net earned premium
- (Commission paid less commission received) / net earned premium

Given its complexity and significance, the valuation of technical provisions has been considered a Key Audit Matter.

Related disclosures

Refer to notes 19 and 20, note 3 (accounting policies) and note 4(a) (critical accounting estimates) of the accompanying financial statements.

Audit response

- Assessed and tested the design and operating effectiveness of key controls relating to the claims handling process, including controls over completeness and accuracy of the claims' estimates recorded. We performed substantive tests on the amounts recorded for a sample of claims notified, focusing on those with the most significant impact on the financial statements, to assess whether claims are appropriately estimated and recorded.
- Evaluated the competence, objectivity and independence of the independent actuary appointed by management of the Company to review the adequacy of technical provisions.
- Tested the completeness, accuracy and integrity of the underlying insurance data provided by management to the independent actuary to estimate the provisions. We focused our test of key controls over management's collection, extraction, and data validation processes.
- Involved our own independent actuarial specialist to evaluate the actuarial assumptions used by management based on the analysis of the experience to date, industry practice and the financial and regulatory requirements.
- Critically appraised the reasonableness of assumptions used in the actuarial report, especially around mortality, disability, morbidity, expenses, and risk discount rates, through a combination of analytical procedures and benchmarking against market trends as well as regulatory and reporting requirements for consistency.
- Evaluated management's methodology and assumptions against actuarial practices and industry standards as well as financial and regulatory requirements.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDIAN OCEAN GENERAL ASSURANCE LTD

2. As at 30 June 2023, the Company had outstanding claims which including claims incurred but not reported (IBNR) as disclosed in Note 28 to the financial statements.

The valuation of outstanding claims ("OC") including claims IBNR is significant in magnitude and requires the use of judgements, estimates and the use of actuarial and statistical projections. OC including claims IBNR are estimated for settlement of claims in future which are impacted by a number of factors which include the trends in severity of historical claims, frequency of historical claims, and changes in Laws and Regulations. In particular, the claims arising from death or disability covered under motor insurance contracts involve complex and subjective judgements about future events, both internal and external to the business, for which small changes in assumptions can materially impact on the valuation of these liabilities.

Related disclosures

Refer to note 28, note 3 (accounting policies) and note 4(a) (critical accounting estimates) of the accompanying financial statements.

Audit response

We assessed and tested the design and operating effectiveness of selected key controls relating to the claims handling and reserving process, including controls over completeness and accuracy of the claims' estimates recorded.

- We performed substantive tests on the amounts recorded for a sample of claims notified, focusing on those with most significant impact on the financial statements, to assess whether claims are appropriately estimated and recorded.
- We evaluated the competence, objectivity and independence of the independent actuary appointed by management of the Company to review the adequacy of OC including claims IBNR.
- We tested the completeness, accuracy and integrity of the underlying insurance data provided by management to the independent actuary to estimate the IBNR provisions. We focused our test of key controls over management's collection, extraction and data validation processes.
- We critically appraised the reasonableness of assumptions used in the actuarial report, especially around mortality, disability, morbidity, expenses and risk discount rates, through a combination of analytical procedures and benchmarking against market trends as well as regulatory and reporting requirements for consistency.
- We assessed the adequacy of the Company's related disclosures by reference to International Financial Reporting Standards (IFRSs).

Other Information

The directors are responsible for the other information. The other information comprises the Chairman's Review, Management Review by Chief Executive Officer and Certificate from the Company Secretary, or any other information. The other information does not include the financial statements and our auditors' 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 of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 of this other information, we are required to report that fact. We have nothing to report in this regard.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDIAN OCEAN GENERAL ASSURANCE LTD

Corporate Governance Report

Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on Corporate Governance in the annual report, the public interest entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code and satisfactory explanation disclosed on the principles of the Code which have not been complied with.

Responsibilities of directors and those charged with governance for the financial statements
The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, Financial Reporting Act 2004 and the Insurance Act 2005, 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 have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 scepticism 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDIAN OCEAN GENERAL ASSURANCE LTD

- 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

This report is made solely to the Company's members, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters that we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Insurance Act 2005

The Financial Statements have been prepared in the manner and meet the requirements specified in the Rules and Guidelines of the Financial Services Commission, except as for the non-compliances with Insurance (General Insurance Business Solvency) Rules 2007 under the Insurance Act 2005 as disclosed under notes 5 and 9.

MOORE Mauritius
Chartered Accountants

PORT LOUIS
REPUBLIC OF MAURITIUS

Arvin Rogbeer, FCA, FCCA
Licensed by FRC

DATE: 24 October 2023

*“Unity is strength. . . when there
is teamwork and collaboration,
wonderful things can be achieved”.*
- Mattie Stepanek





STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
NON CURRENT ASSETS							
Property, plant and equipment	6	2	2	41,392,552	38,713,135	41,392,554	38,713,137
Intangible assets	7	1	1	-	-	1	1
Right-of-use assets	8	-	-	2,045,723	666,040	2,045,723	666,040
Available-for-sale financial assets	9	-	34,585,107	145,614,602	57,712,885	145,614,602	92,297,992
Deposits	10	12,000,000	14,568,750	30,983,944	29,317,200	42,983,944	43,885,950
Investment property	11	1,100,000	1,100,000	-	-	1,100,000	1,100,000
Loans and receivables	12	-	-	709,506	530,473	709,506	530,473
		13,100,003	50,253,860	220,746,327	126,939,733	233,846,330	177,193,593
CURRENT ASSETS							
Loans and receivables current	12	627,186	627,186	-	-	627,186	627,186
Receivables and prepayments	13	1,205,294	3,263,067	44,002,773	29,393,837	45,208,067	32,656,904
Deposit towards Investment	9	-	-	25,000,000	-	25,000,000	-
Amount due by reinsurers	14	-	-	982,895	2,544,131	982,895	2,544,131
Current tax assets	25	-	13,607	-	-	-	13,607
Receivable on claim paid and payable	15	-	-	17,644,215	11,948,574	17,644,215	11,948,574
Short term deposits	10	2,568,750	-	31,000,000	42,131,250	33,568,750	42,131,250
Cash and cash equivalents	16	34,671,162	1,961,972	50,623,486	139,597,998	85,294,648	141,559,970
		39,072,392	5,865,832	169,253,369	225,615,790	208,325,761	231,481,622
TOTAL ASSETS		52,172,395	56,119,692	389,999,696	352,555,523	442,172,091	408,675,215
EQUITY AND LIABILITIES							
EQUITY							
Stated capital	17	-	-	25,000,000	25,000,000	25,000,000	25,000,000
Revaluation reserves	18	-	23,581,669	70,126,894	54,640,646	70,126,894	78,222,315
Retained earnings		27,130,089	-	112,086,642	138,850,143	139,216,731	138,850,143
		27,130,089	23,581,669	207,213,536	218,490,789	234,343,625	242,072,458
TECHNICAL PROVISIONS							
Unearned premium reserves	19	-	-	72,295,000	41,488,370	72,295,000	41,488,370
Premium deficiency reserve	20	-	-	8,903,000	2,501,989	8,903,000	2,501,989
Life assurance fund	21	23,703,566	31,198,322	-	-	23,703,566	31,198,322
		23,703,566	31,198,322	81,198,000	43,990,359	104,901,566	75,188,681
NON CURRENT LIABILITIES							
Deferred tax liability	22	-	-	613,256	426,121	613,256	426,121
Lease liability	23	-	-	662,604	515,751	662,604	515,751
Retirement benefit obligation	24	-	-	3,651,124	4,151,124	3,651,124	4,151,124
		-	-	4,926,984	5,092,996	4,926,984	5,092,996
CURRENT LIABILITIES							
Current tax liabilities	25	-	-	856,156	856,156	856,156	856,156
Amount due to reinsurers	26	26,732	35,893	9,410,584	6,831,358	9,437,316	6,867,251
Leasing liability	23	-	-	1,632,395	423,510	1,632,395	423,510
Payables	27	1,312,008	1,303,808	8,940,825	6,703,920	10,252,833	8,007,728
Outstanding claims	28	-	-	75,821,216	70,166,435	75,821,216	70,166,435
		1,338,740	1,339,701	96,661,176	84,981,379	97,999,916	86,321,080
TOTAL EQUITY AND LIABILITIES		52,172,395	56,119,692	389,999,696	352,555,523	442,172,091	408,675,215

These financial statements have been approved by the Board of Directors on 24 October 2023 and signed on its behalf by:

Director: Mr. Natarajen M. Cunden

Director: Mr. L. Pillay Thandrayen

The notes on pages 38 to 77 form an integral part of these financial statements



STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Life June 2023 Rs	Life June 2022 Rs	General June 2023 Rs	General June 2022 Rs	Composite June 2023 Rs	Composite June 2022 Rs
Gross premium		831,463	967,410	141,238,824	85,282,503	142,070,287	86,249,913
Premium ceded to reinsurers		(37,898)	(73,969)	(23,316,373)	(13,726,336)	(23,354,271)	(13,800,305)
Net premium		793,565	893,441	117,922,451	71,556,167	118,716,016	72,449,608
Movement in unearned premium reserves	19	-	-	(30,806,630)	(7,536,873)	(30,806,630)	(7,536,873)
Movement in premium deficiency reserves		-	-	(6,401,011)	685,600	(6,401,011)	685,600
Net earned premium		793,565	893,441	80,714,810	64,704,894	81,508,375	65,598,335
Investment and interest income		277,336	2,426,597	10,267,055	5,796,282	10,544,391	8,222,879
Net gain on foreign exchange		-	-	142,029	1,113,226	142,029	1,113,226
Other income		-	-	4,563,728	3,803,009	4,563,728	3,803,009
Total other income		277,336	2,426,597	14,972,812	10,712,517	15,250,148	13,139,114
Net claim incurred	28.4	(7,351,169)	(4,329,501)	(59,997,513)	(39,017,921)	(67,348,682)	(43,347,422)
Commission received		4,023	8,409	3,758,343	3,357,357	3,762,366	3,365,766
Commission paid and payable		-	(2,507)	(13,528,338)	(8,229,626)	(13,528,338)	(8,232,133)
Net Commission		4,023	5,902	(9,769,995)	(4,872,269)	(9,765,972)	(4,866,367)
Management expenses		(1,204,903)	(892,988)	(28,776,761)	(22,418,560)	(29,981,664)	(23,311,548)
Depreciation and amortisation		-	-	(2,542,657)	(1,806,374)	(2,542,657)	(1,806,374)
		(8,552,049)	(5,216,587)	(101,086,926)	(68,115,124)	(109,638,975)	(73,331,711)
Net (loss)/profit before tax		(7,481,148)	(1,896,549)	(5,399,304)	7,302,287	(12,880,452)	5,405,738
Less corporation tax	25	(13,607)	-	-	-	(13,607)	-
Add/(less) deferred tax	22	-	-	(187,135)	(45,720)	(187,135)	(45,720)
Less CSR	31	-	(47,214)	-	(30,288)	-	(77,502)
(Loss)/Profit after tax for the year		(7,494,755)	(1,943,763)	(5,586,439)	7,226,279	(13,081,194)	5,282,516
Less appropriations:							
Founder's share commission		-	-	(1,586,163)	(852,825)	(1,586,163)	(852,825)
(Loss)/Profit for the year		(7,494,755)	(1,943,763)	(7,172,602)	6,373,454	(14,667,357)	4,429,691
Other comprehensive income							
Items that can be reclassified back to profit or loss :							
Gain on foreign exchange of AFS financial assets		3,170,069	2,172,664	766,578	624,318	3,936,647	2,796,982
Adjustment for depreciation on revaluation of Building		-	-	(128,120)	-	(128,120)	-
Items that cannot be reclassified back to profit or loss:							
Gain on revaluation of AFS financial assets		378,351	502,431	2,756,368	3,231,480	3,134,719	3,733,911
Transfer to life fund and revaluation reserve		7,494,755	1,943,763	-	-	7,494,755	1,943,763
Realised gain on Sales of AFS		23,581,669	-	-	-	23,581,669	-
TOTAL COMPREHENSIVE INCOME		27,130,089	2,675,095	(3,777,776)	10,229,252	(229,356)	12,904,347

