

BHARTI AXA GENERAL INSURANCE
COMPANY LIMITED

13TH ANNUAL REPORT
FINANCIAL YEAR 2019-20

CIN: U66030KA2007PLC043362

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Our Vision

*"To be the **Preferred General Insurance Company** for our **Customers, Employees, Shareholders, Business Partners & Society**"*

At Bharti AXA General Insurance, we live by the simple truth; insurance plays an important role in protecting organizations and individual aspirations. Through comprehensive and innovative insurance solutions, we seek to redefine industry standards by offering unparalleled and empathetic service to every Indian. This ropes in our collective vision "to be the preferred General Insurance Company for our Customers, Employees, Shareholders, Business partners & Society".

Backed by our constant endeavor to find new and improved ways to add value to our customers through our innovative product and service offerings, we always seek to make a difference through our professional and pragmatic approach. Working as a team with utmost integrity we strive to maintain best in class standards.

Our Core Value

Innovation

Constantly striving to find new and improved ways to add value to all our stake holders. Our innovative spirit has driven us to launch revolutionary products.

Integrity

Always being responsible and doing the right thing. We have settled over 19 lakhs claims since inception, a testimony to our focus on customer centricity.

Professionalism

Always seeking to make a difference. With sheer professionalism we have managed to surpass targets and increase our growth in leaps and bounds.

Pragmatism

Facing reality with courage and focusing on outcomes. Our pragmatic, realistic approach to insurance has made us amongst the fastest growing insurers in India.

Team Work

Being one company, one diverse team. Our dedicated team of employees, agents, partners and associates has enabled us to reach our milestone.

Our Purpose

Bharti AXA General Insurance believes that insurance plays an important role in protecting organizations and individual aspirations. Through our comprehensive and innovative insurance solutions, we seek to redefine industry standards by offering unparalleled and empathetic service to every Indian.

Bharti AXA General Insurance Company Limited is a joint venture between Bharti Group, a leading Indian business group and AXA, a world leader in financial protection. The organization commenced its operations in August 2008. The joint venture company has a 51% stake from Bharti and 49% stake of the AXA Group.

Bharti Group is one of India's leading business groups with interests in telecom, agriculture business, financial services, retail and manufacturing. Bharti has been a pioneering force in the Indian telecom sector with many firsts and innovations to its credit including Bharti Airtel Limited, the group's flagship company.

AXA Group is a worldwide leader in insurance and asset management serving 108 million clients in 61 countries and offers insurance, savings and investment products and services which also encourage and reward environmentally responsible behaviors, as well as help reduce social exclusion.

Bharti AXA General Insurance offers its products and services in the following lines of business:

- ✚ **Motor Insurance** which includes both *Private* and *Commercial* vehicles insuring the Own Damage and Thirty Party Liability insurance risks
- ✚ **Health & Personal Accident Insurance** which includes *Individual Health, Group Health, Travel Insurance* and *Personal Accident*
- ✚ **Marine Insurance** which consists of *Marine Cargo*
- ✚ **Property Insurance** which includes *Commercial, Industry, Residential* and *SME Property*
- ✚ **Construction & Engineering Insurance** which includes *annual* and *long term policies*
- ✚ **Liability Insurance** which includes *Commercial General Liability, Director's and Officer's Liability, Employees Compensation, Cyber Insurance, Crime Insurance* and *Professional Liability insurance*
- ✚ **Agriculture or Crop Insurance** which includes both *Kharif* and *Rabi Season crops*

DIRECTORS' REPORT FOR FINANCIAL YEAR 2019-20

To
Dear Members,

Your Directors have immense pleasure in presenting the 13th (Thirteenth) Annual Report, together with the Audited Financial Statements of Bharti AXA General Insurance Company Limited ("the Company") for the year ended March 31, 2020.

1. COMPANY PERFORMANCE

Particulars	INR Crores	
	31st March, 2020	31st March, 2019
Gross Written Premium (Including Pool Retrocessions)	3,157	2,285
Net Written Premium	2,004	1,516
Net Earned Premium	1,830	1,399
Net Incurred Claims	1,433	1,077
Net Commission (Income/Expenses)	108	53
Expenses of Management	736	523
General Insurance Result	(447)	(254)
Investment Income- Policyholders	333	251
Investment Income-Shareholders	54	42
Terrorism and Motor Pool Expenses (Net of Investment Income)	(2)	(2)
Expenses directly debited to Profit and Loss Account	186	37
Solatium Fund and Premium Deficiency	(1)	1
Provision for wealth tax/Fringe Benefit Tax	-	-
Profit / (Loss) After taxation	(244)	3

Your Company's market share in Financial Year ("FY") 2019-20, amongst private multi-line general insurance players, was 3.4% up from 2.8% in FY 2018-19. Your Company recorded a Gross Direct Premium of INR 3,134 Crore in FY 2020 as compared to INR 2,258 Crore in FY 2019. The Net Earned Premium INR 1,830 Crore as compared to last year (INR 1,399 Crore).

Motor Business continued to be the major contributor at 47% of the total business underwritten in FY 2020, compared to 50% in FY 2019. Health, crop and other lines contributed to 12%, 26% and 15% respectively of the total written business in FY 2020.

The Company incurred a loss of INR 244 Crore for FY 2020 as compared to a profit of INR 3 Crore in the previous year primarily on account of impairment of investment assets amounting to INR 157.5 Crore and higher expense ratio. Your Company is operating at loss ratio of 78.3% as against 77.0% in the last year.

Your Company has achieved an Investment Income (net of interest on sub debt) of INR 209 Crore in FY 2020 as against INR 262 Crore in previous year. Total capital infused in Your Company as at March 31, 2020 was INR 2,178 Crore. The capital solvency ratio is maintained at 1.63 times.

2. SHARE CAPITAL

During the Financial Year 2019-20, the Company allotted 384,535,894 equity shares of INR 10 each to the existing shareholders of the Company on rights basis.

Further, the Company is in compliance with Guidelines on “Indian Owned and Controlled”.

3. DEBENTURES

As on March 31, 2020, the outstanding amount of Non-Convertible Debentures (“NCDs”) stood as follows:

In the previous Financial Year, the Company allotted 350 Unsecured Listed Redeemable Non-Convertible Debentures at INR 10,00,000/- each aggregating to INR 35 crore, in accordance with the provisions of the IRDAI (Other Forms of Capital) Regulations, 2015. The said Debentures (ISIN – INE513L08024) are listed on the National Stock Exchange of India with security code – ‘BAGI29’. Axis Trustee Services Limited, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025, are the Debenture Trustees of the Company.

In the Financial Year 2017-18, the Company had allotted 2,200 Unsecured Unlisted Redeemable Non-Convertible Debentures at INR 10,00,000/- each aggregating to INR 220 crore.

The Company has been regular in its payment obligations towards NCDs.

4. DIVIDEND

Since there is a cumulative deficit for the year under review, the Directors of the Company do not recommend any dividend for the year.

5. MANAGEMENT’S DISCUSSION AND ANALYSIS REPORT

The Management’s Discussion and Analysis on Company’s performance, Company’s operations, industry trends and other material changes, if any are enclosed as an ‘Annexure A’ to this Annual Report.

6. DEMAT

The shares of your Company are dematerialised with Central Depositories Services Limited. The International Securities Identification Number (ISIN) allocated to your Company's equity shares is INE513L01011. As on March 31, 2020, 100% of the equity shares are held in dematerialization form. The details of the shares in Demat, as on March 31, 2020 are as below:

Sl. No.	Particulars	No. of Shareholders	No. of Shares	% to the Paid up capital
1	Shares in Demat Mode (CDSL)	7	2,005,981,216	100
2	Shares in Physical Mode	-	-	-
	Total	7	2,005,981,216	100

The address of the Registrar and Transfer Agent (R&T) of Your Company is:

BGSE Financials Limited
 'Stock Exchange Tower, No.51,
 1st Cross, J. C. Road,
 Bangalore 560 027
 Phone: 080-41329661

7. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company has eleven (11) Directors, out of whom 3 are Independent Directors 4 are Bharti representatives and 3 are AXA representatives and a Chief Executive Officer and Managing Director ("CEO and MD").

The Board is responsible for overall corporate strategy and other responsibilities as laid down by IRDAI under the Corporate Governance guidelines. The CEO and MD oversees implementation of strategy, achievement of the business plan and day-to-day operations. There is an appropriate mix of executive, non-executive and independent Directors. None of the Directors are related to any other Director or employee of the Company.

The routine affairs of Your Company are managed by the CEO and MD under the supervision of the Board of Directors of Your Company. The Board approves reviews and oversees the actions and results of the management to ensure that the long-term objective of maximizing profits and enhancing stakeholders' value is met with.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following changes have taken place in the Board of Directors and Key Managerial Personnel ("KMP") of your Company during the FY 2019-20:

Sl. No.	Name of the Director	Cessation / Appointment
1.	Kuldeep Kaushik	Ceased to be a Director effective May 13, 2019
2.	Jean-Baptiste Bois	Ceased to be a Director effective May 15, 2019
3.	Marc Audrin	Appointed as a Director effective May 13, 2019
4.	Garance Wattez-Richard	Appointed as a Director effective May 15, 2019
5.	Soumen Ghosh	Ceased to be a Director effective August 28, 2019
6.	Rajesh Sud	Appointed as a Director effective August 28, 2019
Sl. No.	Name of the KMP	Cessation / Appointment
1.	Jignesh Sangoi	Appointed as a Chief Risk Officer effective May 14, 2019
2.	Nilesh Kambli	Ceased to be a Chief Financial Officer effective March 6, 2020

Rahul Ahuja was appointed as Chief Financial Officer of the Company with effect from May 4, 2020.

In accordance with the provisions of the Companies Act, 2013, Rakesh Bharti Mittal (DIN 00042494), and Jean Drouffe (DIN 07373856), Directors are liable to retire from the Board by rotation at the ensuing Annual General meeting ("AGM"), and being eligible, offer themselves for re-appointment.

Rajesh Sud (DIN: 02395182) who was appointed as an Additional Director with effect from August 28, 2019 will hold office up to the date of ensuing Annual General Meeting of the Company. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013, from a Member signifying his intention to propose the appointment of Rajesh Sud as a Director of the Company. The Board of Directors has, based on the recommendations of the Board Nomination and Remuneration Committee, considered and recommended his appointment as Director liable to retire by rotation in the ensuing Annual General Meeting.

The Board would like to place on record its sincere appreciation for the services rendered by Soumen Ghosh, Kuldeep Kaushik and Jean-Baptiste Bois, during their tenure on the Board.

In the Extra-Ordinary General meeting held on January 29, 2020, the shareholders approved the re-appointment of Uma Relan (DIN: 07087902) as Independent Director of the Company for a further period of 5 years effective February 11, 2020. Her previous 5 years term expired on February 10, 2020.

There have been no other changes in the Board of Directors.

All the Directors of the Company have confirmed that they meet the criteria of 'Fit and Proper' as laid down under Corporate Governance Guidelines of IRDAI. The Company has also received declarations from all Directors confirming that they are not disqualified from being appointed as Director under the provisions of the Section 164 of the Companies Act, 2013.

The details of the Board and Committee Meetings held during the year ended March 31, 2020, are provided as part of this report on Corporate Governance.

8. ANNUAL DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from the Independent Directors of the Company in accordance with Section 149(7) of Companies Act, 2013 providing confirmation of meeting the criteria of independence laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

9. BOARD AUDIT AND COMPLIANCE COMMITTEE

The Board Audit and Compliance Committee of the Company comprises of Bharat S. Raut, Jitender Balakrishnan, Uma Relan, Jean Drouffe and Rajesh Sud with Independent Directors forming a majority. Bharat S. Raut is the Chairman of the Committee.

All members of the committee possess adequate qualifications to fulfill their duties as stipulated under the Act and under the Corporate Governance Guidelines issued by the IRDAI.

The details of meeting(s) held and the changes in the composition of the Board Audit and Compliance Committee, Board Nomination and Remuneration Committee, Board Investment Committee, Policyholders' Protection Committee and Risk Management Committee, are provided under section on Corporate Governance forming part of this Report.

