**CHAPTER – V**

**Submission of returns as specified under Master Circular on Corporate Governance for Insurers**

(Refer Master Circular on Corporate Governance for Insurers, 2024 - clause 9.5 (b) and 9.5 (d) (i))

**Form No. IRDAI\_RET\_29**

**Remuneration and other payments made during the Financial Year to MD/CEO/WTD & KMPs**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Sl. No. | Name of the MD/CEO/WTD & KMP | Designation | Fixed Pay | | | Variable Pay | | | | | | Total of Fixed and Variable Pay (c)+(f) | Amount Debited to Revenue A/c | Amount Debited to Profit and Loss A/c | Value of Joining / Sign on Bonus | Retirement benefits like gratuity, pension, etc. paid during the year | Amount of deferred remuneration of earlier years paid/settled during the year |
|  |  |  | Pay and Allowances (a) | Perquisites, etc. (b) | Total (c)=(a)+(b) | Cash components (d) | | Share-linked components (e) | | Total (f)=(d)+(e) | |  |  |  |  |  |  |
|  |  |  |  |  |  | Paid | Deferred | Settled | Deferred | Paid/ Settled | Deferred |  |  |  |  |  |  |
| 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | *Total* | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

(Amount Rs. In lakh)

(Refer Master Circular on Corporate Governance for Insurers, 2024 - clause 9.5 (d) (ii))

**Form No. IRDAI\_RET\_30**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Details of Outstanding Deferred Remuneration of MD/CEO/WTD & KMPs** | | | | | |  |
| **as at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | | | | | |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Sl. No. | Name of the MD/CEO/WTD & KMP | Designation | Remuneration pertains to Financial Year | Nature of remuneration outstanding | Amount Outstanding (Rs. in Lakh) |  |
|  |
|  |  |  |  |  |  |  |
| 1 |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |
| .. |  |  |  |  |  |  |
| .. |  |  |  |  |  |  |
|  | **TOTAL** | |  |  |  |  |
| Date: |  |  |  |  |  |  |
| Place: |  |  |  |  | Signature of CFO |  |
|  |  |  |  |  |  |  |

**Form No. IRDAI\_RET\_31**

(Refer Master Circular on Corporate Governance for Insurers, 2024 - clause 9.5 (d) (iii))

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Details of Remuneration Reduced / Cancelled / Recovered in respect of KMPs during the Financial Year \_\_\_\_\_\_\_\_\_\_\_\_\_** | | | | | | |
|  |  |  |  |  |  |  |
| Sl. No. | Name of the KMP | Designation | Nature of Remuneration | Whether Reduced / Cancelled / Recovered | Remuneration Reduced / Cancelled / Recovered (Rs. In Lakh) | Reason for Reduction / Cancellation/ Recovery of the Remuneration |
|
|  |  |  |  |  |  |  |
| 1 |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |
| .. |  |  |  |  |  |  |
| .. |  |  |  |  |  |  |
| .. |  |  |  |  |  |  |
| .. |  |  |  |  |  |  |
|  | **TOTAL** | |  |  |  |  |
| Date: |  |  |  |  |  |  |
| Place: |  |  |  |  |  | Signature of CFO |
|  |  |  |  |  |  |  |

**Form No. IRDAI\_RET\_32**

(Refer Master Circular on Corporate Governance for Insurers, 2024 – Clause 10.3 (a))