The notes on pages 38 to 77 form an integral part of these financial statements



STATEMENT OF CASH FLOWS OR THE YEAR ENDED 30 JUNE 2023

	Notes	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Cash flows from operating activities							
Profit before taxation		(7,481,148)	(1,896,549)	(5,399,304)	7,302,287	(12,880,452)	5,405,738
Adjustments for:-							
Depreciation/amortisation	6	-	-	2,542,657	1,806,374	2,542,657	1,806,374
Investment and interest income		(277,336)	(2,426,597)	(10,267,055)	(5,796,282)	(10,544,391)	(8,222,879)
Foreign exchange rate changes		-	-	(121,528)	(1,218,742)	(121,528)	(1,218,742)
Founder's share commission		-	-	(1,586,163)	(852,825)	(1,586,163)	(852,825)
Finance cost related to lease of right of use assets	23	-	-	180,376	44,899	180,376	44,899
Release to general fund		-	-	37,207,641	6,851,273	37,207,641	6,851,273
Retirement benefit obligations provision		-	-	-	370,000	-	370,000
Operating (loss)/profit before working capital changes		(7,758,484)	(4,323,146)	22,556,624	8,506,984	14,798,140	4,183,838
Working capital changes:							
Movement in receivables and prepayments		2,335,110	(1,292,183)	(5,073,722)	(2,010,344)	(2,738,612)	(3,302,527)
Movement in amount due by reinsurers		-	-	1,561,236	5,098,194	1,561,236	5,098,194
Movement in reinsurance contract		-	-	(5,695,641)	11,596,351	(5,695,641)	11,596,351
Movement in payables		8,200	9,895	2,236,905	1,276,991	2,245,105	1,286,886
Movement in amount due to reinsurers		(9,161)	(11,633)	2,579,226	(6,695,564)	2,570,065	(6,707,197)
Movement in outstanding claims		-	-	5,654,781	(12,614,012)	5,654,781	(12,614,012)
Cash generated from operations		(5,424,335)	(5,617,067)	23,819,409	5,158,600	18,395,074	(458,467)
Retirement benefit obligation paid during the year	24	-	-	(500,000)	(430,000)	(500,000)	(430,000)
Interest and dividend income received		-	2,426,597	731,841	1,239,170	731,841	3,665,767
Taxation and corporate social responsibility paid		-	(47,214)	-	(30,288)	-	(77,502)
Net cash flows from operating activities		(5,424,335)	(3,237,684)	24,051,250	5,937,482	18,626,915	2,699,798
Cash flows from investing activities							
Purchase of property, plant and equipment	6	-	-	(4,417,561)	(406,128)	(4,417,561)	(406,128)
Disposal of property, plant and equipment							
Disposal/Acquisition of Available for Sales assets		38,133,525	-	(84,378,769)	-	(46,245,244)	-
Decrease in deposits		-	-	9,464,506	7,000,000	9,464,506	7,000,000
Net cash flows from investing activities		38,133,525	-	(79,331,824)	6,593,872	(41,198,299)	6,593,872
Cash flows from financing activities							
Dividends paid		-	-	(7,499,476)	(2,500,000)	(7,499,476)	(2,500,000)
Lease payments	23	-	-	(1,136,956)	(664,200)	(1,136,956)	(664,200)
Net loans received (paid)		-	12,374	(179,033)	(233,668)	(179,033)	(221,294)
Net cash flows from financing activities		-	12,374	(8,815,465)	(3,397,868)	(8,815,465)	(3,385,494)
Effect of foreign exchange rate changes on cash and cash equivalents		-	-	121,528	1,218,742	121,528	1,218,742
Net movement in cash and cash equivalents		32,709,190	(3,225,310)	(63,974,511)	10,352,228	(31,265,321)	7,126,918
Movements in cash and cash equivalents							
Cash and cash equivalents at the beginning of the year		1,961,972	5,187,282	139,597,998	129,245,770	141,559,970	134,433,052
Cash and cash equivalents at the end of the year	16	34,671,162	1,961,972	75,623,487	139,597,998	110,294,649	141,559,970
		34,671,162	1,961,972	50,623,486	139,597,998	85,294,648	141,559,970
		-	-	25,000,001	-	25,000,001	
				12,500,001	599,577		

The notes on pages 38 to 77 form an integral part of these financial statements



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

Composite statement: Life and General businesses:

	Stated Capital Rs	Revaluation Reserve		Total Revaluation Reserve Rs	Retained Earnings Rs	Total Equity Rs
		Freehold Land & Building Revaluation Reserves Rs	Available for-Sales Revaluation Reserve Rs			
At 1 July 2021	25,000,000	13,846,034	57,845,388	71,691,422	134,976,689	231,668,111
Profit from General Insurance Business for the year	-	-	-	-	6,373,454	6,373,454
Dividends paid during the year	-	-	-	-	(2,500,000)	(2,500,000)
Other comprehensive income:						
Net gain on foreign exchange	-	-	2,796,982	2,796,982	-	2,796,982
Net fair value gain on available for sales financial assets	-	-	3,733,911	3,733,911	-	3,733,911
At 30 June 2022	25,000,000	13,846,034	64,376,281	78,222,315	138,850,143	242,072,458
Profit from General Insurance Business for the year	-	-	-	-	(7,172,602)	(7,172,602)
Dividends paid during the year	-	-	-	-	(7,499,477)	(7,499,477)
Other comprehensive income:						
Adjustment for depreciation on revaluation of Building Net gain on foreign exchange	-	(128,120)	3,936,647	3,808,527	-	3,808,527
Net fair value gain on available for sales financial assets	-	-	3,134,719	3,134,719	-	3,134,719
Transfer from Retained Earning to Revaluation Reserves	-	-	12,091,422	12,091,422	(12,091,422)	
Realised Gain on Sales of Available for Sales Financial Assets	-	-	(27,130,089)	(27,130,089)	27,130,089	-
At 30 June 2023	25,000,000	13,717,914	56,408,980	70,126,894	139,216,731	234,343,625

The notes on pages 38 to 77 form an integral part of these financial statements



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

Life business

	Stated Capital Rs	Revaluation Reserve		Total Revaluation Reserve Rs	Retained Earnings Rs	Total Equity Rs
		Freehold Land & Building Revaluation Reserves Rs	Available for-Sales Revaluation Reserve Rs			
At 1 July 2021	-	-	20,906,574	20,906,574	-	20,906,574
Transfer to premium deficiency reserve	-	-	-	-	-	-
Other comprehensive income:						
Net gain on foreign exchange	-	-	2,172,664	2,172,664	-	2,172,664
Revaluation of property	-	-	-	-	-	-
Net fair value gain on available for sales financial assets	-	-	502,431	502,431	-	502,431
At 30 June 2022	-	-	23,581,669	23,581,669	-	23,581,669
Other comprehensive income:						
Net gain on foreign exchange	-	-	3,170,069	3,170,069	-	3,170,069
Net fair value gain on available for sales financial assets	-	-	378,350	378,350	-	378,350
Transfer from Retained Earning to Revaluation Reserves	-	-	-	-	-	-
Realised Gain on Sales of Available for Sales Financial Assets	-	-	(27,130,089)	(27,130,089)	27,130,089	-
At 30 June 2023	-	-	-	-	27,130,089	27,130,089

The notes on pages 38 to 77 form an integral part of these financial statements



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

General business

	Stated Capital Rs	Revaluation Reserve		Total Revaluation Reserve Rs	Retained Earnings Rs	Total Equity Rs
		Freehold Land & Building Revaluation Reserves Rs	Available for-Sales Revaluation Reserve Rs			
At 1 July 2021	25,000,000	13,846,034	36,938,814	50,784,848	134,976,689	210,761,537
Profit from General Insurance Business for the year	-	-	-	-	6,373,454	6,373,454
Dividends paid during the year	-	-	-	-	(2,500,000)	(2,500,000)
Transfer to premium deficiency reserve	-	-	-	-	-	-
Other comprehensive income:						
Net gain on foreign exchange	-	-	624,318	624,318	-	624,318
Net fair value loss on available for sales financial assets	-	-	3,231,480	3,231,480	-	3,231,480
At 30 June 2022	25,000,000	13,846,034	40,794,612	54,640,646	138,850,143	218,490,789
Profit from General Insurance Business for the year	-	-	-	-	(7,172,602)	(7,172,602)
Dividends paid during the year	-	-	-	-	(7,499,477)	(7,499,477)
Other comprehensive income:						
Net gain on foreign exchange	-	(128,120)	766,578	638,458	-	638,458
Net fair value gain on available for sales financial assets	-	-	2,756,369	2,756,369	-	2,756,369
Transfer from Retained Earning to Revaluation Reserves	-	-	12,091,422	12,091,422	(12,091,422)	-
Realised Gain on Sales of Available for Sales Financial Assets	-	-	-	-	-	-
At 30 June 2023	25,000,000	13,717,914	56,408,980	70,126,894	112,086,642	207,213,536

The notes on pages 38 to 77 form an integral part of these financial statements

“Great things in business are never done by one person; they’re done by a team of people”. - Steve Jobs





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. Reporting entity

Indian Ocean General Assurance Ltd ("the Company") is a Public Limited Company incorporated and domiciled in Mauritius under the Companies Act 2001 and is subject to the Insurance Act 2005. The Company was incorporated on 10th April 1970 and its head office is located at 12 Volcy Pougnet Street, Port Louis, Mauritius. The Company carries out short term and long-term insurance businesses. It is licensed to write property, liability, transportation, guarantee, motor and travel accidents insurance. The Company does not underwrite any new long-term business which is under run off basis.

These financial statements have been authorised for issue by the Board of Directors on 24 October 2023.

Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and comply with both the Mauritian Companies Act 2001 and the Mauritian Insurance Act 2005.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

In the current year the Company comply with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and has applied all the new and revised Standards and Interpretations effective at the start of the reporting period, some either do not have an impact on the Company's reporting or is not applicable.

New standards and amendments to published standards effective for the year ended 30 June 2023

IFRS 17 INSURANCE CONTRACT

IFRS 17 Insurance contracts - In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, which replaces IFRS 4 Insurance Contracts. The main features of the new accounting model for insurance contracts under IFRS 17 are, as follows:

- The measurement of the present value of future cash flows, incorporating an explicit risk adjustment, re-measured every reporting period (the fulfilment cash flows);
- A Contractual Service Margin (CSM) that is equal and opposite to any day one gain in the fulfilment cash flows of a group of contracts. The CSM represents the unearned profitability of the insurance contracts and is recognised in profit or loss over the service period (i.e., coverage period);
- Certain changes in the expected present value of future cash flows are adjusted against the CSM and thereby recognised in profit or loss over the remaining contractual service period;
- The effect of changes in discount rates will be reported in either profit or loss or other comprehensive income, determined by an accounting policy choice;
- The recognition of insurance revenue and insurance service expenses in the statement of comprehensive income based on the concept of services provided during the period;
- Amounts that the policyholder will always receive, regardless of whether an insured event happens (non-distinct investment components) are not presented in the income statement, but are recognised directly on the balance sheet;
- Insurance services results (earned revenue less incurred claims) are presented separately from the insurance finance income or expense;
- Extensive disclosures to provide information on the recognised amounts from insurance contracts and the nature and extent of risks arising from these contracts.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (Continued)

New standards and amendments to published standards issued but not yet effective at 30 June 2023 (Continued)

IFRS 17 is effective for annual reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. Retrospective application is required. However, if full retrospective application for a group of insurance contracts is impracticable, then the entity is required to choose either a modified retrospective approach or a fair value approach. The Company plans to adopt the new standard by 31 December 2023. The Company expects that the new standard will result in an important change to the accounting policies for insurance contract liabilities of the Company and is likely to have a significant impact on the surplus and life assurance fund together with presentation and disclosure.

New standards and amendments to published standards issued but not yet effective at 30 June 2023

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S1 was issued in June 2023 and applies to annual reporting periods beginning on or after 1 January 2024.

IFRS S2 Climate related Disclosures

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 was issued in June 2023 and applies to annual reporting periods beginning on or after 1 January 2024.

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The mandatory application date for the standard was January 1, 2018. However, the Company plans to defer the application of IFRS 9 until the earlier of the effective date of the new insurance contract standard (IFRS 17) of January 1, 2023, opting for the temporary exemption from applying IFRS 9 by the amendments to IFRS 4. The temporary exemption from IFRS 9 is available to the companies whose activities are predominantly connected with insurance. Accordingly, the Company continues to apply IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 15 Revenue from Contracts with Customers is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The application date for the standard was January 1, 2018, The Company, which is applying IFRS 4, is excluded from the scope of the standard.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (Continued)

New standards and amendments to published standards issued but not yet effective at 30 June 2023 (Continued)

IFRS 15

The directors have not yet assessed the impact that the adoption of the Standards listed above will have on the financial statements of the Company in future periods.