10. BOARD POLICY RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

Your Company has a well-defined process for remuneration relating to employees, Key Managerial Personnel ("KMP") as well as for CEO and Managing Director, where the said remuneration is approved by the Nomination and Remuneration Committee. The remuneration of CEO and Managing Director is subject to prior approval of IRDAI in compliance with the requirement of Insurance Act, 1938. The salary increments and incentives (short term or long term) as paid to the employees are driven by the guidelines laid down by the Nomination and Remuneration Committee. A comprehensive policy, as per the requirement of the Companies Act, 2013 and IRDAI Guidelines on Corporate Governance for Insurers with regard to remuneration for employees, Non-Executive Directors, Managing Director/ Whole-Time Director/ Executive Director/

CEO and KMP(s) has been duly approved by the Board. The policy is enclosed as 'Annexure B' to this Report.

The Non-Executive Directors didn't draw any remuneration from Company during the year under review. The Independent directors were paid sitting fees for attending the Board and Committee meetings of the Company.

The details of Managerial Remuneration paid during the year are disclosed and form part of the Notes to accounts and therefore, no separate disclosure is made herein.

The Board Nomination and Remuneration Policy is available on the Company's website at www.bharti-axagi.co.in.

11. VIGIL MECHANISM

Your Company has implemented a comprehensive vigil mechanism for their employees as well as Directors. The Company has implemented a Whistle-blower Policy and Fraud Risk Management policy as part of the Enterprise Risk Management framework. The Company has also put together a dedicated Fraud Control Unit, to prevent and investigate occurrence of fraud or malpractices. The Company has a well-documented process for fraud investigations and internal inquiry against alleged frauds as well as any whistle-blower complaints. While the Company ensures that genuine Whistle blowers are accorded complete protection from any kind of unfair treatment, any abuse of the whistle-blower policy with malafide intention is subject to disciplinary action. The policies and processes are reviewed on a periodic basis to ensure compliance with regulations. Training programs are also conducted to increase employee awareness to prevent and detect fraud, malpractices and unethical behaviour.

12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) appropriate Accounting Policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of Your Company as at March 31, 2020 and of the profit & loss of Your Company for the said period;
- (iii) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of Your Company and for preventing and detecting fraud and other irregularities;
- (iv) the Annual Accounts have been prepared on a going concern basis; and

- (v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. ANNUAL RETURN

The extract of the Annual Return pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, in prescribed Form MGT-9 is annexed to this Report as 'Annexure C' and would also be available on the website of the Company (www.bharti-axa.co.in).

14. STATUTORY AUDITORS

M. P. Chitale and Company, Chartered Accountants (Regn No. 101851W) were appointed as Joint Statutory Auditors of the Company to hold office from 9th AGM to 14th AGM of the Company, subject to ratification of appointment by Shareholders at every AGM and Singhi and Co., Chartered Accountants, (Regn. No. 302049E) were appointed as Joint Statutory Auditors of the Company to hold office from 10th AGM to 15th AGM of the Company, subject to ratification of appointment by Shareholders at every AGM.

The requirement for the annual ratification of auditors' appointment at the AGM has been dispensed with pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018.

The Joint Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Joint Statutory Auditors of the Company.

The Joint Statutory Auditors Singhi and Co., Chartered Accountants and M. P. Chitale and Company, Chartered Accountants have carried out the Audit of the financial statements of the Company for the financial year ended March 31, 2020. The Audit report is forming part of the financial statement annexed to this Board report.

The Statutory Audit report does not have any qualification, reservation or adverse remark requiring explanation from the Board.

15. MANAGEMENT REPORT

Pursuant to the provisions of Regulation 3 of the IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2000, the Management Report forms part of the financial statements.

16. SECRETARIAL AUDITORS

GMJ & Associates, Company Secretaries were appointed as the Secretarial Auditors under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, to carry out the Secretarial Audit of the Company for the FY 2019-20.

GMJ & Associates, Company Secretaries, has carried out the Secretarial Audit of the Company for the FY 2019-20 and has issued the Secretarial Audit report. The Secretarial Audit report confirms that the Company has complied with all the applicable provisions of various laws as mentioned in the audit report and doesn't have any qualification, reservation or adverse remark.

The Secretarial Audit Report furnished by GMJ & Associates, Company Secretaries is enclosed to this Report as '**Annexure D**'.

17. STATUTORY INFORMATION

A) PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO, INFORMATION UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013.

Since your Company does not carry out any manufacturing activity, the particulars relating to conservation of energy and technology absorption stipulated under the Companies Act, 2013 is not applicable to your Company.

However, Your Company uses electric energy for its equipment such as air conditioners, computer terminals, lighting and utilities in the work premises. All possible measures have been taken for economic consumption and to conserve the same.

During the period under review, Your Company had Foreign Exchange earnings or outgo which is detailed as below:

(in INR Crore)

Particulars	Current Year	Previous Year
Expenditure in foreign currency	68.26	15.34
Earnings in foreign currency	9.26	10.04

B) BOARD EVALUATION AND MEETING OF INDEPENDENT DIRECTORS

Pursuant to and in line with the requirements prescribed under the Companies Act, 2013 ('Act'), the Board of Directors carried out an annual evaluation of its performance and that of its Committees and Individual Directors. Further, the Independent Directors met separately, without the attendance of non-Independent Directors and Members of the Management, and inter alia reviewed the performance of non-independent directors, and Board as a whole; and performance of the Chairman. They further assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

In addition to the above, Independent Directors were evaluated on parameters such as bringing in objectivity and independent judgment in decision making process, support and contributions to implement best governance practices, protecting the legitimate interest of various stakeholders etc.

The Board Nomination and Remuneration Committee also undertook an evaluation of individual Director's performance and expressed its satisfaction on performance of each Director.

The questionnaire was circulated to all Directors and based on the responses submitted by the Directors results of the evaluation exercise were presented in the meetings of the Board Nomination and Remuneration Committee and Board of Directors, held on May 2020.

The Board conducted the review of each Director's performance, Board as a whole and performance of Committees of the Board, and expressed its satisfaction.

There has been no material adverse observation or conclusion, consequent to such evaluation and review.

In addition, the Independent Directors have met on yearly basis, without the presence of Executive Director, Non-Executive Directors and Management personnel, to discuss their issues and concerns, if any. Further, the Independent Directors placed their recommendations and discussion points arising out of their independent meeting before the Board and Management.

C) PARTICULARS OF EMPLOYEES

The total employee strength of the Company as on March 31, 2020 stood at 2180.

Pursuant to the provisions of Section 197 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement of particulars of the top ten employees in terms of remuneration drawn and name of every employee who have been paid remuneration exceeding INR 1.02 Crore per annum or INR 8.50 Lakh per month is given in an Annexure that forms part of this Report. In terms of provisions of Section 136 of the Companies Act, 2013 the Directors' Report is being sent to the shareholders of the Company excluding the aforesaid Annexure. Any shareholder interested in obtaining a copy of the Annexure may write to the Company Secretary at the registered office of the Company.

Further, the disclosure on managerial remuneration as required under Rule 5(1) of the said Rules is enclosed in this Report as '**Annexure E**'.

18. PUBLIC DEPOSITS

During the period under review, Your Company has not accepted any deposits from public.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the FY 2019-20, Your Company has not obtained any Loans (secured or unsecured) or provided any security. Further, as per the Companies (Removal of Difficulties) Order, 2015 dated February 13, 2015 the provisions of Section 186 of the Companies Act, 2013, except sub-section 1, is not applicable to your Company.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the FY 2019-20, there were no significant and material orders passed by any Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

21. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company's internal controls including process embedded controls over financial reporting and their periodic monitoring enable the Company to demonstrate that entries in its financial records are accurate, complete, timely, reliable and made in accordance with applicable regulations, statutes and generally accepted accounting principles. The process related controls ensure that the Company's books, records, accounts and financial statements are maintained in reasonable detail and appropriately reflect the Company's transactions. The Company deploys required resources and exercises management oversight to ensure that accounting policies are applied properly and consistently so as to ensure that the financial statements provide a true and fair view of the financial affairs of the Company. The Company adopts appropriate levels of automation for transmission of data amongst various systems. The authorization of transactions recorded in various systems follows a defined delegation and segregation of duties. Further, the Company has dedicated resources for identification and investigation of possible frauds. These operate to minimize possibility of frauds or errors in preparation of financial statements.

22. RISK MANAGEMENT POLICY

Your Company uses Risk Management as a strategic tool to protect itself from various potential and existing risks pertaining to all the stakeholders in its business operations, while it plans for its projected growth.

Your Company has a Local Risk Management Committee ("LRMC") consisting of Chief Risk Officer (CRO), CEO, CFO, functional heads and Appointed Actuary (AA). LRMC reports to the Board Risk Management Committee which meets every quarter to review the top risks and controls in place. The Company has a dedicated Risk Management team which works in close co-ordination with other functions/business lines to review and monitor various risks and controls (Strategic Risk, Insurance Risk, Financial Risk, Operational Risk, Information Security Risk (process related, crisis management & business continuity risk), Fraud Risk, People Risk, Reputational Risk, Emerging Risks).

Your Company has Enterprise Risk Management Policy and detailed procedures which outline the governance arrangements and the enterprise-wide approach to risk management. Your Company has a well-defined Risk Appetite Framework Expresses which defines the level and type of risk the company is willing to accept in delivering the business plan and a suite of risk metrics and information to support effective decision making at all levels. Your Company is also ISO 27001:2013 certified for information security.

23. CORPORATE SOCIAL RESPONSIBILITY POLICY

The provisions of Section 135 of the Companies Act 2013, requires every Company to spend at least 2% of its average net profit made during three immediately preceding financial years under Corporate Social Responsibility ("CSR").

As per the provisions of the Companies Act, 2013 and IRDAI Guidelines on Corporate Governance, the compliances with respect to CSR are currently not applicable to the Company.

We at Bharti AXA General Insurance believe that we are not only responsible towards our shareholders and customers, but also towards the society that we operate in. We consider the various communities that we engage with to be important stakeholders and seek to nurture and support them.

Our CSR initiatives are driven by our collective vision: To be viewed as an organization where People Protection is well embedded within the business.

People protection is not just the basis of our business; it is the purpose of our existence. As a socially aware and responsible corporate, our CSR philosophy is supported by six pillars, namely; shareholder, customer, employee, supplier, community and environment.

We have identified critical activities to enact our CSR philosophy with these pillars. For shareholder, customer, employee, we focus on ensuring that everyday operations and decisions are socially conscious. For the community and environment, our focus is on delivering initiatives which have long term impact.

Some of our successful initiatives are:

❖ Preserving and nurturing the environment:

- On the occasion of our 11th Foundation Day on 04th August 2019 we undertook a pledge to plant 11,000 trees across the nation. While we have always been committed to protecting our customers and their assets, we also took this step to protect the environment and do our bit for the future generations. 1,800+ employees across 40 locations united together and actively went into the fields to make a valuable contribution towards creating a sustainable environment and a green future. We also generated awareness about the importance of a green cover as a far-reaching step towards protecting the ecological balance. For children of our employees, we held immersive educational sessions in botanical gardens and also sensitized school children about the benefits of protecting our planet through various workshops on the field.
- In order to be able to identify region for planting and procuring supplies we had collaborated with NGOs such as Cauvery Calling – a project by Isha Foundation, Morshi Nagar Parishad, Mission Green Mumbai, Save Earth Nursery and also the Gujarat forestation authorities.

- We were able to complete plantation in various cities: Mumbai, Kolkata, Guwahati, Siliguri, Delhi, Jaipur, Lucknow, Dahod, Noida, Dehradun, Amravati and Morshi, Gorakhpur, Haldwani, Srinagar and Chandigarh.

❖ **Supporting local communities:**

- We have time and again put our best foot forward to contribute to the society and support our local communities. In the past, our employees have actively volunteered to donate clothes, stationery, food, toys, and utility items at old age homes, orphanages and schools. Various fund-raising activities have also been conducted, proceeds of which have been utilized to support underprivileged children.
- Our employees from Assam extended their support by donating food and basic supplies for flood affected areas during monsoons.
- Our employees from Hyderabad visited an orphanage to spend time with its residents and distributed study supply along with some sweets for the children
- Our employees celebrated Christmas 2019 with children from a NGO called Robin Hood Army wherein 34 children visited our Goregaon, Mumbai Branch. They spent time with our employees learning art and craft. They also got a chance to engage with our employees and witness our office premises.