**CORPORATE GOVERNANCE MASTER CIRCULAR – STATUS OF COMPLIANCE**

| **Master Circular on Corporate Governance** | **Compliance Status Y/N** | **If No, gaps in Compliance** | **Proposed Action for addressing the gaps** |
| --- | --- | --- | --- |
| 1. **Governance Structure - Board of Directors** |  |  |  |
| **Board Composition** |  |  |  |
| * 1. **Properly Constituted Board:** |  |  |  |
| total number of Directors in the Board |  |  |  |
| total number of Independent Directors |  |  |  |
| Total number of non-executive Director |  |  |  |
| * 1. **Independent Directors**: |  |  |  |
| * + - 1. **Independent Directors**: The Board of Directors is required to have a significant number of “Independent Directors” (***as laid down in Companies Act/ SEBI LODR, as applicable***). |  |  |  |
| * + - 1. **Whether** more than one member of a family or a close relative as defined in the Companies Act or an associate (partner, director etc) are on the Board of an Insurer as ‘Independent director’ |  |  |  |
| * + - 1. **Whether** the total number of Independent Directors are three or more |  |  |  |
| * 1. **In case Chairman is Non-Executive Chairman**,   Whether CEO is Whole-time Director of the Board |  |  |  |
| 1. **The Role and responsibilities of the Board and their Discharge** |  |  |  |
| * + - 1. As stipulated in Master Circular |  |  |  |
| * + - 1. Whether the Board has set clear & transparent policy framework for translation of corporate objectives. |  |  |  |
| * + - 1. Transparent Information flow from the senior management through well documented agenda notes and appropriate systems to serve as effective monitoring arrangements. |  |  |  |
| * + - 1. Establish strategies and policies to define ethical individual behaviour and corporate behaviour and ongoing, effective processes that ensure adherence to these strategies and policies |  |  |  |
| * + - 1. Areas for Board to focus: (in Nutshell)   1. Overall direction if business   2. Compliance with IRDA regulations, Insurance Act & other statutory requirements.   3. Addressing conflict of interest   4. Fair treatment of policyholders & employees.   5. Sharing & disclosure of information   6. Develop corporate culture & adherence to ethical standards |  |  |  |
| 1. **Fit and Proper Criteria**: |  |  |  |
| * + - 1. Whether there is a system to obtain an annual declaration from the Directors that the information provided in the declaration at the time of appointment/ reappointment has not undergone any change subsequently and the changes, if any, are apprised by the concerned Director to the Board |  |  |  |
| * + - 1. Whether the Directors are also required to enter into a Deed of Covenant as per the format prescribed by the Authority with the insurance company |  |  |  |
| 1. **Conduct of Meetings:** |  |  |  |
| * + - 1. System that would make Company Secretary responsible for proper conduct of the Board meetings and with adequate time to deliberate on the major issues in detail. |  |  |  |
| * + - 1. System of familiarizing new Directors with the background of the company’s governance philosophy, duties and responsibilities of the Directors etc. |  |  |  |
| * + - 1. Disclosure Requirements: |  |  |  |
| * 1. The company must disclose the following in their annual report, inter- alia, Number of the meetings held of the Board of Directors and Committees mandated under the Master Circular, in the financial year. |  |  |  |
| * 1. Details of the composition of the Board of Directors and Committees mandated, setting out name, qualification, field of specialization, status of directorship held etc. |  |  |  |
| * 1. Number of the meetings attended by the Directors and the members of the committee. |  |  |  |
| * 1. Details of the remuneration paid, if any, to the directors (including independent directors) |  |  |  |
| * + - 1. All the mandatory committees should meet at least four times in a year and not more than four months shall elapse between two successive meetings. The quorum shall be either two members or one third of the members of the committee whichever is greater, but in case an independent director is mandated to be in any of the Committees, he/she should be necessarily present to form the quorum. |  |  |  |
| 1. **Control Functions:** |  |  |  |
| * 1. Whether the Board or its committees have laid down the policy framework on various control systems as enumerated in the Master Circular? |  |  |  |
| * 1. Appropriate and effective group- wide risk control systems in addition to the systems for insurers within a Group. Boards of the insurers to lay down the requisite policy framework. |  |  |  |
| * 1. Whether the Board has put in place a mechanism for assessment of effectiveness of working of its Committees at periodic intervals |  |  |  |
| 1. **Committees** |  |  |  |
| Status of Compliance with the Master Circular in respect of committees | | | |
| 1. **Mandatory Committees** |  |  |  |
| 1. Audit Committee 2. Investment Committee 3. Risk Management Committee 4. PPGR&CM Committee 5. Nomination and Remuneration Committee 6. Corporate Social Responsibility Committee 7. With-Profits Committee (for Life Insurers) |  |  |  |
| 1. **Optional Committees** |  |  |  |
| 1. Ethics Committee |  |  |  |
| 1. **Composition of the Committees** |  |  |  |
| 1. **Audit Committee:**    1. whether the chairman of the audit committee is an independent Director with strong financial analysis background    2. Appointment of statutory auditors to be recommended by the Audit committee and appointed at the shareholders meeting. |  |  |  |
| 1. **Investment Committee (IC)** :    1. Whether Committee consists of at least two Non-Executive Directors, the Chief Executive Officer, Chief of Finance, Chief of Investment Division, Chief of Risk Management Function and wherever an appointed actuary is employed, the Appointed Actuary    2. Whether any new appointment or removal of any member of the Investment Committee is also be approved by the Board.    3. Whether the IC meets at least once in a quarter and looks into various aspects of investment operations and monitors them.    4. Whether the IC furnishes a report to the Board on the performance of Investments at least on a quarterly basis and provides analysis of its Investment portfolio and on the future outlook to enable the Board to look at possible policy changes and strategies. |  |  |  |
| 1. **Risk Management Committee:**    1. Whether the risk management function is under the overall guidance and supervision of the Chief Risk Officer    2. Whether the operating head of the risk management function (CRO) has direct access to the Board.    3. Whether fraud monitoring policy and framework approved by the Board is in place.    4. Whether fraud information is exchanged with insurers and compliance with Authority prescription on fraud is reviewed periodically    5. Whether constitution of RMC is as per the Master Circular? |  |  |  |
| 1. **PPGR & CM Committee:**    1. whether the minutes of the committee are placed as an agenda item to the Board. |  |  |  |
| 1. **Nomination and Remuneration Committee:**    1. Whether the Chairman of the Committee is an independent director;    2. whether at least one half of the committee are independent directors;    3. whether declarations of intending applicants (directors/ KMPs) are scrutinized by the Committee;    4. Whether the Committee recommends the policy for remuneration packages of the for the Directors and KMPs. |  |  |  |
| 1. **Corporate Social Responsibility Committee:**    1. Whether CSR Policy is formulated and approved by the Board.    2. Whether CSR expenditure is based on three years’ profit    3. Whether expenses on CSR charged to Policyholder’s Account. |  |  |  |
| 1. **With Profits Committee:**    1. Whether the Committee is constituted in accordance with this Master Circular;    2. whether report of the Committee is appended to the Actuarial Report and Abstract;    3. whether asset share, expenses allocated and investment income attributed to the participating fund have been approved by the Committee |  |  |  |
| 1. **Quorum / Frequency of the Meeting** 2. Whether the mandatory committees (as specified in the Master Circular) meet at least four times in a year and not more than four months elapse between two successive meetings. 3. The quorum shall be either two members or one third of the members of the committee whichever is greater, but in case an independent director(s) is/are mandated to be in any of the Committees, at least one is necessarily present to form the quorum. |  |  |  |
| 1. **Merging of Committees** 2. Whether any of the mandatory Board Committees have been merged 3. If yes, names of the Committees 4. How independence and objectivity of the merged Committees has been ensured by the Board |  |  |  |
| 1. **Disclosures in Financial Statements:** |  |  |  |
| General Disclosures |  |  |  |
| 1. Basis, methods and assumptions on which the information is compiled. 2. Quantitative & qualitative information on the insurer’s financial & operating ratios viz., incurred claim, commission & expenses ratios. 3. Actual solvency margin details vis- à-vis the required margin. 4. Financial performance including growth rate and current financial position of the insurer. 5. Description of the risk management architecture. 6. Details of number of claims intimated, disposed of & pending with details of duration. 7. All pecuniary relationships or transactions of non-executive directors. 8. Elements of remuneration package of MD & CEO and other individual directors. |  |  |  |
| **Whether disclosures in the Financial Statements -** |  |  |  |
| 1. Are summarized under major groups. 2. Contain all related party transactions. 3. Include matters which have material impact on the financial position of the company. |  |  |  |
| 1. **Relationship with Stakeholders:** |  |  |  |
| The disclosures stipulations must address the following:   1. financial statements accurately and fairly represent the financial condition of the insurer; and 2. The insurer is running its business soundly and will be viable over the long term.   In particular, the disclosure requirements of the participating policyholders and the unit linked policyholders must be duly addressed. |  |  |  |
| 1. **Reporting to the Authority** |  |  |  |
| * Whether the Insurer has appointed Chief Compliance officer whose duty will be to monitor continuing compliance with this Master Circular. |  |  |  |
| 1. **Whistle Blower Policy** |  |  |  |
| * Whether the Insurer has put in place a “Whistle Blower Policy” approved by its Board of Directors. |  |  |  |