IAS 1 Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

The amendments are effective for reporting periods beginning on or after 1 January 2024 IFRS 4 Applying IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts' (Amendments to IFRS 4)

IFRS 4 Insurance Contracts provide two options for entities that issue insurance contracts within the scope of IFRS 4:

- an option that permits entities to reclassify, from profit or loss to other comprehensive income, some of the income or expenses arising from designated financial assets; this is the so-called overlay approach;
- an optional temporary exemption from applying IFRS 9 for entities whose predominant activity is issuing contracts within the scope of IFRS 4; this is the so-called deferral approach.

The application of both approaches is optional and an entity is permitted to stop applying them before the new insurance contracts standard is applied.

The amendments are effective for reporting periods beginning on or after 1 January 2024

3. Significant accounting policies

Basis of preparation

The financial statements have been prepared on historical cost basis except for investment properties which are stated at fair values and financial assets and financial liabilities which are either stated at fair values or at amortised cost, at end of each reporting period, as explained in the accounting policies below. Where necessary, comparative figures have been amended to conform with changes in presentation or in accounting policies in the current year.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed under the note 4.

Functional and presentation currency

The financial statements are presented in Mauritian Rupee (Rs) which is the Company's functional and presentation currency and represents the currency of the primary economic environment in which the entity operates.

Foreign currency translation

Transactions in foreign currencies are recorded into the functional currency using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. All exchange differences on translation are dealt with in the statement of comprehensive income.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. Significant accounting policies (Continued)

Property, plant and equipment

All property, plant and equipment are initially recorded at cost or revalued amounts less accumulated depreciation. Cost includes any costs directly attributable to bringing the asset to working condition for its intended use.

Revaluation surpluses or deficits are dealt with in the revaluation reserves except for movements below the depreciated cost which are dealt with in the Statement of Comprehensive Income.

Level of fair value hierarchy

Freehold Land and Building are unobservable inputs as per IFRS 13.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date. The Company develops unobservable inputs using the best information available in the circumstances, which might include the Company's own data, considering all information about market participants assumptions that is reasonably available.

Each year the difference between depreciation based on revalued amount of the assets (the depreciation charged to Statement of Comprehensive Income) and depreciation based on asset's original cost is transferred from revaluation reserve to Statement of Comprehensive income.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of the day-to-day servicing of property plant and equipment are recognised in the Statement of Comprehensive Income as incurred.

Depreciation is calculated to write off the cost or revalued amount of the assets on a straight-line basis over the expected useful lives at the following rates per annum:

Freehold Building	2%
Office equipment	20%-33,1/3%
Motor vehicles	20%
Furniture and fittings	20%
Right-of use Assets -Building	48%

Freehold land is not depreciated.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are considered in determining profit before tax.

Investment Property

Investment Property is held to earn rentals and/or for capital appreciation and is measured initially at cost, including transaction costs.

Investment Property represents land acquired from defaulted secured mortgage loans. The loans have been written off and the values of the assets were initially recognised at cost.

Intangible assets

Intangible assets which comprise computer software and development costs are initially recorded at cost and amortised using the straight-line method over its expected useful life.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. Significant accounting policies (Continued)

Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Financial instruments

The Company classifies its financial instruments into the following categories based on the purpose for which the asset was acquired, or liability incurred. All transactions are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money or services directly to a debtor with no intention of trading the receivables. They are recognised initially at fair value plus any directly attributable transaction costs. Subsequently to initial recognition, loans and receivables are measured at amortised costs using the effective interest method, less any impairment. They are included in current assets when maturity is within twelve months after the end of the reporting period or non-current assets for maturities greater than twelve months.

Available-for-sale (AFS) financial assets

Non-derivative financial assets that are not classified in any other category are classified as available-for sale and comprise investments in equity instruments including investments in public foreign companies. These instruments are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition. Subsequently they are carried out at fair value based on their quoted market price in an active market. When they do not have a quoted market price in an active market and fair value is not reliably determinable, they are valued at net asset value.

Changes in fair value are recognised as a separate component of other comprehensive income and accumulated in equity under investment revaluation reserve. Where the investments are disposed or impaired the cumulative gain or loss previously recognised in the revaluation reserve is transferred to the statement of comprehensive income for the year.

Dividends on Available-for-sales equity instruments are recognised in profit or loss when the Company's right to receive payments is established.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. Significant accounting policies (Continued)

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. Income and expenses will not be offset in the profit or loss unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Company.

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any impairment losses. Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on part of policyholders, or default by agencies) that the Company will be unable to collect all the amounts due under the term receivable. Provision for amounts due from policyholders and reinsurers, which are reported net, are recorded in a separate allowance/provision account with the loss being recognised in net income. On confirmation that the amounts receivable will not be collectable the gross carrying value of the assets is written off against the associated provision.

Deposits

Deposits are term deposits placed with banks and other financial institutions and are measured at amortised cost.

Cash and cash equivalents

These comprise cash at banks and in hand as well as bank overdraft which is repayable on demand and form an integral part of the Company's cash management.

Payables

Payables and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Insurance contracts

Insurance contracts are those contracts that transfer significant insurance risk at the inception of the contract. Such contracts remain insurance contracts until all rights and obligations are extinguished or expired. Insurance risk is transferred when the Company agrees to compensate a policyholder if a specified uncertain event adversely affects the policyholder. Some insurance contracts contain a Discretionary Participation Feature (DPF). This feature entitles the holder to receive, as a supplement to a guaranteed benefit, additional benefits, or bonuses. Insurance Contracts issued by the Company are classified within the following main categories: (a) Contracts under which the Company accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder or other beneficiary if a specified uncertain future event (the insured event) adversely affects the policyholder or other beneficiary are classified as insurance contracts. Insurance risk is risk other than financial risk. Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, a credit rating or credit index or other variable, provided that in the case of a non-financial variable, the variable is not specific to a party to the contract. Insurance contracts may also transfer some financial risk. (b) Contracts under which the transfer of insurance risk to the Company from the policyholder is not significant are classified as investment contracts.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. Significant accounting policies (Continued) Insurance contracts (Continued)

Insurance contracts issued by the Company are categorized as follows:

Short-term insurance contracts

Short term insurance contracts are mainly in respect of motor business, but the Company also sells fire and allied perils, marine, engineering and other miscellaneous insurance contracts. These contracts protect the Company's customers from damage suffered to property or goods, value of property and equipment lost, losses and expenses incurred sickness and loss of earnings resulting from the occurrence of the insured events. General insurance contracts permit the Company to sell property acquired in settling a claim (i.e., salvage). The Company has the right to sue third parties for the payment of some or all the cost incurred (i.e., subrogation). Estimation of salvage recoveries is included as allowance in the measurement of the insurance liabilities for claim and salvage property is recognized in other assets when the liability is settled.

Long-term insurance contracts with fixed and guaranteed terms

These contracts insured events associated with human life, i.e., death, disability or survival over long term. A liability for contractual benefits that are expected to be incurred in future are recorded once the first premium under such a contract has been paid. The liability is based on best estimates assumptions regarding future mortality, persistence and maintenance expenses and investment income that are determined at each evaluation date based on an analysis of recent experience modified by expectation of future trends. The best estimates assumptions are adjusted to include a margin for prudence.

Long-term insurance contracts with fixed term and DPF

These types of contracts contain a DPF which entitles the contract holder, in addition to a guaranteed amount, to a contractual right to receive additional profit or bonuses. The magnitude of the profit or bonuses as well as the timing of the payment is however at the discretion of the Company. The Company has an obligation to eventually pay to contract holders up to 20% of the DPF eligible surplus. The remaining 80% is payable to the policy holders at maturity.

Long-term insurance contracts without fixed terms and with DPF

These types of insurance contracts contain a DPF which entitles the contract holder in addition to a guaranteed amount, to a contractual right to receive additional profit or bonuses.

The amount or timing is contractually at the Company's discretion and is based on:

- (a) Realized and/or unrealized investment returns on a specified pool of assets held by the Company; or
- (b) The profit or loss of the Company that issues the contracts.

Reinsurance contracts

Contracts entered by the Company with reinsurers under which the Company is compensated for losses on one or more contracts issued by the Company are classified as reinsurance contracts held. Insurance contracts entered by the Company under which the contract holder is another insurer (inward reinsurance) are included with reinsurance contracts.

Reinsurance contracts used by the Company are proportional and non-proportional treaties and facultative arrangements. Proportional reinsurance can be either 'quota share' where the proportion of each risk reinsurance is stated or "surplus" which is a more flexible form of reinsurance and where the Company can fix its retention limit. Non-proportional reinsurance is mainly an 'excess-of-loss' type of reinsurance where, in consideration for a premium, the reinsurer agrees to pay all claims in excess of a specified amount, i.e. the retention, and up to a maximum amount. Facultative reinsurance contracts generally relate to specific insured risks which are underwritten by the Company falling under the term and limits of treaties are reinsured automatically. Reinsurance assets primarily include balances due from reinsurance companies for ceded insurance liabilities.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. Significant accounting policies (Continued) Reinsurance contracts (Continued)

Short-term balances due from reinsurers are classified within trade and other receivables. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provisions or settled claims associated with the reinsured policies and in accordance with the relevant reinsurance contracts. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognized as an expense when due.

Impairment of reinsurance assets

If a reinsurance asset is impaired, the Company reduces the carrying amount accordingly and recognizes the impairment in the statement of profit and loss and other comprehensive income. A reinsurance asset is impaired if there is objective evidence, as a result of an event that occurred after initial recognition of the reinsurance asset, that the Company may not receive all amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Company will receive from the reinsurer.

Revenue Recognition

Revenue represents earned premiums receivable net of reinsurance. Premium revenue comprises amounts charged to policyholders for insurance contracts. Premium is recognised as earned from the date of attachment of risk. The unearned portion of premium is recognised as an unearned premium liability on the statement of financial position.

Other revenues earned by the Company are recognised on the following bases:

Interest income: on time proportion basis taking into account the effective yield on the investments.

Dividend income: when the shareholder's right to receive payment is established.

Reinsurance commission receivable: as it accrues in accordance with the relevant treaty agreements.

(a) Premium earned

(1) Short term insurance

Premium on short-term insurance contracts represents gross premium net of premium ceded to reinsurers and is recognized as revenue (net earned premium) on an inception basis (daily method).

(2) Long term assurance

Premium on long-term assurance contracts is recognized in the Life Assurance Fund when receivable, i.e., when payments are due.

(b) Unearned Premium-Short Term Insurance

Short term insurance unearned premium represents the portion of premium written relating to periods of insurance risks after 30 June 2023 calculated based on 1/365th of the premium written less premium ceded to reinsurers.

(c) Other Revenues

Other revenues earned by the Company are recognized on the following bases:

Commission income from reinsurers is recognized on an accrual basis in accordance with the substance of the relevant agreement.

Profit commission from reinsurers is recognized on an accrual basis.

Claims expenses and outstanding claims provisions

Outstanding claim provisions are based on the ultimate cost of all claims incurred but not secured at the end of the reporting period, whether reported or not (IBNR).

Notified claims are only recognized when the Company considers that they have contractual liabilities to settle the claims.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. Significant accounting policies (Continued)

Claims expenses and outstanding claims provisions (Continued)

There are often delays between the occurrence of the insured event and the time it is actually reported to the Company, particularly in respect of the liabilities business, the ultimate cost cannot be known with certainty as to magnitude and timing of the statement of the claim. Outstanding claim provisions are not discounted and exclude any allowances for expected future recoveries.

Recoveries represent claims recoverable from third party insurers. Recoveries are accounted for as and when received. However, non-insurance assets that have been acquired by exercising rights to sell or subrogate under the terms of the insurance contracts are included when providing for outstanding claims.

Review of insurance liabilities

(a) Short-term insurance

At the end of each reporting period the Company performs a liability adequacy test on its insurance liabilities to ensure that the carrying value is adequate, using current estimates of future cash flow considering the relevant investment return. If the assessment shows that the carrying amount of the liabilities is inadequate, any deficiency is charged as an expense to the statement profit and loss and other comprehensive income in recognizing a provision for unexpired risks. The unexpired risks provision is assessed in aggregate for future business classes which are managed together.

(b) Long-term insurance

Estimates of future benefit payments under long term insurance contracts are provided for based on estimates made by the Company's Actuary. Estimates are made as to the expected number of deaths for each of the years in which the Company is exposed to risk. Estimates are based on standard industry mortality tables that reflect recent historical mortality experience, adjusted where appropriate to reflect the country's and the Company's own experience.