24. RELATED PARTY TRANSACTIONS

As per the requirement under IRDAI Guidelines on Corporate Governance, the Company has formulated a Board approved policy on Related Party transactions.

Transactions / arrangements by the Company in its ordinary course of business with related parties primarily include availing various services from the related party, sale / purchase of insurance products, lease of properties, wherein premium / brokerage / commission / service fees is received / paid from / to related parties. Board Audit and

Compliance Committee of Board has given its in-principle approval to different types of related party transactions which are recurring in nature and in the ordinary course of business.

Related party transactions that were entered into during the year were in the ordinary course of business and on an arm's length basis. The details of transactions with related parties are placed before the Board Audit and Compliance Committee for approval / ratification. In compliance with Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 disclosure of particulars of contracts/arrangements entered into by the Company with related parties are given in Form No. AOC - 2 as '**Annexure F**' of this Report.

There were no materially significant transactions with the Directors, the Management, the Promoters or the relatives of the Directors that have a potential conflict with the interest of the Company at large. As per Accounting Standard (AS) 18 on 'Related Party Disclosures', the details of related party transactions entered into by the Company are included in the Notes to Accounts.

25. COMMENTS ON AUDITORS' REPORT

Neither the Secretarial Auditors nor the Joint Statutory Auditors have made any qualification, reservation or adverse remark or disclaimer in their reports. The reports of the Secretarial Auditor and the Joint Statutory Auditors are appended to this Report.

26. COMPANY POLICIES

Whistle Blower Policy

The Company has in place Whistle Blower Policy to encourage reporting matters without the risk of subsequent victimisation, discrimination or disadvantage. As per the Policy, employees can raise concerns related to breach of any law, statute or regulation, issues related to accounting policies and procedures, acts resulting in financial loss or loss of reputation, misuse of office, suspected/actual fraud and criminal offences, non-compliance to anti-bribery & anti-corruption policy by the Company or its employees to the Board Audit and Compliance Committee through specified channels. This mechanism has been communicated and displayed on Company's website.

The Whistle Blower Policy is available on the Company's website at www.bharti-axagi.co.in.

Code of Conduct for Prevention of Insider Trading

The Company has a Code of Conduct for Prevention of Insider Trading. The objective of the Code is to prohibit insider trading in any manner by the Designated Persons and to maintain confidentiality of unpublished price sensitive information and access to information on a "need to know" basis. The Code is applicable to all "Designated Persons" and their "Immediate Relatives" as defined in the Code.

Policy on allocation of Direct Expenses and Apportionment of Indirect Expenses to various Business Segments for preparation of Segmental Financial Statements

As per the Regulations issued by the Insurance Regulatory Development Authority (IRDAI), insurance companies are required to prepare financial statements (Revenue account and Balance sheet) separately for different line of businesses. The Company has thus, established a methodology for attributing or allocating costs to various business segments for the preparation of segmental financial statements and the same shall be used for preparation of return of expenses of management for the FY 2019 as required by the Regulator as per the notification dated May 9, 2016 (ref. F.No. IRDAI/Reg/14/126/2016).

27. DISCLOSURE AS REQUIRED UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and has communicated to all its employees about same. The Company believes in providing a safe working environment at the workplace. On an ongoing basis, the Company creates education and awareness amongst employees through training program/ seminars, e-mail campaigns.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. There were 3 complaints received during the Financial Year 2019-20 which were disposed of.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

28. INSURANCE

Adequate Insurance cover has been taken for properties of Your Company including Buildings, Computers, Office Equipment, Vehicles, etc.

29. SOLVENCY MARGIN

The Company is adequately capitalised and has, at all times during the year, complied with the required solvency norms.

30. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT

There were no material changes or commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the report.

31. HOLDING COMPANY

Bharti General Ventures Private Limited (erstwhile Bharti General Private Limited) ('BGVPL') is holding Company of the Company.

32. TRANSFER TO RESERVES

During the year under review, the Board of Directors of Company have not recommended transfer of any amount to reserves.

33. STATUS OF COMPLIANCE WITH IND – AS

IRDAI vide its Circular No. IRDAI/F&A/CIR/ACTS/023/01/2020 dated January 21, 2020 has deferred the implementation of Ind AS (Indian Accounting Standards) in the insurance sector until the International Accounting Standards Board (IASB) issues final amendment to International Financial Reporting Standard 17 (IFRS 17: Insurance Contracts) and an equivalent standard is notified in India. The Authority will thereafter notify the applicable Regulations and the effective date of implementation will be decided accordingly. The Authority has dispensed with the requirement of submitting quarterly Proforma Ind AS financial statements.

34. COMPLIANCE OF SECRETARIAL STANDARDS

During the year, your Company has duly complied with the provisions of Secretarial Standards.

35. CHANGE IN THE FINANCIAL YEAR

During the year under review, there has been no change in the financial year.

36. DETAILS AND STATUS OF ACQUISITION, MERGER, EXPANSION, MODERNIZATION AND DIVERSIFICATION AND MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY HAVING OCCURRED SINCE THE DATE OF THE YEAR AND TILL THE DATE OF THE REPORT

During the year under review, there was no acquisition, merger, expansion, modernization and diversification and Material Changes and commitments, if any, affecting the financial position of the Company having occurred since the date of the year and till the date of the report.

37. ACKNOWLEDGEMENTS

Your Directors wish to place on record its gratitude to all the stakeholders – policyholders, channel partners, reinsurers and shareholders for their continued support and cooperation. Your Directors' wish to thank the Insurance Regulatory and Development Authority of India, General Insurance Council, the Reserve Bank of India, various ministries of the Government of India for extending their cooperation in the endeavours pursued by the Company. Your Directors also place on record their appreciation for the services rendered by the employees at all levels.

Registered Office:

43, 1st floor, Hosto Centre,
Opp. Imperial Hotel, Millers Road,
Vasant Nagar,
Bangalore – 560 052

Date: May 13, 2020

Place: Mumbai

By Order of the Board of Directors

RAKESH
BHARTI MITTAL

Digitally signed by
RAKESH BHARTI MITTAL
Date: 2020.05.13
19:50:33 +05'30'

RAKESH BHARTI MITTAL
CHAIRMAN
DIN: 00042494

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Developments of the Year – New Partnerships

Your Company's continued efforts had enabled it to enter into corporate agency tie-up with Indian Banks, NBFC and Foreign Banks. The new partnerships would further strengthen and contribute to the top line of the Company.

2. Industry Overview

Drivers of Industry Growth:

The overall industry achieved 11.3% year-on-year (yoy) growth in GDPI in the financial year 2019-20. Private sector insurers reported a 11.7% yoy growth rate as against 6.4% yoy growth for the Public sector insurers. Standalone Health Companies grew by 27%.



The performance of various business channels of the Company is as below:

a. Retail Business:

- Achieved GWP of INR 1,960 Crore
- Higher than planned proportion of motor business owing to new partnerships
- Impact on health and UPP business on account of liquidity crisis in NBFCs and HFCs

b. Corporate Business:

- Achieved the plan
- Correction in underwriting guidelines for Group Health led to lower proportion than plan.

c. Crop/ Agricultural Business:

- Achievement @ 138% of plan.

Penetration and Density

The penetration of general insurance as a percentage of GDP remains small in relation to other emerging and developed markets. Government's policy of insuring the uninsured has gradually pushed insurance penetration in the country and proliferation of insurance schemes. However, over the last 10 years, the penetration of this sector in the country has been steady in the range of 0.5-0.9%. General insurance density levels have been rising (Compounded Annual Growth Rate of 13.4% during FY 2001-FY 2017). The Government of India has, over the years, announced various initiatives

aimed at improving the penetration and density levels. The challenge before insurers is to find ways of reaching out to the uninsured and under insured in a profitable manner.

Amongst the multi-line private players in the Indian Insurance market, our company has grown its market share by from 2.8% to 3.4%.

Government Initiatives:

The Government of India has taken a number of initiatives to boost the insurance industry. Some of them are as follows:

- As per Union Budget 2019-20, 100 per cent foreign direct investment (FDI) permitted for insurance intermediaries.
- In September 2018, National Health Protection Scheme was launched under Ayushman Bharat to provide coverage of up to Rs 500,000 (US\$ 7,723) to more than 100 million vulnerable families. The scheme is expected to increase penetration of health insurance in India from 34% to 50%.
- Over 47.9 million farmers were benefitted under Pradhan Mantri Fasal Bima Yojana (PMFBY) in FY 2017-18.
- The Insurance Regulatory and Development Authority of India (IRDAI) plans to issue redesigned initial public offering (IPO) guidelines for insurance companies in India, which are looking to divest equity through the IPO route.
- IRDAI has allowed insurers to invest up to 10 per cent in additional tier 1 (AT1) bonds that are issued by banks to augment their tier 1 capital, in order to expand the pool of eligible investors for the banks.

Economic Scenario

India continues to be one of the fastest growing major economies in the world with an expected GDP growth rate of 5% in FY 2020 against the emerging economies GDP growth of 4 percent. India is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. The uptick in economic growth has come from various economic reforms undertaken by the government such as improvement in ease of doing business, opening up to foreign direct investments, the push for infrastructure development and a stable and decisive policy environment.

The robust economic growth helped the general insurance sector to grow @ 11.3 percent in FY 2020 and cross INR 189,302 Crore in terms of Gross Direct Premium Income (GDPI). With a CAGR growth rate of approx. 14.48 percent between FY 2015–FY 2020, the General insurance sector continues to be one of the fastest growing sectors in the Indian economy. With a penetration rate of just 0.93 percent there is huge potential for growth in the Indian General insurance sector in the coming years. (Not able to trace CAGR and penetration data)

Micro environment

Motor insurance continued to be the largest segment in Indian General insurance sector and showed a low growth of 8.8% in FY 2019-20 from INR 64,455 Crores in FY 2018-19 to INR 70,191 Crores in FY 2019-20. The low growth in FY 2019-20 is driven by lower vehicle sale in current fiscal driven by lower demand, costlier finance and liquidity crunch.

Vehicle sales saw a negative growth of about 25% as per the Industry estimates. Improved penetration and steady rise in disposable incomes helped the Health insurance segment to grow @ 13% in FY 2019-20.

The size of the health insurance industry increased from INR 45,490 Crores in FY 2019 to approx. INR 52,000 Crores in FY 2020. The Government of India has launched National Health Protection Scheme called “Ayushman Bharat” in September 2018, to provide health benefits to socio-economically underprivileged sections of the society, potentially benefitting 50 crore individuals. Government also launched retail health product called “Arogya Sanjeevani” in April 2020 to ensure uniform and simple product going forward.

Growth in Fire, Marine insurance and emerging products like Liability insurance also contributed to the overall growth of the industry.

3. Investments

The Investment portfolio of Your Company as on March 31, 2020 stood at INR 4,765 crores. The portfolio has earned a return of 7.98% for the FY 2019-20 despite an extremely challenging market environment. The investment portfolio of Your Company predominantly, comprises of fixed income investments with 86% of the portfolio invested in government securities and top rated instruments. Your Company has started investing in equities with aim to enhance long term risk adjusted returns.

Your Company continues to focus on better quality portfolio. Investment portfolio has complied with all current applicable Investment Regulations.

Bond market witnessed a roller coaster ride during FY 2019-20. Yields softened during H1 2019-20 due to string of rate cuts from RBI and remained range bound in H2 2019-20. NBFC sector continued to be under stress even during FY 2019-20. Corporate bond yields remained elevated as liquidity in the credit space dried significantly. Inflation during the year was higher than Monetary Policy Committee (MPC) target with average CPI inflation at 4.7%, i.e. 130 bps higher than FY 2018-19. RBI expects the inflation to be ~3.6% in FY21 which is lower than the target rate of 4%. Central Statistics Office (“CSO”) full year FY2020 GDP forecast is at 5% which is lower than FY 2019 growth of 6.1%. The MPC reduced the policy repo rate by 200 bps during FY 2020 including the unprecedented cut of 75 bps in March 2020 in response to the COVID-19 situation.

