



General Insurance Corporation of India

DIVIDEND DISTRIBUTION POLICY 2019 (Ver 1.0)

GENERAL INSURANCE CORPORATION OF INDIA

DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, inserted vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, the top five hundred listed entities based on market capitalization (calculated as on March 31st of every financial year) are required to formulate a dividend distribution policy based on the following parameters:

- a) the circumstances under which the shareholders of the listed entities may or may not expect dividend;
- b) the financial parameters that shall be considered while declaring dividend;
- c) internal and external factors that shall be considered for declaration of dividend;
- d) policy as to how the retained earnings shall be utilized; and
- e) parameters that shall be adopted with regard to various classes of shares:

Further the Corporation is in receipt of an office memorandum F. No. G-14017/7/2019-Ins-II dated March 6, 2019 issued by Ministry of Finance, Ministry of Economic Affairs, as per which every CPSE would pay a minimum annual dividend of 30% of PAT or 5% of the Net worth, whichever is higher, subject to the maximum dividend permitted under the extant legal provisions.

In compliance with the above, the Corporation may consider the parameters listed above, its prevailing solvency levels and recommend such amount for distribution as dividend (including interim and final dividend) for the Financial Year, whichever is higher amongst the following:

- a) 30% of Net Profit after Tax (PAT) for the relevant Financial Year
- b) 5% of the Net worth as at 31st March of the relevant Financial Year

The declaration and payment of dividend as per the approved policy, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association, the Companies Act and any other applicable regulations.

This policy shall be disclosed in the annual report and on the website of the Corporation.