Life Assurance Fund

The decrease in the Life Assurance Fund represents the increase in the value of policy liabilities. The adequacy of the liabilities is determined annually by actuarial valuation. At the end of every year, a valuation of assets and liabilities is done and every three years an evaluation of assets and liabilities is done to find the DPF eligible surplus. In the light of the latter a rate of bonus is set for policy holders. The distributable share of the surplus is transferred annually to the life fund. The amount of the DPF eligible surplus distributable to shareholders limited to 1/9th of the cost of the final bonuses allocated to the policyholders. The holder's share of the DPF eligible surplus is recognized annually and transferred from the Life Assurance Fund to the statement of comprehensive income. The non-distributable share and the surplus are transferred annually from the retained earnings to a non-distributable reserve in the Statement of Changes in Equity. Whenever bonuses are paid or credited to policyholders, an amount representing 1/9th of these bonuses is transferred from the non-distributable surplus to retained earnings in the Statement of Changes in Equity.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax charge is based on taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised, or the deferred income tax liability is settled.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. Significant accounting policies (Continued) Deferred tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future profit will be available against which deductible temporary differences can be utilised.

Retirement Benefit Obligation

The Company does not operate any retirement benefit plan. However, provision for retirement benefit obligations have been made for employees according to the Workers' Rights Act 2019. Provision for retirement benefits is accrued based on time spent in the organisation in order to recognise future liabilities already covered. Cost for future benefits is accounted for as they are earned. Following the enactment of the Workers' Right (Portable Retirement Gratuity Fund (PRGT)) (Amendment) Regulations 2020 the Company has implemented the remittance of monthly PRGT for the current period to the Mauritius Revenue Authority (MRA) and to implement the new provisions introduced under the Act in remitting this fund provided for past period to the MRA.

Other retirement benefits:

State plan:

With the changes brought by the Finance (Miscellaneous Provisions) Act 2020 and Contribution Sociale Généralisée (Amendment) Regulations 2021, the Contribution Sociale Généralisée (CSG), has been introduced and is applicable as from the month of September 2020. This new system of social contributions replaces the National Pensions Fund (NPF)

Contributions to CSG are expensed to the statement of comprehensive income in the period in which they fall due.

Corporate Social Responsibility (CSR)

Every company in Mauritius is required to set up a CSR fund equivalent to 2% of its chargeable income of the preceding year.

Lease

The Company as lessee

Operating lease

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Lease in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Related parties

Parties are considered to be related if one party has control, joint control or exercises significant influence over the other party or is a member of the key management personnel of the other party.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the end of the reporting period. Provisions are reviewed at end of reporting period and adjusted to reflect the current best estimate.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. Significant accounting policies (Continued) Lease (Continued)

From July 1, 2019, all leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Identifying Leases

The Company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- (a) There is an identified asset.
- (b) The Company obtains substantially all the economic benefits from use of the asset; and
- (c) The Company has the right to direct use of the asset.

The Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Company obtains substantially all the economic benefits from use of the asset, the Company considers only the economic benefits that arise from use of the asset, not those incidentals to legal ownership or other potential benefits.

In determining whether the Company has the right to direct use of the asset, the Company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Company applies other applicable IFRSs rather than IFRS 16.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee.
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option.
- any penalties payable for terminating the lease, if the term of the lease has been estimated based on termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease,
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove, or restore the leased asset (typically leasehold dilapidations).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. Significant accounting policies (Continued) Lease (Continued)

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When the Company renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- In all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount
- Reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e., it does not allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4. Critical Accounting estimates and judgements

In the process of applying the significant accounting policies, certain critical accounting estimates and assumptions are used, and certain judgements are made. The estimates and related assumptions are based on experience and other factors that are reasonable, the results of which form the basis for judgements about the carrying values of assets and liabilities. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods if relevant. The areas where the estimates and assumptions involve a high degree of judgement or complexity and are considered significant to the financial statements, listed together with reference to the notes to the financial statements where more information is provided, are:

(a) Insurance contracts

Insurance contracts relate to premium, claims and losses reported, reinsurance covers and other recoveries and payable on outstanding claims.

(i) Estimates of future claims payments, unearned premiums, and recoveries on outstanding claims

The uncertainty inherent in the financial statements of the Company arises mainly in respect of insurance liabilities, which include liabilities for unearned premiums and outstanding claims provision including incurred but not reported (IBNR) on 30 June 2023. In addition to the inherent uncertainty when estimating liabilities, there is also uncertainty as regards to the eventual outcome of claims. As a result, the Company applies estimation techniques to determine the appropriate provisions. Outstanding claims provision is determined based upon knowledge of events, terms, and conditions of relevant policies, on interpretation of circumstances as well as previous claims experience and court judgement. Similar cases and historical claims payment trends are also relevant.

The Company employs a variety of techniques and a few different bases to determine appropriate provisions. The use of triangular claim development tables analysis expected loss ratios and estimates based upon a projection of claims numbers and average cost.

Large claims impacting each relevant business class are generally assessed separately, being measured either at the face value of the loss adjuster's recommendation or based on management's experience. Provisions are calculated gross of any reinsurance recoveries.

There are various ways to estimate unearned premium reserves. The Company has adopted a more realistic approach by using the 1/365th method since 30th June 2017.

(ii) Uncertainties and judgement

The uncertainty arising under insurance contracts may be characterised under a few specific headings, such as:

- Uncertainty as to whether an event has occurred which would give rise to a policy holder suffering an insured loss
- Uncertainty as to the amount of insured loss suffered by a policyholder as a result of the event occurring; and
- Uncertainty over the timing of a settlement to a policyholder for a loss suffered.

The degree of uncertainty will vary by policy class according to the characteristics of the insured risks. For certain classes of policy, the maximum value of the settlement of a claim may be specified under the policy terms while for other classes, the cost of a claim will be determined by an actual loss suffered by the policyholder.

There may be some reporting lag between the occurrence of the insured event and the time it is reported. Upon the identification and notification of an insured loss, there may still be uncertainty as to the magnitude and timing of the settlement of the claim. There are many factors that will determine the level of uncertainty such as judicial trends and reported information and so on.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4. Critical Accounting estimates and judgements (Continued)

(b) Impairment financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that because of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investment have been affected. This determination requires significant judgement. In making this judgement the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health of the near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operation and financing cash flow.

(c) Sensitivity analysis

The reasonableness of the estimation process is tested by an analysis of sensitivity around several different scenarios and the best estimate is used. Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. There is a correlation between the assumptions and the other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are actively managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

(d) Reinsurance

The Company is exposed to disputes on, and defect in, contract wording and the possibility of default by its reinsurers. The Company monitors the financial strength of its reinsurers. Allowance is made as required in the financial statements for non-recoverability due to reinsurers default.

(e) Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

5. Management of insurance and financial risk

The Company's activities expose it to a variety of insurance and financial risks. A description of the significant risk factors is given below together with the risk management policies applicable.

(a) Insurance risk

The risk under any insurance contract is the possibility that an insured event occurs and the uncertainty of the amount of resulting claim.

The main risk that the Company faces under its insurance contracts is that the actual claims and benefits are greater than estimated. Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, accumulation of risk and type of industry covered.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued) (a) Insurance risk (Continued)

Motor and liability insurance

The frequency and severity of claims can be affected by several factors. The most significant claims result from accident, liability claims awarded by the Court, fire and allied perils and their consequences. Inflation is also a significant factor due to the long period of time typically required to settle some claims.

The Company's underwriting strategy attempts to ensure that the underwritten risks are well diversified in type, amount of risk and industry. The Company has underwriting limits by type of risks and by industry. Performances of individual insurance policies are reviewed by management and the Company reserves the right not to renew individual policies.

The Company can impose deductibles and has the right to reject the payment of a fraudulent claim. Where relevant, the Company may pursue third parties for payment of some or all liabilities (subrogation). Claims development and provisioning levels are closely monitored.

The reinsurance arrangements of the Company include proportional, excess of loss and catastrophe coverage and as such, the maximum loss that the Company may suffer in any one event is predetermined.

Property insurance

In case of property insurance contracts, climatic changes give rise to more frequent and severe external natural weather events (for example cyclone claims). Property insurance is subdivided into different risk groups, fire, business interruption, cyclone damage and other perils.

The insurance risk arising from these contracts is balanced between commercial and personal properties in the overall portfolio of insured buildings. Although the reinsurers are liable to the extent of the reinsurance ceded, the Company remains primarily liable to the policy holder as the direct insurers of all risks reinsured.

Concentration of insurance risks - short term insurance

The following table discloses the concentration of risk by the spread of business between the following classes of business, policies in issue, gross premium underwritten, and net claim incurred.

The business experiences a high concentration of risk in the motor class of business. The Company manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued) (a) Insurance risk (Continued)

Concentration of insurance risks - short term insurance

The table below exhibit the spread of business under various short-term classes:

Class of businesses	No of Policies Unit	2023 GPI Rs	Net Claim Rs	No of Policies Unit	2022 GPI Rs	Net Claim Rs
Motor	22,467	115,118,028	58,186,296	18,102	71,690,415	36,239,418
Accident & Health	141	925,734	170,928	56	2,070,789	200,540
Engineering	160	7,728,552	264,178	122	3,036,537	484,372
Liability	272	6,419,286	(203,698)	225	1,606,466	7,351
Property	282	2,150,707	110,251	245	1,640,029	825,000
Transportation	104	2,785,191	1,236,610	114	2,398,798	543,240
Guarantee	80	4,265,546	8,192	55	1,924,702	118,000
Miscellaneous	722	1,845,780	224,756	469	914,769	600,000
	24,228	141,238,824	59,997,513	19,388	85,282,505	39,017,921

Concentration of insurance risks - long term insurance

The following table presents the concentration of insured benefits across bands of insured benefits per individual life assured.

Annuity payable per annum per life assured on 30 June 2023

Sum Assured	%	2023 Rs Gross	%	2022 Rs Gross
0 - 50,000	3%	46,395	3%	46,250
50,000 - 100,000	6%	91,354	6%	92,239
100,000 - 150,000	8%	135,833	8%	135,833
150,000 - 200,000	12%	200,000	12%	200,000
200,000 - 250,000	14%	210,000	14%	230,000
250,000 - 300,000	0%	-	0%	-
> 300,000	57%	900,000	57%	933,333
	100%	1,583,582	100%	1,637,655

Sources of uncertainty

Motor and liability insurance

Claims on motor and liability insurance contracts are payable on a loss occurrence basis for motor and liability business and on a risk attaching basis for non-motor. Under the loss-occurrence basis, the Company is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract. As a result, liability claims may be settled over a long period of time and an element of the claim provision relates to incurred but not reported claims (IBNR). For the risk attaching basis, the Company is liable for such claims as related to the underwriting year in which the risk was underwritten.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of subrogation and salvage recoveries. The Company ensures that claims provisions are determined using the best information available of claims settlement patterns, forecast inflation and settlement of claims. Estimation techniques also involve obtaining corroborative evidence from a wide range of sources as possible and combining these to form the best overall estimates. However, given the uncertainty in claims provisions, the probability exists that estimated cost and subsequent settlement amounts would differ.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued) (a) Insurance risk (Continued)

As shown on the Claim Development Table below the Company's average cost of claim varies significantly for both gross claims incurred, and net claim incurred. The impact of a sensitive increase in cost of claim will depend on the reinsurance structure and effectiveness of the treaty cover to ensure a healthy financial position at 30 June 2023.

Below is the result of a 5% change in cost and basis of claim provisioning

The effect of a 5% change in claim provisioning assuming the reinsurance remains at same rate will result in a decrease or increase in net profit by Rs 2,908,850 (2022: Rs2,910,893).

	2023 Rs	2022 Rs
Outstanding claims	75,821,216	70,166,435
Increase in claim cost by 5%	3,791,061	3,508,322
Receivable on claim paid and payable :	17,644,215	11,948,574
Decrease in claim cost in proportion to amount recoverable	(882,211)	(597,429)
Effect on Net Claim incurred	2,908,850	2,910,893
Effect on Net Profit	2,908,850	2,910,893

Claims development table

The development of insurance liabilities provides a measure of the Company's ability to estimate the ultimate value of claims. The table below illustrates how the estimates of total claims experienced based on date of loss for each year ends and reconciles the cumulative outstanding claims to the amount appearing in the statement of financial position.