Outbreak of novel COVID-19 virus in early January 2020 has resulted in lock downs across the world and has significant impact on the world economy. While the growth outlook has been negatively impacted, central banks across the world have taken various measures including rate cuts, infusing liquidity in system, bond buying programs etc. In India RBI has reduced the rates by 75 bps and also introduced targeted long term repo operations (TLTRO). Oil prices have corrected significantly due to reduced demand owing to Covid-19 crisis and disagreement among the oil supplying countries regarding the output.

Your Company was able to anticipate opportunities and take interest rate decisions which contributed to the outperformance and protected the portfolio yield. Equity exposure, though small, has yielded strong returns during FY2020.

This year Company faced defaults in the exposure to few stressed NBFCs/Bank. Taking the learning from this event, the Company has reviewed the investment processes and further strengthened the same.

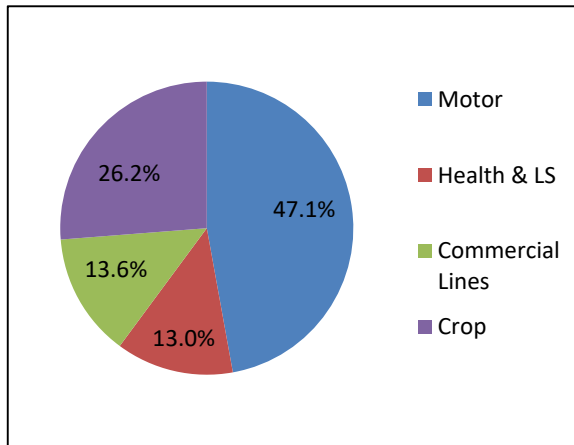
Extent of disruption from COVID-19 outbreak, actions from major central banks, impact on growth, status of monsoon and crude oil prices shall be key drivers of market in FY 2021.

4. Distribution Network

As on March 31, 2020, Your Company has a PAN India network of 152 branch offices.

Business Segments:

The Company has recorded a GWP of INR 3,157 Crores for FY 19-20, a 38% growth of INR 2,285 Crores of FY 18-19. The contribution by various insurance lines of business in our Company is as shown below:



Motor Insurance

Motor Insurance continues to be the largest segment with 37% share of the total insurance premium for the Indian market. The Indian market motor insurance segment grew at around 7% in the Financial Year 2019-20, with the own damage premium witnessing less than 1% growth on account of intense pricing pressure and decrease in new vehicle sales.

The Financial Year 2019-20 for India was not a good year for the vehicle sales. Private car sales de-growth was 25% and the Two wheeler de-growth was about 18%. New vehicle sales registered lowest off take during the festive season and this resulted in strong inventory pile-up at the automobile dealerships.

The Company grew at 30% in motor insurance compared to FY18-19 and recorded gross premium of INR 1,488 Cr. Two wheeler segments which is a key thrust area to drive profitability in Motor segment witnessed a growth of 65% in FY 19-20.

However, our new partnerships / bancassurance tie-ups have set a strong base for robust growth. We have successfully introduced our state of art policy issuance platform 'Spectrum (AVO)'. This will further facilitate ease of policy servicing as the system is designed as a single point solution for all policy related requirements. New claims management system, which is likely to go live soon will further enhance our service capability.

Health and Lifestyle

Continuing the successful run of FY19 in FY20, the Company continued the growth momentum in all segments of Health and Lifestyle business, this was primarily due to growth in Travel, Mortgage and Group Health business. Mortgage insurance grew lower than expected due to the NBFC crisis.

The Company has grown by 14% on the group health line of business and focus continues to be on SME business covering less than 300 lives and on affinity groups, where we insure customers of bank and NBFC partners.

Our mortgage business has grown by 17% despite NBFC set back, where there was a strain on financial markets and lending had slowed down considerably. (Not clear on what is covered under mortgage business)

Retail health business products launched in the previous year have started gaining traction and we continued to grow at 44% in FY20 as compared to 43% of FY19. With more retail products in the pipeline the outlook continues to be positive for the next financial year.

Travel Insurance business has grown by 18% in FY20 compared to FY19. Both Domestic and Overseas travel continue to grow primarily due to the large partnerships. This portfolio will be adversely impacted due to the COVID19 current situation.

The Company expects to continue growth in the Health and Lifestyle segment in the current financial year by focusing and leveraging on the new partnerships with banks and corporate agents and by bringing new products.

Commercial Lines

The commercial lines segment registered a market growth of 17.2%, against the overall general insurance industry growth of 11.3% during FY 2019-20. Factors contributing to the commercial line growth are property price increase mandated by the reinsurers. However the aggressive pricing in marine cargo, slow infrastructure growth continues to be a challenge for the commercial insurance.

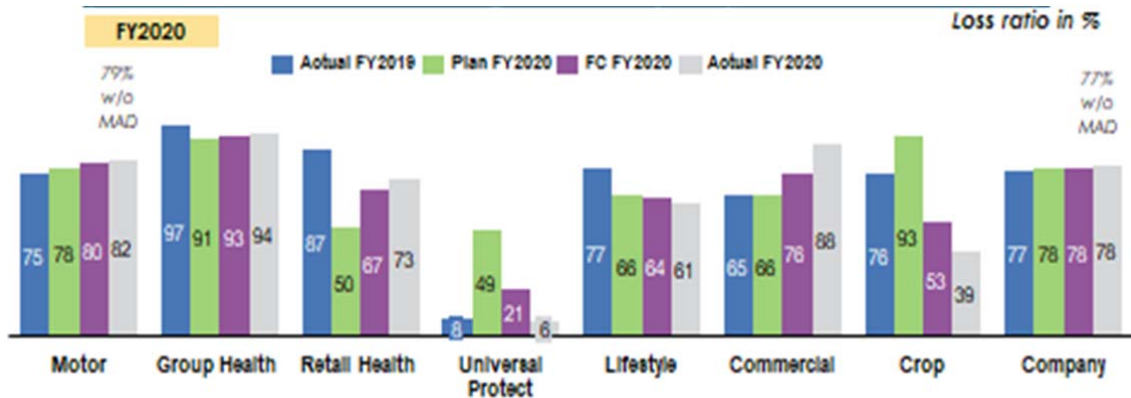
Commercial lines business registered impressive growth of 60% against the industry growth of 30%. Fire portfolio developed very well with 85% growth, Engineering at 30%, Marine Cargo at 60% and Liability Insurance at 15%. Key areas which supported this growth were, portfolio approach driven by profit centre concept with dedicated teams in sales and underwriting approaching large corporates and differential strategy adopted for retail commercial segment working with agents and SME clients focussing on their specific insurance needs by offering quick quotation modules and providing online platform such as Single transit marine cargo insurance and Employee Compensation insurance.

Revised IIB pricing implementation at the end of Q4 FY 2019-20 for all risk occupancies was the key highlight of the fire insurance business. This will help us during the FY 2020-21. The fire insurance is now hard market and along with Covid19, the impact of IIB price combined with economic crisis needs to be looked at for the year FY21.

Underwriting Results:

- Loss ratio @78% higher than planned loss ratio @ 78% and last year @77%
- Higher loss ratio in Motor (82%), Marine Cargo (119%)

- Lower than planned loss ratio in Crop business (39%)



Underwriting Actions Taken:

a. Motor:

- Price increase across segments, Pruning portfolio in luxury cars, increased proportion of new vehicles
- Correction in sourcing for negative locations
- Frequency and Average claim size of portfolio maintained in line with last year
- Third party focus on faster settlement, Exonerations and control, sourcing quality

b. Commercial Lines:

- Fire: Intensified the risk survey requirement for high hazard segments
- Marine: Reduced exposure in accounts with high frequency of claims
- Engineering: Reduced exposure to road projects
- Liability: Reduced exposure to product recall and product guarantee cover within casualty book
- Employee Compensation: Reduced exposure in Gujarat State and in Ceramic Industry

c. Group Health:

- Initiatives taken to achieve planned LR through price increase and increase in SME portfolio

d. Crop:

- Loss ratio for Kharif portfolio in Gujarat and Karnataka in control and below the forecast estimate

COVID-19 Pandemic

Financial year 2019-20 witnessed a major pandemic impacting more than 180 countries in the world. Indian Government ordered country wide lockdown with effect from 24th March 2020 and this resulted in slowdown in the business activities. It's major impact from the General Insurance point of view was seen in declining motor insurance, as the motor vehicle dealerships were completely closed. Similarly the new travel insurance sells went down by almost 100%. Month of March 2020 was not affected much, but the financial year 2020-21 will see a substantial decrease in business volumes. The claims reporting during the lockdown period has also come down drastically.

5. Reinsurance

Reinsurance treaty renewal for the market witnessed slight increase in proportional capacity for 2019-20. Non-Marine CAT and Risk excess of loss pricing for the treaty period 2020-21 remained flat due to no major catastrophic event in India during 2018-19. Following trends were witnessed:

- Reinsurers mandated minimum pricing for 8 fire occupancies for the primary policies till Dec 2019 and 281 occupancies w. e. f. 1st January 2020.
- GIC Re led the market changes with respect to the treaty capacity and excess of loss treaty pricing.
- No or negligible increase in proportional treaty capacity for the market.
- Increase in pricing for CAT XL treaty for cedants having loss recovery due to multiple last year flood events. For other cedants, global CAT losses had some influence.
- Most reinsurers showed keen interest for the crop reinsurance programs.

Reinsurance program for Bharti AXA General Insurance consist of proportional and non-proportional treaties, which provides reinsurance capacity and protection to underwrite small, mid and large (mega) sized risks as per our risk appetite. We have structured the reinsurance programme, keeping in mind the philosophy of purchasing adequate cover to protect the value-at-risk. Catastrophe risk exposure was mitigated by a separate non-proportional reinsurance treaty, which limits exposure to any single insured event. In addition to these treaties, we also purchase facultative reinsurance where required, on a case-to-case basis, in proposals, where the treaty limits are inadequate or the risk is not covered by the terms and conditions of the reinsurance treaties. Such reinsurance is placed with the reputed and well rated reinsurers in line with the Indian regulations.

6. Claims

The Company successfully maintained high standards of customer service in the claims function and proved its ability to service to the satisfaction of both individual retail customers as well as large corporate clients through a committed and focused team of claims professionals with requisite claims settlement authority. The claims team acted on the 'Customer First' principle to provide a seamless service experience to its customer. Major thrust has been to improve settlement ratio and reducing the number of outstanding cases. During this financial year, the company experienced multiple catastrophic events i.e. Cycle Fani, Cyclone Vayu and floods affected districts in the states of Maharashtra, Gujarat, Karnataka, Kerala, Rajasthan and Bihar. The Company had formed help desks to support and guide customers and instructed offices to fast-track claim settlement processes introducing documents waivers, survey waivers for minor losses and expedite claim settlement. Customer complaints showed a consistently declining trend through the year and in particular complaints relating to delay in claims servicing. The complaints related to claims decision delay dropped by 60% which ensured greater customer satisfaction. The complaint resolution time for claims related areas was 4.1 days which continued to be significantly better than the industry average.

7. Human Resource

During the financial year, the Human Resource function has continuously engaged with business to understand the changing business outlook and has carved out and executed key people imperatives, in the areas of Talent strategy, Capability Building, Succession Planning, redesigning people processes and enhancing employee engagement.

In line with the Talent Strategy agenda, your Company recruited the Chief Risk Officer. Further, in its endeavour to build talent depth, your Company hired 11 employees at levels of Deputy Vice President and above, more specifically in the areas of IT - Core System, Claims, Bancassurance, Corporate Sales, Underwriting, Operations, Risk Management and Agency Sales.

CORPORATE GOVERNANCE REPORT

Corporate Governance is a commitment to conduct business in an ethical and transparent manner, by complying with the applicable laws, rules, regulations and guidelines in true spirit. Corporate Governance involves balancing the interest of various stake holders. The Companies Act, 2013 as well as IRDAI Guidelines on Corporate Governance recognize the importance of having good corporate governance structure and laid down the various initiatives which should be taken by the Corporates.

Your Company is fully committed to follow sound corporate governance practices and uphold the highest business standards in conducting business. The Company continues to focus on building trust with shareholders, policyholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz. integrity, equity, transparency, fairness, sound disclosure practices, accountability and commitment to values. It also aims to increase and sustain its corporate value through growth and innovation. The Company's governance framework encompasses not only regulatory and legal requirements but also several voluntary practices aimed at maximizing shareholders' value legally, ethically and on a sustainable basis.