Date:

Place:

Chief Compliance Officer

Name of the Insurance Company

Company Seal

**Form . IRDAI\_RET\_33**

(Refer Master Circular on Corporate Governance for Insurers, 2024 – Clause 2.2 (e))

**Annual Compliance Certificate for the Financial Year** \_\_\_\_\_\_\_ **in terms of Para No.** \_\_\_\_\_\_\_\_\_\_\_ **of Corporate Governance Master Circular on Appointment of Common Directors**

**Name of Insurance Company:**

It is hereby certified that all the provisions relating to *‘Appointment of Common Directors”* issued by Insurance Regulatory and Development Authority of India as part of the Corporate Governance Master Circular, are duly complied with.

Date:

Place:

Chief Executive Officer

Name of the Insurance Company

Company Seal

**Form. IRDAI\_RET\_34**

(Refer Master Circular on Corporate Governance for Insurers, 2024 - Stewardship Principle 7 (ii))

**“Certification for compliance of the Stewardship Principles”**

**(Ref: Clause 12 “Stewardship Principles” of Master Circular on Corporate Governance for Insurers)**

We \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Name) hereby certify that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (company name) has complied with the Stewardship Principles specified in the IRDAI (Corporate Governance for Insurers) Regulations, 2024 and the circulars issued there under.

Nothing has been concealed or suppressed.

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Full Name and Designation Full Name and Designation

Chief Compliance Officer Chief Executive Officer