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued) (a) Insurance risk (Continued)

Claims development table- Gross claim incurred

	2018 Rs'000	2019 Rs'000	2020 Rs'000	2021 Rs'000	2022 Rs'000	2023 Rs'000	TOTAL Rs'000
Estimate of cumulative claims at end of accident year	45,219	47,749	52,795	49,179	55,327	86,740	
One year later	46,719	43,217	56,967	47,814	59,099	-	
Two years later	46,664	53,178	52,663	43,841	-	-	
Three years later	44,839	51,233	48,879	-	-	-	
Four years later	43,031	49,484	-	-	-	-	
Five years later	42,444	-	-	-	-	-	
Current estimate of cumulative claim cost	42,444	49,484	48,879	43,841	59,099	86,740	
Cumulative payments	40,557	46,369	46,104	39,498	51,748	49,163	
Outstanding claims	1,886	3,115	2,775	4,343	7,351	37,576	57,046
Outstanding claims 2016 and prior							7,911
IBNR & Actuarial Valuation							10,864
Total Gross Outstanding claims (note 28.1)							75,821

Claims development table- Reinsurance claim recovered and recoverable

	2018 Rs'000	2019 Rs'000	2020 Rs'000	2021 Rs'000	2022 Rs'000	2023 Rs'000	TOTAL Rs'000
Estimate of cumulative claims at end of accident year	5,717	6,466	14,207	9,180	8,483	10,838	
One year later	8,401	11,583	15,197	7,921	10,725	-	
Two years later	9,007	13,375	11,434	8,160	-	-	
Three years later	9,206	12,477	11,157	-	-	-	
Four years later	7,857	12,503	-	-	-	-	
Five years later	7,789	-	-	-	-	-	
Current estimate of cumulative claim recoverable and recovered	7,789	12,503	11,157	8,160	10,725	10,838	
Cumulative receipts	7,548	11,736	9,647	6,373	6,685	2,830	
Outstanding claims recoverable	241	767	1,510	1,787	4,040	8,008	16,353
Outstanding claims 2016 and prior							1,291
IBNR & Actuarial Valuation							-
Total Outstanding claims recoverable (note 28.2)							17,644

Claims development table - Net claim incurred

	2018 Rs'000	2019 Rs'000	2020 Rs'000	2021 Rs'000	2022 Rs'000	2023 Rs'000	TOTAL Rs'000
Estimate of cumulative claims at end of accident year	39,502	41,284	38,588	39,999	46,845	75,902	
One year later	38,318	31,634	41,770	39,892	48,375	-	
Two years later	37,656	39,803	41,229	35,681	-	-	
Three years later	35,632	38,756	37,722	-	-	-	
Four years later	35,173	36,981	-	-	-	-	
Five years later	34,655	-	-	-	-	-	
Current estimate of cumulative claim cost	34,655	36,981	37,722	35,681	48,375	75,902	
Cumulative net payments	33,009	34,633	36,457	33,125	45,064	46,333	
Outstanding claims	1,646	2,348	1,265	2,556	3,311	29,569	40,695
Outstanding claims 2016 and prior							6,618
IBNR & Actuarial Valuation							10,864
Total Net Outstanding claims (note 28.3)							58,177



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued) (a) Insurance risk (Continued)

Property insurance

Property insurance claims are analysed separately for cyclone and non-cyclone claims. The development of large losses and catastrophes are analysed separately. Non-cyclone claims can be estimated with greater reliability, and the Company estimation process reflects all the factors that influence the amount and timing of cash flows from these contracts. The shorter settlement period for these claims allows the Company to achieve a higher degree of certainty about the estimated cost of claims and relatively little IBNR is held at the end of the reporting period.

Long-term insurance

Uncertainty in the estimation of future benefit payments and premium receipts for long-term insurance contracts arise from the unpredictability of long-term changes in overall levels of mortality and the variability in contract holder behaviour.

The Company uses appropriate base tables of standard mortality according to the type of contract being written and the territory in which the insured person resides. An investigation into the actual experience of the Company over the last three years is carried out and statistical methods are used to adjust the crude mortality rates to produce a best estimate of expected mortality for the future.

(b) Financial risks

The Company is exposed to financial risks through its financial assets and liabilities. In particular, the key financial risk is that proceeds from its financial assets are not sufficient to fund the obligations arising from insurance contracts.

Interest rate risks

Interest rate risk arises from the Company's investments in long term debt securities, fixed income securities, bank balances and deposits which are exposed to fluctuations in interest rates. The financial Instruments that guarantee benefits payable to long term life assurance contracts represent 94 % (35% on 30 June 2022). Exposure to interest rate risk on short term business is monitored by the Audit & Technical Committee through a close matching of assets and liabilities. The impact of exposure to sustain low interest rates is also regularly monitored.

The table below summarises the Company's interest rate risk exposure

Description	Up to 1 Year Rs	1 - 5 Years Rs	Above 5 Years Rs	Total Rs
As at 30 June 2023				
Statutory Deposits	18,568,750	-	-	18,568,750
Deposits	33,568,750	19,485,494	4,929,700	57,983,944
Loans and receivables	627,186	709,506	-	1,336,692
Cash in hand and at bank	85,294,648	-	-	85,294,648
	138,059,334	20,195,000	4,929,700	163,184,034
As at 30 June 2022				
Statutory Deposits	8,568,750	10,000,000	-	18,568,750
Deposits	42,131,250	38,956,250	4,929,700	86,017,200
Loans and receivables	627,186	530,473	-	1,157,659
Cash in hand and at bank	141,559,970	-	-	141,559,970
	192,887,156	49,486,723	4,929,700	247,303,579



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued) (b) Financial risks (Continued)

Sensitivity

The impact on the Company's results had interest rates varied by plus or minus 1% would have been as follows:

Sensitivity impact

	2023 Rs	2022 Rs
Actual interest income	3,288,210	2,825,707
Effective interest rate	2.0%	1.2%
A 1% point decrease in rate Interest income would be :	1,656,370	538,359
Decrease in interest income	(1,631,840)	(2,287,348)
A 1% point increase in rate interest income would be :	4,920,050	5,113,055
Increase in interest income	1,631,840	2,287,348

Credit risk

Credit risk is the risk of financial loss to the Company if one party or counterparty to a financial instrument fails to meet all or part of his obligations. The Company's credit is primarily attributable to its financial assets, which include bank deposits, fixed income securities and receivables from both policyholders and reinsurers.

Bank deposits are placed with financial institutions of good credit rating and are spread over a few of them to avoid undue concentration. The Company is also subject to concentration limit placement as regulated by the Financial Services Commission.

Reinsurance arrangements mitigate insurance risk but expose the Company to credit risk. Reinsurer's share of insurance on outstanding claims and incurred but not reported (IBNR) losses:

- amounts due from reinsurers in respect of claims already paid.
- amounts due from insurance contract holders; and
- amounts due from insurance intermediaries.

The Company has always recourse to non-renewal of policy at maturity and withholding any unpaid premium following a claim lodged against the policyholder. The expected loss ratio adopted is nil for these categories

The Company has applied a 25% loss ratio on amount due from local insurers in connection with claim paid.

Except for amounts receivable from reinsurers, the Company has no significant concentration of credit risk with exposure spread over many clients, salesmen, agents, and brokers.

The amounts presented in the statement of financial position are net of allowances for estimated irrecoverable receivables, based on management's prior experience and the current economic environment.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued) (b) Financial risks

Maximum Exposure to credit risk of financial assets:

	2023 Rs	2022 Rs
Deposit with banking institutions	131,244,979	193,061,520
Deposits with other institutions	29,622,994	39,087,500
Reinsurance receivables	18,627,110	14,492,705
Receivable from Policyholders	31,608,360	16,385,853
Receivable from financial and non financial institutions	12,041,399	14,658,305
Loan receivables	1,336,692	1,157,659
	224,481,534	278,843,542

The following table provides information regarding the carrying value of the financial assets related to receivables in connection with policy underwritten as of 30 June 2023 that have been impaired and the ageing of the financial assets that are past due but not impaired.

	Outstanding for Less than 60 days	60 days to 1 year	Over 1 year	Total Gross Amount	Provision/ Bad Debts written	Net Amount
	Rs	Rs	Rs	Rs	Rs	Rs
As at 30 June 2023						
From Agents	6,311,199	1,553,999	83,513	7,948,711	-	7,948,711
From Brokers	1,731,238	8,601,903	4,299,904	14,633,045	-	14,633,045
From Policyholders	3,780,591	4,221,982	979,560	8,982,133	-	8,982,133
From Re Insurers	2,063,385	-	-	2,063,385	-	2,063,385
From insurers on claim outstanding and paid	857,440	6,583,425	9,122,860	16,563,725	-	16,563,725
	14,743,853	20,961,309	14,485,837	50,190,999	-	50,190,999
As at 30 June 2022						
From Agents	3,907,737	-	-	3,907,737	-	3,907,737
From Brokers	1,733,104	846,946	3,969,857	6,549,907	-	6,549,907
From Policyholders	3,465,019	1,762,830	700,360	5,928,209	-	5,928,209
From Re Insurers	2,543,185	-	-	2,543,185	-	2,543,185
From insurers on claim outstanding and paid	2,468,614	2,122,831	10,894,363	15,485,808	(3,537,234)	11,948,574
	14,117,659	4,732,607	15,564,580	34,414,846	(3,537,234)	30,877,612



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued)

Currency risk

The Company is exposed to currency risk arising from US Dollar currency exposures. Exposure to foreign currency is not hedged but closely monitored by management.

The Company's exposure to foreign exchange risk is summarised below:

The Company has mainly equity securities, bank balances and transactions with foreign reinsurers in US dollar and any fluctuation of the Mauritian Rupee against US dollar will affect the values of these financial instruments. On 30 June 2023, if the Rupee had weakened/strengthened by 5% against foreign currencies with all other variables held constant, the Company's profit for the year would have been Rs 5,235,180 (2022 Rs 5,235,461) respectively higher/lower mainly resulting from translation of foreign currency account as indicated below:

Currency sensitivity analysis

		2023	2022
Bank balance	USD	389,239	313,611
Investment in equity	USD	2,173,985	2,015,849
Actual exchange rate	Rs/Usd	45.54	44.95
	Rs	116,720,813	104,709,227
The effect of a 5% change in rate		5,836,041	5,235,461

The following table shows various currencies in which the assets and liabilities were dominated as of 30 June 2023.

The US dollar balances represent only 30% (2022: 30%) of total assets while liabilities are denominated in the functional currency.





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued) Currency risk (Continued)

Financial assets and liabilities spread between different currencies:

At 30 June 2023	MUR Equivalent of USD Rs	MUR Rs	Total Rs
Assets	-	16,000,000	16,000,000
Statutory deposits	98,996,263	46,618,339	145,614,602
Available-for-sale financial assets	-	60,552,694	60,552,694
Deposits	-	1,336,692	1,336,692
Loans and receivables	-	45,208,067	45,208,067
Receivables	-	18,627,110	18,627,110
Reinsurance contracts	17,724,550	67,570,098	85,294,648
Cash in hand and at bank	116,720,813	255,913,000	372,633,813
Liabilities	-	9,437,316	9,437,316
Amount due to reinsurers	-	10,252,833	10,252,833
Payables	-	75,821,216	75,821,216
Outstanding claims	-	95,511,365	95,511,365

At 30 June 2022	MUR Equivalent of USD Rs	MUR Rs	Total Rs
Assets			
Statutory deposits	-	18,568,750	18,568,750
Available-for-sale financial assets	90,544,084	1,753,908	92,297,992
Deposits	-	67,448,450	67,448,450
Loans and receivables	-	1,157,659	1,157,659
Receivables and prepayments	-	31,330,696	31,330,696
Reinsurance contracts	-	11,948,574	11,948,574
Cash in hand and at bank	14,214,190	127,345,780	141,559,970
	104,758,274	259,553,817	364,312,091
Liabilities			
Amount due to reinsurers	-	6,867,251	6,867,251
Payables	-	8,007,728	8,007,728
Outstanding claims	-	70,166,435	70,166,435
	-	85,041,414	85,041,414

Reinsurers' default

The Company is exposed to the possibility of default by reinsurers for their share of insurance liabilities and refunds in respect of claims already paid and outstanding. Management monitors the financial strength of reinsurers, and the Company has policies in place to ensure that risks are ceded to top-rated and credit-worthy reinsurers only.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued) Reinsurers' default (Continued)

The table below shows the amount the Company is exposed to these risks on paid and unpaid insurance contracts:

	2023 Rs	2022 Rs
On reinsurance contract paid	982,895	2,544,131
On reinsurance contract unpaid	1,080,490	1,336,871
	2,063,385	3,881,002

Capital risk management and Compliance with Insurance Act 2005

The Company's objective when managing capital are:

- To comply with the Minimum Capital Requirements of the Insurance Act 2005 and the Insurance Rules and Regulations 2007.
- To safeguard the Company's ability to continue as a going concern so that it can provide returns to the shareholders and benefits for its policyholders and other stakeholders.
- To provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk.