The Company believes in the philosophy of conducting business through fair and ethical means. The true spirit of corporate governance emanates from the strong values that the Company believes and practices. A detailed report on Corporate Governance is as follows:

BOARD STRUCTURE

The composition of Board of Directors is in compliance with provisions of the Companies Act, 2013, in accordance with Corporate Governance guidelines prescribed for insurance companies by IRDA as well as in conformity to the IRDAI guidelines on Indian owned and controlled.

CONSTITUTION OF THE BOARD

Your Company has eleven (11) Directors, out of whom 3 are Independent Directors, 4 are Bharti representatives and 3 are AXA representatives and a CEO and Managing Director.

BOARD PROCEDURES

A detailed Agenda is sent to each Director in advance of Board and Committee meetings. A detailed functional report is also placed at Board Meetings when required. The Board also reviews:

- Strategic Plans and Business plans
- All the organizational policies such as Investment Policy, Agency Policy, Policy on Maintenance of Insurance Records etc. on an annual basis.
- The information on recruitment and remuneration of Key Managerial Persons
- Show cause, demand, prosecution notices and penalty notices which are materially important
- Any material point for financial obligation and discipline to and by Your Company
- Compliance with statutory/regulatory requirements and review of major legal issues

- The un-audited quarterly /half yearly results and audited annual accounts of Your Company for consideration and adoption in the format specified under Insurance Laws
- Delegation of powers to the management, as and when required
- Transaction pertaining to sale or purchase of material nature or Investments which is not in normal course of business.
- Major accounting provisions and write-offs
- Corporate restructuring
- Minutes of meeting of the Board Committees
- Issuance of shares and share transfers

Number of Board Meetings held and attendance of directors during the Financial Year 2019-20

During the FY 2019-20, 9 Board meetings were held on April 30, 2019; May 13, 2019; June 24, 2019; July 29, 2019; August 28, 2019; November 13, 2019; January 22, 2020; February 5, 2020 and March 9, 2020.

The attendance of Directors during the Board meetings held in 2019-20 is given below:

Name of the Director	No. of Board Meeting Attended	April 30, 2019	May 13, 2019	June 24, 2019	July 29, 2019	August 28, 2019	November 13, 2019	January 22, 2020	February 5, 2020	March 9, 2020
Rakesh Bharti Mittal (Chairman)	8	✓ ¹	✓	✓ ¹	✓ ¹	✓	✓	Leave of absence	✓	✓
Akhil Gupta	3	Leave of absence	✓	Leave of absence	Leave of absence	Leave of absence	Leave of absence	Leave of absence	✓	✓
Harjeet Kohli	7	Leave of absence	✓	Leave of absence	✓ ¹	✓	✓	✓ ¹	✓	✓
Soumen Ghosh ⁺	5	✓	✓	✓	✓	✓	NA	NA	NA	NA
Rajesh Sud [#]	4	NA	NA	NA	NA	NA	✓	✓ ¹	✓	✓
Bharat S. Raut	9	✓ ¹	✓	✓ ¹	✓	✓	✓	✓ ¹	✓	✓ ¹
Jitender Balakrishnan	9	✓	✓	✓	✓	✓	✓	✓	✓	✓ ¹
Uma Relan	8	✓ ¹	✓	Leave of absence	✓ ¹	✓	✓	✓ ¹	✓	✓ ¹
Jean Drouffe	5	Leave of absence	✓	Leave of absence	✓ ¹	✓	Leave of absence	Leave of absence	✓	✓ ¹
Sanjeev S.	8	Leave of absence	✓	✓ ¹	✓	✓	✓	✓	✓	✓ ¹
Kuldeep Kaushik ⁺	1	Leave of absence	✓	NA	NA	NA	NA	NA	NA	NA

Jean-Baptiste Bois ^{&}	2	✓ ¹	✓	NA	NA	NA	NA	NA	NA	NA
Marc Audrin [@]	5	NA	NA	Leave of absence	Leave of absence	✓	✓	✓ ¹	✓	✓ ¹
Garance Richard [^]	4	NA	NA	✓ ¹	Leave of absence	Leave of absence	✓	Leave of absence	✓	✓ ¹

¹ Attended meeting through video conference

⁺ Ceased to be a Director with effect from May 13, 2019

[&] Ceased to be a Director with effect from May 15, 2019

[@] Appointed as a Director with effect from May 13, 2019

[^] Appointed as a Director with effect from May 15, 2019

^{*} Ceased to be a Director with effect from August 28, 2019

[#] Appointed as a Director with effect from August 28, 2019

Board Audit and Compliance Committee

Constitution of the Board Audit and Compliance Committee, number of meetings held and attendance of Members

During the FY 2019-20, 6 Board Audit and Compliance Committee meetings were held on May 13, 2019; July 29, 2019; August 28, 2019; November 13, 2019; February 4, 2020 and March 9, 2020.

The attendance of Members during the Board Audit and Compliance Committee meetings held in FY 2019-20 is given below:

Name of the Members	No. of Committee Meetings attended	May 13, 2019	July 29, 2019	August 28, 2019	November 13, 2019	February 4, 2020	March 9, 2020
Bharat S. Raut (Chairman)	6	✓	✓	✓	✓	✓	✓ ¹
Jitender Balakrishnan	6	✓	✓	✓	✓	✓	✓ ¹
Uma Relan	6	✓	✓ ¹	✓	✓	✓	✓ ¹
Jean Drouffe	6	✓	✓ ¹	✓	✓	✓	✓ ¹
Harjeet Kohli [*]	4	✓	✓ ¹	✓	✓	NA	NA
Rajesh Sud [#]	2	NA	NA	NA	NA	✓	✓
Marc Audrin ⁺	-	NA	NA	NA	NA	✓	NA

¹ Attended meeting through video conference

^{*} Ceased to be a Member with effect from November 13, 2019

[#] Appointed as a Member with effect from November 13, 2019

⁺ Mr. Marc Audrin was appointed as an Alternate Member to Mr. Jean Drouffe for attending the meeting held on November 13, 2019

- Mr. Rajesh Sud Appointed as an Alternate Member to Mr. Harjeet Kohli for attending the meeting held on November 13, 2019

Board Investment Committee

Constitution of the Board Investment Committee, number of meetings held and attendance of Members

During the FY 2019-20, four meetings of Investment Committee were held on May 14, 2019; August 28, 2019; November 12, 2019; and February 5, 2020.

The attendance of Members during the committee meetings held in FY 2019-20 is given below:

Name of the Member	No. of Committee Meetings attended	May 14, 2019	August 29, 2018	November 12, 2019	February 5, 2020
Harjeet Kohli (Chairman)	4	✓	✓	✓	✓
Jean Drouffe	4	✓	✓	✓	✓
Uma Relan	4	✓	✓	✓	✓
Sanjeev S.	4	✓	✓	✓	✓
Manoj Jaju	4	✓	✓	✓	✓
Nilesh Kambli*	4	✓	✓	✓	✓
Banashree Satpathy	4	✓	✓	✓	✓
Jignesh Sangoi	3	NA	✓	✓	✓

**Ceased to be a Member with effect from March 6, 2020*

Mr. Rahul Ahuja was appointed as an ex-officio Member of Board Investment Committee with effect from May 4, 2020

Risk Management Committee

Constitution of the Risk Management Committee, number of meetings held and attendance of Members

During the FY 2019-20, five meetings of Risk Management Committee were held on May 14, 2019; August 28, 2019; November 12, 2019; February 5, 2020; and March 9, 2020.

The attendance of Members during the committee meetings held in FY 2019-20 is given below:

Name of the Member	No. of Committee attended	May 14, 2019	August 28, 2019	November 12, 2019	February 5, 2020	March 9, 2020
Uma Relan (Chairperson)	5	✓	✓	✓	✓	✓ ¹
Harjeet Kohli	4	✓	✓	Leave of absence	✓	✓
Soumen Ghosh*	2	✓	✓	NA	NA	NA
Rajesh Sud [#]	3	NA	NA	✓	✓	✓
Jean Drouffe	4	Leave of absence	✓	✓	✓	✓ ¹
Marc Audrin	4	✓	✓	Leave of absence	✓	✓ ¹

¹ Attended through Video Conferencing

* Ceased to be a Member with effect from August 28, 2019

[#] Appointed as a Member with effect from August 28, 2019

Policyholders' Protection Committee

Constitution of the Policyholders' Protection Committee, number of meetings held and attendance of Members

During the FY 2019-20, four meetings of Policyholders' Protection Committee were held on May 14, 2019; August 28, 2019; November 12, 2019; and February 4, 2020.

The attendance of Members during the committee meetings held in FY 2019-20 is given below:

Name of the Member	No. of Committee Meetings attended	May 14, 2019	August 28, 2019	November 12, 2019	February 4, 2020
Jitender Balakrishnan	4	✓	✓	✓	✓
Bharat S. Raut	4	✓	✓	✓	✓
Jean-Bapsiste Bois [^]	3	✓	NA	✓	✓
Soumen Ghosh ^{&}	4	✓	✓	✓	✓
Garance Wattez-Richard [@]	3	NA	✓	✓	✓
Rajesh Sud [#]	2	NA	NA	✓	✓

[^] Ceased to be a Member with effect from May 15, 2019

[@] Appointed as a Member with effect from May 15, 2019

[&] Ceased to be a Member with effect from August 28, 2019

[#] Appointed as a Member with effect from August 28, 2019

- Mr. Jean Drouffe was appointed as an Alternate Member to Ms. Garance Wattez-Richard for attending the meeting held on November 12, 2019.

Board Nomination and Remuneration Committee

Constitution of the Board Nomination and Remuneration Committee, number of meetings held and attendance of Members

During the FY 2019-20, five meetings of Board Nomination and Remuneration Committee were held on May 14, 2019; August 28, 2019; November 12, 2019; February 4, 2020; and March 9, 2020.

The attendance of Members during the committee meetings held in FY 2019-20 is given below:

Name of the Member	No. of Committee Meetings attended	May 14, 2019	August 28, 2019	November 12, 2019	February 4, 2020	March 9, 2020
Bharat S. Raut (Chairman)	5	✓	✓	✓	✓	✓1
Rakesh Bharti Mittal*	2	✓	✓	NA	NA	NA
Jitender Balakrishnan	5	✓	✓	✓	✓	✓1
Jean Drouffe	5	✓	✓	✓	✓	✓1
Rajesh Sud [#]	3	NA	NA	✓	✓	✓

* Ceased to be a Member with effect from November 13, 2019

Appointed as a Member with effect from November 13, 2019

1 Attended through Video Conferencing

Details of sitting fees paid to Directors during the FY 2019-20 (in INR)

Sr. No.	Name of the Independent Director	Nature of Directorship	Sitting fees per Meeting		Total sitting fees paid during the FY 2019-20	
			Committee Meetings	Board Meeting	Committee Meetings	Board Meetings
1.	Bharat S. Raut	Independent Director	15,000	45,000	225,000	405,000
2.	Jitender Balakrishnan	Independent Director	15,000	45,000	225,000	405,000
3.	Uma Relan	Independent Director	15,000	45,000	225,000	360,000
	Total Remuneration				675,000	1,170,000

Details of Directors and their status of Directorship and qualifications:

Name	Status of Directorship	Area of Specialisation	Qualifications
Rakesh Bharti Mittal	Chairman and Non-Executive Director	Financial Management	4 year Post Diploma in Electronics and Controls from the YMCA University of Science and Technology formerly known as Y.M.C.A. Institute of Engineering.
Akhil Gupta	Non-Executive Director	Advanced Management Program	Chartered Accountant
Rajesh Sud*	Non-Executive Director	Insurance Industry Professional	Post Graduate in Marketing and Finance from Faculty of Management Studies, Delhi University. Advance Management Programme from Wharton Business School, University of Pennsylvania, Philadelphia, USA.
Harjeet Kohli	Non-Executive Director	Corporate finance, capital markets and international finance	BE (Mechanical) and MBA (Finance)
Bharat S Raut	Independent Director	Tax advisory, tax compliance and tax litigation	B.Com, LLB, Chartered Accountant
Jitender Balakrishnan	Independent Director	Industrial Management and customer services	B.E.(Mech) NIT, Madras University & Post Graduate Diploma in Industrial Management, Bombay University
Uma Relan	Independent Director	Capital Markets	Bachelor of Commerce, Bachelor of Law (General)
Jean Drouffe	Non-Executive Director	Insurance Industry Professional	Ecole Polytechnique (Sept 1994-July 1997) - Majored in Economics and Applied Mathematics ENSAE (Sept 1997-August 1999) - Majored in Economics, Insurance, Finance and Statistics Qualified Actuary – French institute IAF (Dec 1999)
Marc Audrin**	Non-Executive Director	Risk Management	Master in Business Administration from French Business School and DESCF (French CPA)
Garance Wattez-Richard***	Non-Executive Director	Insurance Industry Professional	Master in Economics from London School of Economics and Master in Business Administration from INSEAD

Name	Status of Directorship	Area of Specialisation	Qualifications
Sanjeev S.	CEO and Managing Director	Marketing and Finance	MDP, IIM Ahmedabad, General Management; MBA, Rohilkhand University, Bareilly; B.Sc., Rohilkhand University, Bareilly

** Appointed as Director with effect from August 28, 2019*

*** Appointed as Director with effect from May 13, 2019*


**** Appointed as Director with effect from May 15, 2019*

Acknowledgements

The Board places on record its sincere appreciation of the hard work, professionalism, team work and relentless pursuit of excellence shown by its employees and distributors, which has enabled the company to successfully complete the financial year. The Board also expresses its gratitude to the Insurance Regulatory and Development Authority of India, the Bharti Group and the AXA Group for their constant support, guidance and co-operation.