The Minimum Capital Requirement on 30 June 2023 for General Insurance Business is as follows:

	2023 Rs	2022 Rs
Total capital available	100,703,338	179,849,813
Minimum capital required (MCR)	71,055,729	32,791,570
Capital available as a % of MCR	142%	548%

Capital adequacy dropped to 142% temporarily subsequent to a reclassification of an investment in property as a deposit on investment. The Company engaged in an investment in a property called "Cosy Gardens Flic En Flac" to the tune of Rs 51m. As at year end, a deposit of Rs 25m remained unutilized, thus reclassified as deposit on investment. In September 2023, the Capital Adequacy was reassessed to above 150% as a result of the deposit towards investment being refunded due to excess monies and unused capital by the promoter.

The Company has also not comply with section 7 of the Insurance (General Insurance Business Solvency) Rules 2007 with respect to an available-for sale-investment made during the year in excess of the 5% limit. Management expect this non-compliance investment to be temporary as the projects are at an advance stage of completion. Refer to note 9 for more details.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset. The Company is exposed to daily payments of benefits to clients and to repayment of financial liabilities. The Company's liquidity position is monitored on a regular basis. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching profiles of financial assets. The table below summarises the Company's trading liabilities, categorised by the earlier of contractual repricing or maturity dates on 30th June 2023.

	Repayable on demand Rs	1mth - 3 mths Rs	4 mths-> 1 year Rs	Total Rs
At 30 June 2023				
Financial Liabilities- 30 June 2023				
Insurance liabilities	75,821,216	9,437,316	-	85,258,532
Other financial liabilities	3,651,124	13,161,088	856,156	17,668,368
	79,472,340	22,598,404	856,156	102,926,900
Financial Liabilities- 30 June 2022				
Insurance liabilities	70,166,435	6,867,251	-	77,033,686
Other financial liabilities	4,151,124	9,373,110	856,156	14,380,390
	74,317,559	16,240,361	856,156	91,414,076

Premium risk

Premium risk is defined as the danger of insurance premium not being enough to cover the contractual claim liability that may arise. This risk is rigorously evaluated, and action has to be taken to arrange for reinsurance and building up of adequate reserves within the Company.

Actuarial report has reported on the inadequacy of premium rating by increasing the Premium Deficiency Reserve to Rs 8,903,000 (2022: Rs 2,501,989).

Market risk

Market risk is the risk that the value of the financial instruments will fluctuate as a result of changes in market prices whether these changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

Equity price risk

The valuations of the Company's available-for-sale equity portfolio are subject to equity price risk. Exposure to price risk on the equity portfolio is not hedged. The Company is subject to price risk due to daily changes in the market values of its equity securities portfolio. Equity price risk is actively managed to mitigate anticipated unfavourable market movements. In addition, local insurance regulations set out the capital required for risks associated with type of assets held, policy liabilities risks, catastrophes risk and reinsurance ceded. Investments above a certain concentration limit requires additional capital.

The Audit and Technical Committee actively monitors equity assets owned directly by the Company as well as concentration of specific Equity holdings. Equity price risk is also mitigated as the Company holds diversified portfolios of local and foreign investments in various sectors of the economy.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Management of insurance and financial risk (Continued)

Sensitivity

The impact on the Company's shareholders' equity had the equity market values increased/decreased by 10% with other assumptions left unchanged would have been as follows:

	2023 Rs	2022 Rs
Level 1 - Quoted	20,468,339	1,753,908
Level 2 - Unquoted	98,996,263	90,544,084
	119,464,602	92,297,992
Impact on shareholders equity of a 10% change in market price	11,946,460	9,229,799

Fair values

Fair value measurements recognised in the statement of financial position

All assets are recognised at fair value are allocated to one of the fair value hierarchy levels of IFRS 13. The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation techniques:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value are not based on observable market data.

The following table provides an overview of the models used and analyses within the fair value hierarchy of the Company financial assets. Regularly at each reporting date an assessment is performed to ensure whether the allocation of the assets to the levels of the valuation hierarchy is still appropriate. If changes in the basis of valuation have occurred – for instance, if a market is no longer active or the valuation was performed using inputs requiring another allocation – necessary adjustments are made.

Available-for-sale financial assets comprise quoted and unquoted financial assets.

Hierarchy of fair value measurement of assets:

	Level 1 Rs	Level 2 Rs	Level 3 Rs
At 30 June 2023			
Quoted equities	20,468,339		
Unquoted equities		98,996,263	
Other Investment available for sales			26,150,000
Investment property			1,100,000
Freehold land			9,240,000
Building			27,330,309
Total	20,468,339	98,996,263	63,820,309
As at 30 June 2022			
Quoted equities	1,753,908		
Unquoted equities		90,544,084	
Investment property			1,100,000
Freehold land			9,240,000
Building			27,987,732
Total	1,753,908	90,544,084	38,327,732

There have been no changes in basis of valuation during the last year and hence no movement in between the levels.

*"If you want to go fast, go alone.
If you want to go far, go together".
– African Proverb*





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

6. Property, plant and equipment

The freehold land and building situated at 12 Volcy Pougnet Street Port Louis were revalued on 25 September 2019: the land at Rs 9.24m and the building at Rs 29.96m by independent valuers Prime Pillars Valuation Services Ltd on an open market basis, resulted in revaluation surplus of Rs 7.44m on the land and Rs 6.41m on the building.

	Freehold Land Rs	Building Rs	Furniture & Fittings Rs	Office Equipment Rs	Motor Vehicles Rs	Total Rs
Life department						
COST/ VALUATION						
At 1 July 2021 - Cost	-	-	36,570	7,360	897,250	941,180
At 1 July 2021 - Revaluation	-	-	-	-	-	-
Additions	-	-	-	-	-	-
At 30 June 2022	-	-	36,570	7,360	897,250	941,180
Additions	-	-	-	-	-	-
At 30 June 2023	-	-	36,570	7,360	897,250	941,180
ACCUMULATED DEPRECIATION						
At 30 June 2021	-	-	36,570	7,359	897,249	941,178
Charge for the year	-	-	-	-	-	-
At 30 June 2022	-	-	36,570	7,359	897,249	941,178
Charge for the year	-	-	-	-	-	-
At 30 June 2023	-	-	36,570	7,359	897,249	941,178
NET BOOK VALUE						
At 30 June 2023	-	-	-	1	1	2
At 30 June 2022	-	-	-	1	1	2

	Freehold Land Rs	Building Rs	Furniture & Fittings Rs	Office Equipment Rs	Motor Vehicles Rs	Total Rs
General department						
COST/ VALUATION						
At 1 July 2021 - Cost	1,800,000	26,465,125	1,840,059	4,437,073	2,874,771	37,417,028
At 1 July 2021 - Revaluation	7,440,000	6,406,034	-	-	-	13,846,034
Additions	-	-	93,507	312,621	(1,289,000)	(882,872)
At 30 June 2022	9,240,000	32,871,159	1,933,566	4,749,694	1,585,771	50,380,190
Additions	-	-	222,298	645,263	3,550,000	4,417,561
Disposals adjustments	-	-	-	-	(1,585,771)	(1,585,771)
At 30 June 2023	9,240,000	32,871,159	2,155,864	5,394,957	3,550,000	53,211,980
ACCUMULATED DEPRECIATION						
At 30 June 2021	-	4,226,004	1,777,079	3,210,884	2,293,321	11,507,288
Charge for the year	-	657,423	39,471	434,719	317,154	1,448,767
Disposal adjustments	-	-	-	-	(1,289,000)	(1,289,000)
At 30 June 2022	-	4,883,427	1,816,550	3,645,603	1,321,475	11,667,055
Charge for the year	-	657,423	35,560	454,070	591,090	1,738,143
Disposal adjustments	-	-	-	-	(1,585,770)	(1,585,770)
At 30 June 2023	-	5,540,850	1,852,110	4,099,673	326,795	11,819,428
NET BOOK VALUE						
At 30 June 2023	9,240,000	27,330,309	303,754	1,295,284	3,223,205	41,392,552
At 30 June 2022	9,240,000	27,987,732	117,016	1,104,091	264,296	38,713,135



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

6. Property, plant and equipment (Continued) Consolidated Life and General businesses

	Freehold Land Rs	Building Rs	Furniture & Fittings Rs	Office Equipment Rs	Motor Vehicles Rs	Total Rs
COST/ VALUATION						
At 1 July 2021 - Cost	1,800,000	26,465,125	1,876,629	4,444,433	3,772,021	38,358,208
At 1 July 2021 - Revaluation	7,440,000	6,406,034	-	-	-	13,846,034
Additions/(disposal)	-	-	93,507	312,621	(1,289,000)	(882,872)
At 30 June 2022	9,240,000	32,871,159	1,970,136	4,757,054	2,483,021	51,321,370
Additions	-	-	222,298	645,263	3,550,000	4,417,561
Disposals adjustments	-	-	-	-	(1,585,771)	(1,585,771)
At 30 June 2023	9,240,000	32,871,159	2,192,434	5,402,317	4,447,250	54,153,160
ACCUMULATED DEPRECIATION						
At 30 June 2021	-	4,226,004	1,813,649	3,218,243	3,190,570	12,448,466
Charge for the year	-	657,423	39,471	434,719	317,154	1,448,767
Disposal adjustments	-	-	-	-	(1,289,000)	(1,289,000)
At 30 June 2022	-	4,883,427	1,853,120	3,652,962	2,218,724	12,608,233
Charge for the year	-	657,423	35,560	454,070	591,090	1,738,143
Disposal adjustments	-	-	-	-	(1,585,770)	(1,585,770)
At 30 June 2023	-	5,540,850	1,888,680	4,107,032	1,224,044	12,760,606
NET BOOK VALUE						
At 30 June 2023	9,240,000	27,330,309	303,754	1,295,285	3,223,206	41,392,554
At 30 June 2022	9,240,000	27,987,732	117,016	1,104,092	264,297	38,713,137

7. Intangible assets

Computer Software	Life Rs	General Rs	Composite Rs
COST			
At 30 June 2021	250,000	1,463,254	1,713,254
Addition	-	-	-
At 30 June 2022	250,000	1,463,254	1,713,254
Addition	-	-	-
At 30 June 2023	250,000	1,463,254	1,713,254
AMORTISATION			
At 30 June 2021	249,999	1,463,254	1,713,253
Amortisation for the year	-	-	-
At 30 June 2022	249,999	1,463,254	1,713,253
Amortisation for the year	-	-	-
At 30 June 2023	249,999	1,463,254	1,713,253
NET BOOK VALUE			
At 30 June 2023	1	-	1
At 30 June 2022	1	-	1

8. Right of use assets

Assets-Building	Life Rs	General Rs	Composite Rs
COST			
At 30 June 2021	-	2,109,556	2,109,556
Addition	-	939,261	939,261
At 30 June 2022	-	3,048,817	3,048,817
Addition	-	2,312,318	2,312,318
At 30 June 2023	-	5,361,135	5,361,135
AMORTISATION			
At 30 June 2021	-	2,025,169	2,025,169
Amortisation for the year	-	357,608	357,608
At 30 June 2022	-	2,382,777	2,382,777
Amortisation for the year	-	932,635	932,635
At 30 June 2023	-	3,315,412	3,315,412
NET BOOK VALUE			
At 30 June 2023	-	2,045,723	2,045,723
At 30 June 2022	-	666,040	666,040
At 30 June 2020	-	1,096,969	1,096,969



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

9. Available-for-sale financial assets

	Life Fair value Rs	Life Cost Rs	General Fair value Rs	General Cost Rs	Composite Fair value Rs	Composite Cost Rs
Year 30 June 2023						
Available for sale:						
-Listed	-	-	20,468,339	20,282,513	20,468,339	20,282,513
-Unquoted-Local	-	-	89,304,018	41,039,536	89,304,018	41,039,536
-Unquoted-Overseas	-	-	9,692,245	1,733,573	9,692,245	1,733,573
-Others	-	-	26,150,000	26,150,000	26,150,000	26,150,000
At 30 June 2023	-	-	145,614,602	89,205,622	145,614,602	89,205,622
Year 30 June 2022						
Available for sale:						
-Listed	-	-	1,753,908	187,270	1,753,908	187,270
-Unquoted-Local	34,585,107	6,996,400	46,166,521	2,906,009	80,751,628	9,902,409
-Unquoted-Overseas	-	-	9,792,456	1,733,573	9,792,456	1,733,573
At 30 June 2022	34,585,107	6,996,400	57,712,885	4,826,852	92,297,992	11,823,252

Available-for-sale investments comprise unquoted and listed equity securities and other. The fair value of the listed investments is based on Stock Exchange of Mauritius official market quoted prices at the close of business at the end of the reporting period. Unquoted securities are valued at net assets value from the most recent statement of affairs.

Other available-for-sale investments represents monies invested in property project called "Cosy Gardens Flic En Flac", which is nearing completion. The initial amount invested amounted to Rs 51m. As at year end, only an amount of Rs 26.15m was invested and the investment was valued at recent transaction price.

The level of this investment exceeded 5% of the Company's total assets by 2%. This is in breach section 7(3) of the Insurance (General Insurance Business Solvency) 2007 Rules made by the Financial Services Commission under section 93 of the Financial Services Act 2007. Management expect this non-compliance to be temporary as the company will dispose the investment in the next six months.

10. Deposits

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Current	2,568,750	-	31,000,000	42,131,250	33,568,750	42,131,250
Non current	12,000,000	14,568,750	30,983,944	29,317,200	42,983,944	43,885,950
At 30 June	14,568,750	14,568,750	61,983,944	71,448,450	76,552,694	86,017,200
Maturing:						
up to 3 months	2,568,750	-	13,000,000	6,425,000	15,568,750	6,425,000
3 to 6 months	-	-	13,000,000	14,706,250	13,000,000	14,706,250
6 to 12 months	-	-	5,000,000	21,000,000	5,000,000	21,000,000
> 12 months	12,000,000	14,568,750	30,983,944	29,317,200	42,983,944	43,885,950
	14,568,750	14,568,750	61,983,944	71,448,450	76,552,694	86,017,200
Non current deposits consist of :						
Statutory deposits	6,000,000	8,568,750	10,000,000	10,000,000	16,000,000	18,568,750
Other deposit with financial institutions	6,000,000	6,000,000	20,983,944	19,317,200	26,983,944	25,317,200
	12,000,000	14,568,750	30,983,944	29,317,200	42,983,944	43,885,950



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. Investment Property

The Investment Property is held for capital appreciation and is not occupied by the Company. In the opinion of the directors, the carrying amount of the Investment Property approximates its fair value.

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Land held at cost At 30 June	1,100,000	1,100,000	-	-	1,100,000	1,100,000

12. Loans and receivables

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Mortgage loans	718,104	718,104	-	-	718,104	718,104
Surrender values	12,609	12,609	-	-	12,609	12,609
Other loans	-	-	709,506	530,473	709,506	530,473
Provision for bad debts	(103,527)	(103,527)	-	-	(103,527)	(103,527)
	627,186	627,186	709,506	530,473	1,336,692	1,157,659
Analyse as follows:						
Non-current	-	-	709,506	530,473	709,506	530,473
Current	627,186	627,186	-	-	627,186	627,186
	627,186	627,186	709,506	530,473	1,336,692	1,157,659

- (a) There is no concentration of risk with respect to mortgages and other loans since balances are widely spread.
 (b) Mortgages and other loans are secured by life insurance policies and fixed charges.
 (c) All mortgages and other loans are denominated in Mauritian rupees.
 (d) The carrying amounts of mortgages and other loans approximate their fair values.

13. Receivables and prepayments

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Premium receivables	44,471	47,659	32,071,439	16,338,194	32,115,910	16,385,853
Provision for doubtful debts	-	-	(507,550)	-	(507,550)	-
Net premium receivables	44,471	47,659	31,563,889	16,338,194	31,608,360	16,385,853
Interest and dividends receivables	1,160,823	3,090,408	10,831,825	11,567,897	11,992,648	14,658,305
Other receivables and prepayments	0	125,000	1,607,058	1,487,746	1,607,058	1,612,746
	1,205,294	3,263,067	44,002,773	29,393,837	45,208,066	32,656,904

(a) The ageing analysis of these net premium receivables is as follows:

	2023 Rs	2022 Rs
up to 3 months	13,078,015	3,907,737
3 to 6 months	5,049,269	5,198,123
6 to 12 months	8,118,098	2,609,776
> 12 months	5,362,978	4,670,217
	31,608,360	16,385,853



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

(a) The ageing analysis of these net premium receivables is as follows: (cont)

(b) The other classes within receivables and prepayments do not include impaired assets.

(c) The Company does not hold any collateral as security in respect of receivables and prepayments.

(d) All receivables and prepayments are denominated in Mauritian rupees.

(e) The carrying amounts of receivables and prepayments approximate their fair values.

14. Amount due by reinsurers

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
At 1 July	-	-	2,544,131	7,642,325	2,544,131	7,642,325
Movement during the year	-	-	(1,561,236)	(5,098,194)	(1,561,236)	(5,098,194)
At 30 June	-	-	982,895	2,544,131	982,895	2,544,131

15. Receivable on claim paid and payable

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Provision on claim recoverable from reinsurers per reinsurance contract	-	-	1,080,490	1,336,871	1,080,490	1,336,871
Provision on claim recoverable from local insurance companies	-	-	16,563,725	14,148,937	16,563,725	14,148,937
Less provision for impairment	-	-	-	(3,537,234)	-	(3,537,234)
At 30 June	-	-	17,644,215	11,948,574	17,644,215	11,948,574

16. Cash and Cash Equivalents

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Cash in hand	-	-	979,369	1,206,077	979,369	1,206,077
Cash at bank	34,671,162	1,961,972	49,644,117	138,391,921	84,315,279	140,353,893
	34,671,162	1,961,972	50,623,486	139,597,998	85,294,648	141,559,970

17. Stated Capital

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Authorised, Issued and Fully Paid						
1 Founder share of Rs 10 each	-	-	10	10	10	10
2,499,999 ordinary shares of Rs 10 each	-	-	24,999,990	24,999,990	24,999,990	24,999,990
	-	-	25,000,000	25,000,000	25,000,000	25,000,000

Note: All above shares are at par value.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

18. Revaluation reserves

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
At 1 July - Freehold Land	-	-	7,440,000	7,440,000	7,440,000	7,440,000
At 1 July - Other Assets	23,581,669	20,906,574	47,200,646	43,344,848	70,782,315	64,251,422
Increase in value - Freehold Land	-	-	-	-	-	-
Movement in value - Other Assets	(23,581,669)	2,675,095	15,486,248	3,855,798	(8,095,421)	6,530,893
At 30 June	-	23,581,669	70,126,894	54,640,646	70,126,894	78,222,315

The reserves under other assets relate to the surplus on revaluation on building and comprise cumulative net change in the fair value of available-for-sale financial assets that has been recognised in other comprehensive income until the investments are derecognised or impaired.

19. Unearned premium reserves

Short-term insurance unearned premium represents the portion of premium written relating to periods of insurance risks subsequent to the statement of financial position calculated based on 1/365th method. The unearned premium reserves are disclosed net of reinsurances as shown in the table below:

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
At 1 July	-	-	41,488,370	33,951,498	41,488,370	33,951,498
Movement during the year	-	-	30,806,630	7,536,872	30,806,630	7,536,872
At 30 June	-	-	72,295,000	41,488,370	72,295,000	41,488,370
Gross basis						
At 1 July	-	-	46,895,636	39,000,523	46,895,636	39,000,523
Movement during the year	-	-	31,662,364	7,895,113	31,662,364	7,895,113
At 30 June	-	-	78,558,000	46,895,636	78,558,000	46,895,636
Reinsurers share						
At 1 July	-	-	5,407,266	5,049,025	5,407,266	5,049,025
Movement during the year	-	-	855,734	358,241	855,734	358,241
At 30 June	-	-	6,263,000	5,407,266	6,263,000	5,407,266
Net basis						
At 1 July	-	-	41,488,370	33,951,498	41,488,370	33,951,498
Movement during the year	-	-	30,806,630	7,536,872	30,806,630	7,536,872
At 30 June	-	-	72,295,000	41,488,370	72,295,000	41,488,370



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

20. Premium deficiency reserve

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
At 1 July	-	-	2,501,989	3,187,589	2,501,989	3,187,589
Movement subsequent to Actuarial revaluation	-	-	6,401,011	(685,600)	6,401,011	(685,600)
At 30 June	-	-	8,903,000	2,501,989	8,903,000	2,501,989

Following actuarial report, the latter has revised the reserve balance to Rs 8,903,000.

21. Life Fund

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
At 1 July						
Net deficit for the year	31,198,322 (7,494,756)	33,142,087 (1,943,765)	- -	- -	31,198,322 (7,494,756)	33,142,087 (1,943,765)
At 30 June	23,703,566	31,198,322	-	-	23,703,566	31,198,322

The Life Assurance Fund represents the value of policy liabilities. The adequacy of the liabilities is determined annually by the actuarial valuation.

22. Deferred Tax Liability

Deferred taxation is calculated on all temporary differences under the liability method at the rate of 15% (2021: 15%). The movement on deferred tax account is as follows:

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
At 1 July	-	-	426,121	380,401	426,121	380,401
Charge for the year	-	-	187,135	45,720	187,135	45,720
At 30 June	-	-	613,256	426,121	613,256	426,121
The deferred tax balances comprise the following:						
Accelerated capital allowances	-	-	380,401	380,401	380,401	380,401
Loss carried forward	-	-	-	-	-	-
At 30 June	-	-	380,401	380,401	380,401	380,401



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

23. Lease Liability

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Right-to-Use Building						
At 1 July	-	-	939,261	619,301	939,261	619,301
Additions	-	-	2,312,318	939,261	2,312,318	939,261
Interest expense	-	-	180,376	44,899	180,376	44,899
Lease payments	-	-	(1,136,956)	(664,200)	(1,136,956)	(664,200)
At 30 June	-	-	2,294,999	939,261	2,294,999	939,261
Analysed as follows :						
-Current	-	-	1,632,395	515,751	1,632,395	515,751
-Non-Current	-	-	662,604	423,510	662,604	423,510
	-	-	2,294,999	939,261	2,294,999	939,261

(i) Nature of leasing activities (in the capacity as lessee)

The Company leases a number of properties in Mauritius from which it operates. It is customary in Mauritius for lease contracts to provide for payments to increase each year by inflation or and in others to be reset periodically to market rental rates. In some jurisdictions property leases the periodic rent is fixed over the lease term.

(ii) Variable lease payments

The percentages in the table below reflect the current proportions of lease payments that are either fixed or variable. The sensitivity reflects the impact on the carrying amount of lease liabilities and right-of-use assets if there was an uplift of 5% on the balance sheet date to lease payments that are variable.

	Lease Contracts Number	Fixed Payments %	Variable Payments %	Sensitivity Rs
Property leases with fixed payment	2	12%	-	-
Property leases with periodic uplifts to market rentals	2	-	88%	± 63,203
	4	12%	88%	± 63,203

(iii) There are no extension and termination options in the property leases.

(iv) The total interest relating to lease liabilities included under finance cost amounted to Rs. 180,376 (2022: Rs 44,899) for the Company and the total cash outflows for leases in 2023 was Rs 1,136,956 (2022: Rs 664,200)

24. Retirement Benefit Obligation

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
At 1 July	-	-	4,151,124	4,211,124	4,151,124	4,211,124
Charge for the year	-	-	-	370,000	-	370,000
Paid during the year	-	-	(500,000)	(430,000)	(500,000)	(430,000)
At 30 June	-	-	3,651,124	4,151,124	3,651,124	4,151,124
Payment to the Portable Retirement Gratuity Fund under the Workers' Right Act 2019 been expensed:						
At 30 June	-	-	354,139	776,473	354,139	-

The Company does not have in place a defined benefit or contributory retirement benefit scheme. It provides for its statutory obligation towards Severance Allowances calculated in accordance with the Employment Rights Act 2019.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

25. Taxation

Statement of financial position current tax assets/liabilities:

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
At 1 July	(13,607)	(13,607)	856,156	856,156	842,549	842,549
Charge during the year	13,607	-	-	-	13,607	-
Paid during the year	-	-	-	-	-	-
At 30 June	-	(13,607)	856,156	856,156	856,156	842,549
Statement of profit and loss:						
Profit before taxation	-	-	(5,399,304)	7,302,287	(5,399,304)	7,302,287
Tax thereon at 15%	-	-	(809,896)	1,095,343	(809,896)	1,095,343
Tax effects on :						
Exempt income	(483)	(330,717)	(2,039,469)	(1,694,904)	(2,039,952)	(2,025,622)
Other taxable income	-	-	237,866	90,000	237,866	90,000
Annual allowance	-	-	(309,876)	(287,826)	(309,876)	(287,826)
Other allowable deductions	-	-	(408,468)	(227,554)	(408,468)	(227,554)
Non-allowable expenses	983,573	515,785	1,390,199	277,691	2,373,772	793,476
Accumulated Losses	(1,345,434)	(406,374)	(822,723)	(597,833)	(2,168,157)	(1,004,208)
Tax credit for the year	(362,343)	(221,306)	(2,762,368)	(1,345,083)	(3,124,711)	(1,566,389)
Total tax payable	-	-	-	-	-	-

A reconciliation between the actual income tax charge and the theoretical amount that would arise using the applicable income tax rate of 15% is as follows: The Company is liable to income tax at the rate of 15% on its profit as adjusted for income tax purposes.