**For and on behalf of the Board of Directors of
Bharti AXA General Insurance Company Limited**

RAKESH
BHARTI
MITTAL



Digitally signed
by RAKESH
BHARTI MITTAL
Date: 2020.05.13
19:49:51 +05'30'

Rakesh Bharti Mittal

Chairman

DIN: 00042494

Date: May 13, 2020

Place: Mumbai

**“CERTIFICATION FOR COMPLIANCE OF CORPORATE GOVERNANCE
GUIDELINES FOR FINANCIAL YEAR 2019-20”**

I, Amit Raheja, hereby certify that the Company has complied with the Corporate Governance Guidelines issued by IRDAI for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

A handwritten signature in black ink, appearing to read 'Amit Raheja', with a stylized, flowing script.

Amit Raheja
Head – Legal & Compliance and Company Secretary

Date: May 13, 2020

**BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
NOMINATION AND REMUNERATION POLICY**

1. SCOPE OF APPLICATION

This policy shall come into force with effect from the date of approval by the Board of Directors of the Company and shall be applicable to:

- (a) Non-Executive Directors
- (b) Managing Director / Whole Time Director / Chief Executive Officer / Executive Director
- (c) Key Management Persons (KMP) of the Company

2. KEY OBJECTIVES

This Nomination and Remuneration Policy Statement takes into account Bharti AXA General Insurance Company's business strategy, objectives, risk tolerance, and the long-term interests of its clients, shareholders and employees. In the document below we have sought to ensure that the nomination and remuneration policies and practices at Bharti AXA General Insurance attracts right talent and drives effective risk management and right behaviors that are in the long term interests of both the Company and its shareholders.

The key objectives of Policy are:

- 1.1. To provide the criteria for identification of persons who are qualified to become Directors, Key Management Persons (as defined in point 2.3)
- 1.2. To provide standards for appointment, remuneration and removal of Directors and Key Management Persons and other Senior Management personnel.
- 1.3. To set out the methodology for carrying out performance evaluation of Directors and Key Management Persons
- 1.4. To fix the fee structures and fee levels for Independent Directors.
- 1.5. To approve remuneration plan for employees of the Company;

The Remuneration Philosophy aims to:

- a) attract and retain the best skills and talents by offering competitive packages by differentiating employees on the basis of performance;
- b) foster employee engagement by rewarding fairly and consistently across businesses, teams and individuals;
- c) Strengthening leadership by rewarding performance as the combination of both results and behaviors.

3. **DEFINITIONS**

- 3.1. **Act means Companies Act, 2013**
- 3.2. **Director** means a person appointed to the position of a Director on the Board of Director of the Company.
- 3.3. **Guidelines** means IRDAI (Remuneration of Non-executive Directors of Private Sector Insurers) Guidelines, 2016
- 3.4. **Independent Director** means a director referred to in Section 149(6) of the Companies Act, 2013
- 3.5. **Managing director**” means a director who, by virtue of the articles of a company or an agreement with the Company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a director occupying the position of managing director, by whatever name called.
- 3.6. **Whole-time director**” includes a director in the whole-time employment of the Company
- 3.7. **Key Management Person** (KMP) means a person as defined under section 2(51) of the Companies Act 2013 and / or a person defined as a Key Management Person under IRDAI Guidelines on appointment and reporting of Key Management Persons, as amended from time to time.
- 3.8. **Senior Management Person** means persons of the company who are members of its core management team excluding the Board of Directors comprising all members of management one level below the Board, including the functional heads.

4. POLICY

Any proposal for remuneration or increase in remuneration must be submitted in adherence to the Board Nomination and Remuneration Committee (BNRC) and BNRC may recommend the proposal to Board of Directors for their consideration in accordance with this Policy.

Any changes in the Policy on account of regulatory requirements will be reviewed and approved by the Board Nomination and Remuneration Committee and the Board. The Board Nomination and Remuneration Committee / Board will give suitable directions / guidelines to implement in the Policy.

The Policy shall be reviewed yearly by the Board Nomination and Remuneration Committee and the Board of Directors of the Company.

5. APPOINTMENT CRITERIA AND QUALIFICATIONS

5.1. Non-Independent Director and KMP

- 5.1.1. The BNRC shall identify and ascertain the integrity, qualification, expertise, experience, past remuneration of the persons for appointment as Non-Independent Director and KMP or at Senior Management level and recommend to the Board of Directors for their consideration.
- 5.1.2. The BNRC shall exercise due diligence and ensure that the candidate who is proposed to be appointed is 'fit and proper' for the position. For all Directors and KMP a 'fit and proper declaration' shall be taken from the candidate before appointment.
- 5.1.3. No appointment, re-appointment or termination of appointment of /MD/CEO/MTD/ED shall have effect unless such appointment, re-appointment or termination is made with the previous approval of the IRDAI and approval of Board of Directors is obtained.
- 5.1.4. No appointment of Appointed Actuary shall have effect unless such appointment is made with the previous approval of the IRDAI and approval of the Board of Directors is obtained.

5.2. Independent Directors

- 5.2.1. The Committee shall ascertain the qualification, positive attributes and independence of the person for appointment as Independent Director.
- 5.2.2. Independent Directors shall be appointed for their professional expertise in their individual capacity as independent professionals.
- 5.2.3. The candidates shortlisted for the position of Independent directors shall fulfill the criteria laid down by regulatory authorities under the IRDAI's Corporate Governance Guidelines and Companies Act 2013.
- 5.2.4. An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operation, or other disciplines related to the Company's business.
- 5.2.5. The Committee shall consider the criteria mentioned in section 149(6) of the Companies Act, 2013 as may be amended from time to time, for determining the Independence of Independent Directors.

6. PERFORMANCE EVALUATION OF DIRECTORS

- 6.1. The Committee should consider the following criteria while evaluating the performance of the Directors:
 - a) Attendance of the Board and Committee meetings
 - b) Contribution of the Directors at the Board and Committee meetings
 - c) Quality of interaction at the meetings
 - d) Governance on compliance and risk areas
- 6.2. Such other criteria as may be decided by the Committee
- 6.3. The Committee shall evaluate the performance of directors before considering their re- appointment and shall accordingly recommend the Board for their re-appointment.
- 6.4. The Director whose performance is subject to evaluation and discussion at a particular Committee / Board meeting shall not participate in such meeting.
- 6.5. Separate meeting of Independent Directors shall be held for evaluation of the performance of Board of Directors at least once every financial year.

7. REMOVAL / VACATION OF OFFICE/SUPERANNUATION/RESIGNATION

- 7.1. The Committee shall be taking utmost care and diligence while recommending the appointment of Directors, KMPs and Senior Management Person. However due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Person subject to the provisions and compliance of the said Act, rules and regulations.
- 7.2. The Committee at its discretion may also recommend to the Board for removal of Director, KMPs and Senior Management person due to misconduct, unsatisfactory performance and for such other reasons as the committee deems fit.
- 7.3. Grounds for Removal according to Companies Act, 2013
 - a) If he/she incurs any of the disqualifications specified in section 164
 - b) If he/she absents himself for all the meetings of the Board of Directors held during 12 weeks
 - c) If he/she contravenes provisions of Section 184
 - d) If he/she fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested
 - e) If he/she is disqualified by a court of any offence involving moral turpitude and is sentenced to imprisonment for a period of not less than 6 months
- 7.4. The Director, KMPs and Senior Management person, unless re-appointed, shall vacate their office on retirement / expiry of their term as per the terms and conditions of their appointment / employment and the applicable provisions, rules and regulations of the Companies Act, 2013 and other applicable laws.
- 7.5. KMPs shall lay down their office on the date of attainment of the age of superannuation as per their Employment Contract or upon the expiry of the term of their appointment.
- 7.6. An Independent Director shall lay down his/her office, unless re-appointed for another term as per the applicable provisions of Companies Act, 2013 and rules thereunder.
- 7.7. A director may resign from his office by giving a notice in writing to the

Company and the Board and such resignation of a director shall take effect from the date on which the notice is received or such further date as may be mentioned.

8. TERM AND TENURE

- 8.1. The Managing Director / Whole-time Director / Executive Director may be appointed for a term not exceeding five years at a time.
- 8.2. Independent Directors may be appointed for a term not exceeding five years and shall not be re-appointed for more than 2 consecutive terms of 5 years. The Independent Directors who has completed 2 consecutive terms may be considered for re-appointment after the cooling off period of three years.
- 8.3. Other Directors, KMPs or Senior Management Person(s) may be appointed for such term as the Board may deem fit from time to time.

9. REMUNERATION PRINCIPLES

The remuneration Policy is based on the following key principles:

- 9.1. Simple, consistent and transparent.
- 9.2. Achieving a balance between pay and performance, such that:
 - 9.2.1. fixed pay remains at an appropriate level when considered against the highly competitive market place, ensuring we are able to attract and retain high caliber staff;
 - 9.2.2. and variable pay and incentives provide a strong and demonstrable link between the performance of the Company and/ or other parameters as may be approved by the Nomination & Remuneration Committee.
- 9.3. Total Remuneration is adjusted for all types of risks such as cash, credit and liquidity risks , such that:
 - Remuneration outcomes are symmetric with risk outcomes and sensitive to time horizon of risk

Use mix of cash, equity and deferred compensation to be consistent with risk alignment. In setting remuneration levels, the Committee is mindful of the fact that our business operates in a highly competitive market. The Committee takes into account appropriate remuneration data from the relevant market.

10. REMUNERATION OF DIRECTORS

10.1. Independent Directors:

- 10.1.1. As per Section 197 (5) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company can decide on the remuneration to be paid to Directors by way of fee for attending meetings of the Board or Committee thereof.
- 10.1.2. The sitting fees payable to Independent Directors of the Company for attending the Board and Committee meetings will be approved by the Board of Directors of the Company from time to time on the recommendation of Board Nomination and Remuneration Committee.
- 10.1.3. In addition to above, they are entitled to reimbursement of travel and accommodation expenses incurred in connection with attending the Board, Committee and General meetings of the Company.
- 10.1.4. The Independent Directors may, be paid profit related commission, as prescribed under the Guidelines, after Nomination & Remuneration Committees and Board

10.2. Non-Executive Directors:

- 10.2.1. None of the director representing the shareholders of the Company shall be paid any remuneration for attending the Board / Committee meetings of the Company.
- 10.2.2. In compliance with Guidelines, the Board of Directors may approve the remuneration in the form of profit related Commission to the Non-Executive Director's, excluding the Chairman of the Board.