26. Amount due to reinsurers

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
At 1 July	35,893	47,526	6,831,358	13,526,922	6,867,251	13,574,448
Movement during the year	(9,161)	(11,633)	2,579,226	(6,695,564)	2,570,065	(6,707,197)
At 30 June	26,732	35,893	9,410,584	6,831,358	9,437,316	6,867,251

27. Payables

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Founder's share commission	-	-	4,427,800	2,841,637	4,427,800	2,841,637
Accrued expenses	230,110	-	1,398,705	1,274,000	1,628,815	1,274,000
Other payables	1,081,898	1,303,808	3,114,320	2,588,283	4,196,218	3,892,091
	1,312,008	1,303,808	8,940,825	6,703,920	10,252,833	8,007,728



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

28. Outstanding Claims

28.1 Gross Claim Outstanding:

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Short and long term insurance contracts: Claims reported and loss adjustment expenses						
Gross claim outstanding provision	-	-	64,957,183	65,602,503	64,957,183	65,602,503
Provision for claims incurred but not reported (IBNR) & Actuarial valuation	-	-	10,864,033	4,563,932	10,864,033	4,563,932
Total gross insurance liabilities	-	-	75,821,216	70,166,435	75,821,216	70,166,435

28.2 Gross claim receivable from reinsurers and insurers on claim paid and payable:

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Receivable on claim paid and payable						
Recoverable from reinsurers	-	-	(1,080,490)	(1,336,871)	(1,080,490)	(1,336,871)
Recoverable from insurers	-	-	(16,563,725)	(10,611,703)	(16,563,725)	(10,611,703)
Total amount recoverable	-	-	(17,644,215)	(11,948,574)	(17,644,215)	(11,948,574)

28.3 Net claim outstanding

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Net claim outstanding provision	-	-	47,312,968	51,125,929	47,312,968	51,125,929
Provision for claims incurred but not reported (IBNR) & Actuarial valuation	-	-	10,864,033	4,569,932	10,864,033	4,569,932
Total net insurance liabilities	-	-	58,177,001	55,695,861	58,177,001	55,695,861

28.4 Net Claim Incurred

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Gross claim provision at start	-	-	(63,074,503)	(78,210,515)	(63,074,503)	(78,210,515)
Paid during the year	7,351,169	4,329,501	78,715,280	52,217,872	86,066,449	56,547,373
Gross claim provision at end	-	-	64,957,183	63,074,503	64,957,183	63,074,503
Gross claim incurred	7,351,169	4,329,501	80,597,960	37,081,860	87,949,129	41,411,361
Reinsurance contracts recoverable						
Amount recoverable at start	-	-	(11,948,574)	(23,544,925)	(11,948,574)	(23,544,925)
Amount recovered during the year	-	-	18,705,488	12,182,290	18,705,488	12,182,290
Amount recoverable at end	-	-	17,644,215	11,948,574	17,644,215	11,948,574
Net amount recoverable	-	-	24,401,129	585,939	24,401,129	585,939
Net claim incurred						
Net claim provision at start	-	-	(51,125,929)	(54,665,590)	(51,125,929)	(54,665,590)
Net paid during the year	7,351,169	4,329,501	60,009,792	40,035,582	67,360,961	44,365,083
Net claim provision at end	-	-	47,312,968	51,125,929	47,312,968	51,125,929
Net claim incurred	7,351,169	4,329,501	56,196,831	36,495,921	63,548,000	40,825,422
IBNR & Actuarial movement	-	-	3,800,682	2,522,000	3,800,682	2,522,000
Net claim incurred after IBNR	7,351,169	4,329,501	59,997,513	39,017,921	67,348,682	43,347,422



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

29. Related party transactions

The Company entered the following transactions with key management personnel which are defined by IAS 24 Related Party Disclosures, as those persons having authority and responsibility in planning, directing and controlling the activities of the Company, including directors and key management personnel consisting of the Chief Executive Officer and Senior Managers.

Terms and conditions of transactions with related parties are made at market prices. Outstanding balances at the yearend are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables and payables. At each financial year, the assessment of provision for impairment is undertaken through examining the financial position of the related party and the market in which the related party operates.

Related party transactions during the year:

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Payable to related party:						
Founder Share Commission to Promunit Ltd	-	-	4,427,800	2,841,637	4,427,800	2,841,637
Receivable from related parties :						
Outstanding insurances balances due from directors and related parties	-	-	3,136	58,562	3,136	58,562
Loan to director	-	-	-	-	-	-
Sale of services to:						
Directors and key management personnel						
Insurance contracted	-	-	185,147	388,845	185,147	388,845
Remuneration of key management personnel :						
Senior management teams remuneration	-	-	2,702,542	1,661,925	2,702,542	1,661,925
"Directors emoluments and short term benefits Chief Executive Officer Mr. Natarajen M. Cunden"	-	-	1,822,699	1,355,715	1,822,699	1,355,715
"Directors emoluments and short term benefits Mr J M Percy Rose"	-	-	1,353,185	1,118,824	1,353,185	1,118,824
Founder Share Commission to Promunit Ltd	-	-	1,586,163	852,825	1,586,163	852,825

30. Earnings per share

The calculation of earnings per share is based on profit for the year for the year attributable to ordinary shareholders and on the number of shares issued.

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Net profit from General insurance business for the year	-	-	(7,172,602)	6,373,454	(7,172,602)	6,373,454
Number of ordinary share in issue	-	-	2,500,000	2,500,000	2,500,000	2,500,000
Earning per share	0.00	0.00	(2.87)	2.55	(2.87)	2.55



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

31. Corporate Social Responsibility

Corporate Social Responsibility ("CSR") Fund equivalent to two per cent of its tax chargeable income derived during the preceding year is applicable as from 1st July 2009. Since the Company did not have a CSR Fund which is being separately monitored, the Management decided to pay the CSR contribution to Mauritius Revenue Authority (MRA). The Company has decided to remit the CSR contribution to the MRA upon payment of its Corporate Tax.

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Contribution during the year	-	47,214	-	30,288	-	77,502

32. Events After Year Ends

The Company engaged in an investment in a property called "Cosy Gardens Flic En Flac" to the tune of Rs 51m. As at year end, a deposit of Rs 25m remained unutilized, thus reclassified as deposit on investment. This reclassification resulted in the Company becoming technically short of Capital requirement under Insurance Act regulations as disclosed on page 58. In September 2023, the Capital Adequacy was reassessed to above 150% as a result of the deposit towards investment being refunded due to excess monies and unused capital by the promoter.

Appendix 1. Management expenses

	Life 2023 Rs	Life 2022 Rs	General 2023 Rs	General 2022 Rs	Composite 2023 Rs	Composite 2022 Rs
Staff costs	832,603	633,348	15,432,808	10,747,376	16,265,411	11,380,724
Rent & rates	-	-	291,625	474,990	291,625	474,990
Professional and consultancy fees	-	-	1,633,389	1,941,182	1,633,389	1,941,182
Maintenance / Repairs Expenses	-	-	1,692,649	1,358,747	1,692,649	1,358,747
Printing & Stationery	-	-	950,085	860,228	950,085	860,228
Directors Fees	-	-	944,050	763,950	944,050	763,950
Actuarial fee	98,763	101,138	516,007	511,820	614,770	612,958
Telephone & telex	-	-	659,933	654,508	659,933	654,508
Electricity	-	-	599,972	505,868	599,972	505,868
Advertising	-	-	1,021,064	725,943	1,021,064	725,943
Motor Expenses	-	-	898,293	381,191	898,293	381,191
Audit fees	-	-	674,320	483,550	674,320	483,550
Licence	250,192	125,000	605,787	192,835	855,979	317,835
Subscription fees	-	-	585,356	470,947	585,356	470,947
Bank charges	22,061	20,538	337,129	302,507	359,190	323,045
Staff welfare	-	-	111,948	364,728	111,948	364,728
Retirement benefit obligations	-	-	-	776,473	-	776,473
Mess Expenses	-	-	436,470	205,556	436,470	205,556
Secretary fees	-	-	207,000	207,000	207,000	207,000
Insurance	-	-	160,707	148,454	160,707	148,454
Postage and Stamps	-	-	141,405	145,208	141,405	145,208
Legal Fees	-	-	117,300	73,800	117,300	73,800
Training & development	-	-	17,308	-	17,308	-
Office Expenses	1,284	12,964	127,221	58,723	128,505	71,687
Water	-	-	10,823	10,302	10,823	10,302
Entertainment Business Lunch	-	-	59,305	-	59,305	-
Penalty	-	-	15,829	-	15,829	-
Travelling Expenses-Overseas	-	-	255,956	-	255,956	-
Travelling Expenses-Local	-	-	246	7,750	246	7,750
Donations	-	-	92,400	-	92,400	-
Bad debt Written off	-	-	-	25	-	25
Finance cost	-	-	180,376	44,899	180,376	44,899
	1,204,903	892,988	28,776,761	22,418,560	29,981,664	23,311,548



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Appendix 2. Financial Summary

	2023	2022	2021	2020	2019	2018
Share Capital	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Revenue reserves	139,216,731	138,850,143	134,976,689	131,914,996	124,827,162	123,955,308
Revaluation reserves	7,440,000	7,440,000	7,440,000	7,440,000	7,440,000	5,200,000
Fair value reserve	62,686,894	47,200,646	43,344,848	56,500,155	58,472,705	56,757,796
Profit/(loss) before taxation	(5,399,304)	7,302,287	3,783,667	9,127,155	8,273,986	(6,077,906)
Profit/(loss) after taxation	(5,586,439)	7,226,279	3,783,667	7,600,104	7,626,413	(5,497,270)
Profit/(loss) for the year	(7,172,602)	6,373,454	3,061,693	7,087,833	6,871,846	396,862
Total comprehensive income/(loss)	(3,777,776)	10,229,252	7,851,817	6,065,413	12,878,547	(1,253,707)
Dividend declared and paid	7,499,477	2,500,000	-	-	-	-
Earning per share	-2.87	2.55	1.22	2.84	2.75	0.16

Appendix 3 Segmental reports

	TOTAL Rs.'000	Motor Rs.'000	Accident Rs.'000	Engineering Rs.'000	Liability Rs.'000	Property Rs.'000	Transport Rs.'000	Guarantee Rs.'000	Misc. Rs.'000
Year ended 30 June 2023									
Gross premium on direct business	141,239	115,118	926	7,729	6,419	2,151	2,785	4,266	1,846
Net premium written	117,922	111,251	268	2,693	1,899	244	1,274	1,485	(1,193)
Net earned premium	80,715	75,328	357	26	1,699	165	3,905	372	(1,139)
Net claims incurred	59,998	58,186	171	264	(204)	110	1,237	8	225
Net commission paid	(9,770)	(11,026)	98	335	(253)	423	128	177	349
Management expenses	28,777	23,455	189	1,575	1,308	438	567	869	376
Underwriting profit/(loss)	(17,829)	(17,340)	96	(1,477)	342	39	2,229	(328)	(1,390)
Investment income	10,267	8,368	67	562	467	156	202	310	134
Operating Profit	(7,562)	(8,972)	163	(915)	808	196	2,431	(18)	(1,256)
Year ended 30 June 2022									
Gross premium on direct business	85,283	71,690	2,071	3,037	1,606	1,640	2,399	1,925	915
Net premium written	71,556	68,315	1,297	160	271	207	453	428	426
Net earned premium	64,705	66,067	1,060	141	(99)	(133)	(2,347)	211	(195)
Net claims incurred	39,018	36,239	201	484	7	825	543	118	600
Net commission paid	(4,872)	(7,857)	52	1,135	105	629	495	523	46
Management expenses	22,419	18,846	544	798	422	431	631	506	240
Underwriting profit/(loss)	(1,604)	3,126	367	(7)	(424)	(761)	(3,026)	110	(989)
Investment income	5,796	4,872	141	206	109	111	163	131	62
Operating Profit	4,192	7,998	508	200	(315)	(649)	(2,863)	241	(927)



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