11. REMUNERATION FRAMEWORK

The key elements of our remuneration framework for KMPs and other Senior Management Persons are as below:

11.1. Total Fixed Pay:

- 11.1.1. The Total Fixed Pay for all its employees shall be based, inter alia, the competitive market benchmarking to attract and retain talent
- 11.1.2. It shall be periodically benchmarked to ensure that the pay remains competitive and adequate to attract and retain high caliber talent.

11.2. Variable Pay:

- 11.2.1. There should be proper balance between fixed pay and variable pay. The proportion of variable pay to fixed pay increases with increase in level of responsibility, skill and specialty of function / role.
- 11.2.2. The variable pay can be in the form of cash, deferred cash, stock linked instruments or a mix of these. Appropriate balance between will be maintained between cash and stock/share linked components in the variable pay.
- 11.2.3. The payout against the variable pay opportunity will be calculated based on Company Performance (including group and / or regional performance, as the case may be) as well as Individual performance.

Deterioration in financial performance of the company will generally lead to contraction in the variable remuneration paid. Conversely, if there is an improvement in financial performance of the Company, it may lead to an increase in the variable pay.

- 11.2.4. Wherever applicable, the variable pay will be adjusted for all types of business risks which are an integral part of the KPIs of Senior Management and KMPs. While calculating the variable pay of CEO & MD, due consideration shall be given to the parameters as laid down by IRDAI in the Guidelines.

The variable pay-out to the MD & CEO will be as per the structure approved by the Board on recommendation of Nomination & Remuneration Committee, subject to in conformity with the extant regulatory provisions.

11.3. Total Remuneration:

- 11.3.1. Total Remuneration may comprise of total fixed pay, actual variable pay, perquisites, guaranteed pay, sign on bonus, deferred bonus, one-time payouts, pension plans, gratuity, benefits and superannuation.
- 11.3.2. Total Remuneration does not include ESOPs.

- 11.3.3. If the annual compensation of the CEO is more than 1.50 crore (including all perquisites and bonuses etc.), such excess shall be debited to by the Shareholders' account
- 11.3.4. Any of the following types of compensation may be provided to an MD/WTED/CEO after the approval of Board of Directors subject to the prior approval of IRDAI.
- 11.3.5. The MD/ WTDs / CEO of the Company shall not be paid remuneration by any promoter/investor or group companies of the promoters'/investors'.

11.4. ESOP:

- 11.4.1. ESOP is a widely used instrument to provide employees with stock ownership and align them to long term interest of the company. While ESOP is not part of total remuneration, the extent of ESOPs issued should be reasonable and decided based on affordability of the company.
- 11.4.2. In accordance with the disclosure requirements laid out for financial statements of the company, details of the ESOP granted to the MD & CEO will be disclosed to the regulator.
- 11.4.3. If the ESOPs of Bharti AXA General Insurance are offered to CEO & MD or a WTD, such offer shall be in compliance of the applicable regulatory requirements and the manner of pricing of shares shall be disclosed upfront to the IRDAI.

11.5. Sweat Equity:

If the shares of Bharti AXA General Insurance Co. Ltd. are issued in form of Sweat Equity, then it will be governed by the provisions of the Sweat Equity Regulations issued by SEBI.

11.6. Guaranteed Bonus:

- 11.6.1. In compliance with IRDAI guidelines, guaranteed bonuses will not be part of the compensation structure for MD/CEO/WTED. Hence, the joining or sign on bonus will only form part of the first year compensation package, which may be paid beyond the year of joining.
- 11.6.2. Sign on / Joining Bonus, Retention Bonus, Deferred bonus, other one-time payouts, may be offered with appropriate claw backs.

11.7. Deferral Pay:

- 11.7.1. In case of deferral arrangement of variable pay for MD/CEO/WTED, the deferral period should not be less than 3 years.
- 11.7.2. Remuneration paid under deferral arrangements should vest no faster than on pro rata basis.
- 11.7.3. In event of any negative trend in the parameters on the basis of which the variable pay has been structured in any year during the vesting period, any unvested/unpaid portions will be clawed back appropriately basis actual/realized performance of the company.
- 11.7.4. The claw back norms will be driven by observable and verifiable measures of risk outcomes defined for calculation of variable pay

12. SEVERANCE PAY

- 12.1.1. Without the prior approval of the Board, the Company will not grant any severance pay to MD & CEO other than accrued benefits (gratuity, pension, etc.)
- 12.1.2. Severance Pay does not include notice period pay.

Disclosure pursuant to IRDAI Guidelines on Remuneration to Non-executive Directors and MD/CEO/WTB dated August 5, 2016 and IRDAI Corporate Governance Guidelines

The Remuneration Philosophy of the Company aims to:

- a) attract and retain the best skills and talent by offering competitive packages and differentiating among employees on the basis of performance;
- b) foster employee engagement by rewarding fairly and consistently across businesses, teams and individuals;
- c) strengthen its leadership by rewarding performance as the combination of both results and behaviors.

The remuneration structure for employees is designed as a mix of fixed pay, performance linked bonus, benefits and long term incentive. The proportion of variable pay to fixed pay varies by band and increases with higher seniority. The payment of variable pay is linked to individual performance and company performance. Strong financial and non-financial Key Performance Indicators are built into the performance parameters to ensure that all current and future risk is taken into account in the remuneration process.

Remuneration paid to CEO and MD is disclosed in Notes to Accounts.

The details of remuneration paid to KMP, other than CEO and MD is as follows:

- Total Deferred Pay (LTI) Granted to KMPs in various years: Rs. 6,44,74,627 (Out of which INR 92,73,738 was granted to now exited KMPs)
- Deferred Pay (LTI) Granted during the year 2019-20: Rs. 2,54,86,422 (Out of which INR 39,19,238 was granted to now exited KMPs)
- Fixed pay paid during the year 2019-20: Rs. 8,90,06,492 (Out of which INR 84,27,033 was paid to now exited KMPs)
- Non Deferred Pay (Bonus) paid: Rs. 2,40,16,113 (Out of which INR 40,24,200 was paid to now exited KMPs)
- Deferred Remuneration (Deferred Bonus / LTI / Joining Bonus) Paid out in Financial Year 2018-19 to KMPs: Rs. 1,99,37,844 (Out of which INR 16,44,363 was paid to now exited KMPs)

KMPs are also eligible for other benefits like gratuity, leave encashment, group mediclaim insurance, etc. LTI granted to employees before they assumed the position of KMPs has also been included above.

Annexure C**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN
as on financial year ended on March 31, 2020**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i. **CIN:** U66030KA2007PLC043362
- ii. **Registration Date:** July 13, 2007
- iii. **Name of the Company:** Bharti AXA General Insurance Company Limited
- iv. **Category / Sub-Category of the Company:** General Insurance
- v. **Address of the Registered office and contact details:** First Floor, Hosto Centre, No. 43, Miller Road, Vasanth Nagar, Bangalore -560 052
- vi. **Whether listed company:** The Debt Securities (350 NCDs) are listed on the National Stock Exchange of India
- vii. **Name, Address and Contact details of Registrar and Transfer Agent, if any –**
BGSE Financials Limited
Stock Exchange Tower, No.51,
1st Cross, J. C. Road,
Bangalore 560 027
Phone: 080-41329661

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Non-Life Insurance Business	65120	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary / associate	% of shares held
1	Bharti General Ventures Private Limited (formerly known as Bharti General Private Limited)	U74140DL2007PTC293108	Holding Company	51

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	5	0	5	0	5	0	5	0	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp. Bharti General Ventures Private Limited	826,937,110	-	826,937,110	51	1,023,050,416	-	1,023,050,416	51	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	826,937,110	-	826,937,110	51	1,023,050,416	-	1,023,050,416	51	-
(1) Foreign									
a)NRI - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp. Société Beaujon	794,508,207	-	794,508,207	49	982,930,795	-	982,930,795	49	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub total (A) (2)	794,508,207	-	794,508,207		982,930,795	-	982,930,795	49	-
Total shareholding of Promoter (A) (1) + (A) (2)	1,621,445,322	-	1,621,445,322	100	2,005,981,216	-	2,005,981,216	100	-

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,621,445,322	-	1,621,445,322	100	2,005,981,216	-	2,005,981,216	100	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Bharti General Ventures Private Limited	826,937,110	51	N.A.	1,023,050,416	51	N.A.	NIL
2.	Société Beaujon	794,508,207	49	N.A.	982,930,795	49	N.A.	NIL
3.	Sanjeev S. [#]	1	0	N.A.	1	0	N.A.	NIL
4.	Vidya Raman [#]	1	0	N.A.	0	0	N.A.	NIL
5.	Nilesh Kambli [#]	1	0	N.A.	1	0	N.A.	NIL
6.	Amit Raheja [#]	1	0	N.A.	1	0	N.A.	NIL
7.	Saurav Jaiswal [#]	1	0	N.A.	1	0	N.A.	NIL
8.	Rohit Puri [#]	0	0	N.A.	1	0	N.A.	NIL

[#]Nominee on behalf of Bharti General Ventures Private Ltd (previously known as Bharti General Private Limited)

C) Change in Promoters' Shareholding - No change

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	N.A.	N.A.	N.A.	N.A.
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.	N.A.	N.A.	N.A.
	At the end of the year	N.A.	N.A.	N.A.	N.A.

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3	At the end of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in INR)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	2,200,000,000	Nil	2,200,000,000
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	2,200,000,000	Nil	2,200,000,000
Change in Indebtedness during the financial year				
* Addition	Nil	350,000,000	Nil	350,000,000

* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	350,000,000	Nil	350,000,000
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	2,550,000,000	Nil	2,550,000,000
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	153,669,590		153,669,590
Total (i+ii+iii)		2,703,669,590	Nil	2,703,669,590

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to CEO and Managing Director:

Managerial Remuneration:

A) Chief Executive Officer's (CEO's) Remuneration

Appointment of Managerial Personnel is in accordance with the requirements of Section 34A of the Insurance Act, 1938 and is as approved by the IRDAI.

Details of the managerial remuneration paid/ payable by the Company to MD & CEO are as follows:

Sr. No.	Gross salary	(in INR)	
		Sanjeev S. CEO & MD	Total Amount
i.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,41,07,581	3,41,07,581
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
ii.	Stock Option	-	-
iii.	Sweat Equity	-	-
iv.	Commission	-	-
	- as % of profit	-	-
	others, specify...	-	-
v.	Others, please specify		
	Total	3,41,07,581	3,41,07,581

B. Remuneration to other directors

(in INR)

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Bharat Raut	Jitender Balakrishnan	Uma Relan	
1	Independent Directors				
	Fee for attending board / committee meetings	630,000	630,000	585,000	18,45,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	630,000	630,000	585,000	18,45,000
2	Other Non-Executive Directors**				
	Fee for attending board / committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	630,000	630,000	585,000	18,45,000
	Total Managerial Remuneration	630,000	630,000	585,000	18,45,000
	*Overall Ceiling as per the Act	1,00,000 per meeting	1,00,000 per meeting	1,00,000 per meeting	

*Currently the Company is paying INR 45,000 as sitting fees for Board meeting and INR 15,000 for committee meeting.

**No fees/remuneration is paid to the Non-executive Directors

C. Remuneration to key managerial personnel other than MD / MANAGER / WTD

Particulars of Remuneration	Amit Raheja – Company Secretary	Nilesh Kambli Chief Financial Officer*	Total
Gross salary	62,98,858	1,20,91,564	1,83,90,422
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission	-	-	-
- as % of profit	-	-	-
others, specify...	-	-	-
Others, please specify	-	-	-
Total	62,98,858	1,20,91,564	1,83,90,422

*Resigned with effect from March 6, 2020

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment					
Compounding					
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment					
Compounding					

Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
#43, 1st floor, Hosto Centre,
Opp. Imperial Hotel,
Millers Road,
Vasanth Nagar
Bangalore - 560052

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bharti Axa General Insurance Company Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020**, complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Bharti Axa General Insurance Company Limited** for the financial year ended on **March 31, 2020** according to the provisions of:

- i. The Companies Act, 2013 ("the Act") including The Companies (Amendment) Act, 2019, The Companies (Amendment) Ordinance, 2019 and the rules made thereunder;
- ii. Foreign Exchange Management Act, 1999 ('FEMA') and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

Cont...2...

...2...

- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable;
- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; [Not applicable during the period of audit]
 - f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; [Not applicable during the period of audit]
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable during the period of audit]
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not applicable during the period of audit]
- vi. The list of Acts, Laws and regulations specifically applicable to the Company are given below:
- a) The Insurance Act, 1938 including amendments and part thereof;
 - b) The Insurance Regulatory and Development Authority Act, 1999 and rules and regulations made thereunder;
 - c) The Rules, regulations, guidelines, circulars and notifications issued by the Insurance Regulatory and Development Authority of India (IRDAI) as are applicable to a General Insurance Company.
- The Company has its own robust compliance system and the Company is also subject to monitoring by and reporting of compliances to IRDAI.
- vii. We have also examined compliance with the applicable clauses of the following:
- a) Secretarial Standards I and II issued by The Institute of Company Secretaries of India.
 - b) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

...3...

We report that during the conduct of the audit, in our opinion, adequate systems exist in the Company to monitor and ensure compliance with general laws.

We report that the Compliance by the Company of applicable financial laws, like direct, indirect tax laws and Goods and Service Tax has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. There are adequate systems and processes in the Company to commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
3. Adequate notices are given to all directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

We further report that during the Audit Period, the Company had the following specific events:

1. The Board Members of the Company, by circular Resolution No.1/2019-20, dated April 30, 2019, approved the allotment of 350 unsecured, sub-ordinate, fully paid-up, listed, fully redeemable and Non-Convertible Debenture ("NCD's") of face value of Rs.10,00,000/- each, aggregating Rs.35 crores ('NCDs') with ISIN INE513L08024. These NCD's are listed and traded on National Stock Exchange.
2. The following shares, were allotted during the financial Year 2019-2020:
 - The Board Members of the Company, by circular Resolution No.2/2019-20, dated June 29, 2019, were allotted 99,535,894 Equity Shares of Rs.10 each to the existing shareholders of the Company on Right Basis.
 - The Board Members of the Company, by circular Resolution No.10/2019-20, dated December 13, 2019 were allotted 11,00,00,000 Equity Shares of Rs.10 each to the existing shareholders of the Company on Right Basis.

Cont...4...

- The Board Members of the Company, by circular Resolution No.12/2019-20, dated January 31, 2020 were allotted 3,80,00,000 Equity Shares of Rs.10 each to the existing shareholders of the Company on Right Basis.
- The Board Members of the Company, by circular Resolution No.15/2019-20, dated March 31, 2020 were allotted 1,37,00,00,000 Equity Shares of Rs.10 each to the existing shareholders of the Company on Right Basis.

- As informed, the Company has responded appropriately to notices/emails received from the statutory / regulatory authorities including by taking corrective measures wherever found necessary.

MAHESH KUMAR SONI

Digitally signed by MAHESH KUMAR SONI
DN: email=maheshsoni@gmail.com, cn=,
o=Maharashtra, street=202, OU=VIRAL V.P.
ROAD, FALIRAM ROAD, ANDHERI (WEST),
ca=IN, serialNumber=36954636161389725657111b9c11ca0b9659a39c3c5667463,
c=MAHESH KUMAR SONI,
2.5.4.20=3B86455E52D675301A4036A1ad7f9a
d63494d158b3c696ac8f8d30f344a4a
Date: 2020.05.27 22:23:10 +05'30'

UDIN: F003706B000290300

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

ANNEXURE A

To,
The Members,
BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
#43, 1st floor, Hosto Centre,
Opp. Imperial Hotel,
Millers Road,
Vasanth Nagar
Bangalore - 560052

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the outbreak of COVID -19 pandemic and the current lockdown in the entire country, physical examination of documents under Companies Act, 2013 and IRDAI is not possible; we have therefore relied upon the documents provided by the Company in electronic mode for Audit purpose.

**For GMJ & ASSOCIATES
Company Secretaries**

MAHESH
KUMAR
SONI

Digitally signed by MAHESH KUMAR SONI
DN: email=maheshsoni@gmj.co.in, c=IN,
o=Maharashtra, street=202, OM VIRAJ, V. P.
ROAD, PALURAM ROAD, ANDHERI (WEST),
o=Personal,
serialNumber=d36954b3619a13897058b283
e8a55e731f1b0c11ca089ba953e9c505667
463, cn=MAHESH KUMAR SONI,
2.5.4.20=38675655E25D75C901A943A1A97
9ADD149F4150b30d694c5d7833d14aee4
Date: 2020.05.27 22:22:13 +05'30'

[MAHESH SONI]

PARTNER

FCS: 3706 COP: 2324

DATE: MAY 27, 2020.

UDIN: F003706B000290300

Annexure E

DISCLOSURE OF MANAGERIAL REMUNERATION

Details of remuneration as required under Rule 5 (1) of the Companies (Appointment and Remuneration of Personnel) Rules, 2014, is prescribed as under:

A) Ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2019-20:

Name	Designation	Ratio of remuneration of each Director to the median remuneration of the employees
Rakesh Bharti Mittal	Chairman & Non-Executive Director	-
Akhil Kumar Gupta	Non-Executive Director	-
Harjeet Kohli	Non-Executive Director	-
Rajesh Sud	Non-Executive Director	-
Jean Drouffe	Non-Executive Director	-
Marc Audrin	Non-Executive Director	-
Garance Wattez-Richard	Non-Executive Director	-
Bharat S. Raut	Independent Director	-
Jitender Balakrishnan	Independent Director	-
Uma Relan	Independent Director	-
Sanjeev S.	CEO & MD	41: 1

B) Percentage increase in the Remuneration of all employees

The average increase in the remuneration of all employees in the Financial Year 2019-20 was 8.3%. The average increase in the remuneration of key managerial personnel stood at 13.6%.

C) Total number of permanent employees as on March 31, 2020

The total number of permanent employees of the Company as on March, 31, 2020 stood at 2180.

D) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average percentile increase in the salaries of the employees other than the Key Managerial Personnel in the last financial year was 8%, while the average percentile increase in the salaries of the Key Managerial Personnel in the last financial year was 11%.

E) Affirmation that the remuneration paid is as per the Remuneration Policy of the Company

The Company has paid the remuneration to the Key Managerial Personnel in accordance with the Remuneration Policy of the Company.

Annexure F**Form No. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis – Not Applicable

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	--
b)	Nature of contracts/arrangements/transaction	--
c)	Duration of the contracts/arrangements/transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	--
e)	Justification for entering into such contracts or arrangements or transactions'	--
f)	Date of approval by the Board	--
g)	Amount paid as advances, if any	--
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	--

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details	
		1	2
a)	Name(s) of the related party and nature of relationship	Bharti Life Ventures Private Limited	Bharti Life Ventures Private Limited
b)	Nature of contracts/arrangements/transaction	Addendum to Consultancy Agreement dated 7 th November 2017	Consultancy Agreement
c)	Duration of the Contracts / arrangements / transaction	Valid till March 31, 2020	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Payment of one time variable fee.	<ul style="list-style-type: none"> • Advisory and consulting services. • Payment of fixed fee and reimbursement of actual variable expenses (including but not limited to the rentals with respect to the premises

			occupied by the Consultant) incurred by the Consultant in relation to providing the services under the Agreement.
e)	Date of approval by the Board	February 5, 2020	March 9, 2020
f)	Amount paid as advances, if any	Nil	Nil

For and on behalf of the Board

RAKESH
BHARTI
MITTAL

Digitally signed
 by RAKESH
 BHARTI MITTAL
 Date: 2020.05.13
 19:51:07 +05'30'

RAKESH BHARTI MITTAL
 (CHAIRMAN)
 DIN- 00042494

Place: Mumbai

Date: May 13, 2020

MANAGEMENT REPORT

In accordance with Part IV of Schedule B of the Insurance Regulatory and Development Authority of India ('IRDAI') (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulation 2002, the Management of Bharti AXA General Insurance Company Limited submits the Management Report as follows:

1. We hereby confirm the validity of Certificate of Registration granted by the Insurance Regulatory and Development Authority of India ('IRDAI') to carry on the business of General Insurance in India.
2. To the best of our knowledge and belief, all the material dues payable to the statutory authorities have been duly paid.
3. We confirm that the shareholding pattern and transfer of shares are in accordance with statutory and regulatory requirements.
4. We hereby declare that the management has not directly or indirectly invested outside India the funds of the holders of policies issued in India;
5. We hereby confirm that the required solvency margin has been maintained as on March 31, 2020.
6. We hereby certify that the values of all the assets have been reviewed on the date of the Balance Sheet and to the best of our knowledge and belief the assets set forth in the Balance-sheet are shown in the aggregate at amount not exceeding their realisable or market value under the several headings – "Loans", "Investments", "Agents balances", "Outstanding Premiums", "Interest, Dividends and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amount due from other entities carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the several items specified under "Other Accounts" except debt securities which are stated at cost/amortised cost.
7. The Company is exposed to a variety of risks associated with General Insurance business in India such as quality of risks undertaken, fluctuations in the value of assets and higher expenses in the initial years of operation. The Company monitors these risks closely and effective remedial action is taken whenever deemed necessary. The Company has through an appropriate reinsurance programme kept its risk exposure at a level commensurate with its capacity;
8. We confirm that there are no operations of the Company outside the India.
9.
 - a) For ageing analysis of claims outstanding during the preceding five years, please refer Annexure-I.
 - b) For Average claims settlement time during the preceding five years, please refer the Annexure- II.
 - c) For details of claims intimated, please refer Annexure-III.
10. We certify that all debt securities excluding Additional Tier I are considered as 'held to maturity' and accordingly stated at historical cost subject to amortization of premium/discount. Investments in mutual fund units are accounted at Net Asset Value. Market values of Government securities and other debt instruments have been reported in accordance with guideline INV/GLN/003/2003- 04 dated January 21, 2004 issued by the Authority.

Listed Equity shares are measured at fair value on the balance sheet date being the lower of the last quoted price at the National Stock Exchange of India and in case not listed on National stock exchange, then the last quoted price at the Bombay Stock Exchange Limited. Unlisted equity shares are stated at historical cost.

Investment Properties- Real Estate are stated at historical cost less accumulated depreciation.

Unrealized gains or losses arising due to changes in the fair value of listed equity shares mutual funds and AT1 bonds are taken under the head "Fair Value Change Account" (FVCA). The balance in the FVCA is not available for distribution as dividend.

The Company assesses at each balance sheet date whether any impairment has occurred in respect of investment in equity, Bonds and Investment property. The impairment loss, if any, is recognized in the profit and loss account and the

carrying value of such investment is reduced to its recoverable value. If on the assessment at balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the profit & loss account and the investment is restated to that extent

11. The Company has adopted a prudent investment policy with emphasis on optimizing return with minimum risk. Emphasis was towards low risk investments such as Government securities and other rated debt instruments. Investments are managed in consonance with the investment policy laid down by board from time to time and are within the investment guidelines of IRDAI. The Company has carried out periodic review of the investment portfolio. There are non-performing assets as at the end of the financial year, for which detail information and explanation have been given in Notes to Account.
12. We also confirm:
- in the preparation of financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanations relating to material departures, if any ;
 - the management has adopted accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating profit and of the profit of the company for the year ended;
 - the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015(to the extent notified), Companies Act, 1956 & Companies Act, 2013 to the extent applicable, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
 - the financial statements of the Company have been prepared on a going concern basis;
 - the management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.
13. For payments to individuals, firms, Companies and organisations in which directors are interested during the year ended March 31, 2020, please refer to Annexure-IV.

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by
RAKESH BHARTI
MITTAL
Date: 2020.05.13
19:53:18 +05'30'

RAKESH BHARTI MITTAL
(CHAIRMAN)
DIN- 00042494

RAJESH SUD
Digitally signed by RAJESH SUD
Date: 2020.05.13 16:24:44 +05'30'

RAJESH SUD
(DIRECTOR)
DIN- 02395182

Sanjeev S
Digitally signed by Sanjeev S
Date: 2020.05.13 17:24:59 +05'30'

SANJEEV S
(CHIEF EXECUTIVE OFFICER & MD)
DIN- 07644073

AMIT RAHEJA
Digitally signed by AMIT RAHEJA
Date: 2020.05.13 17:24:59 +05'30'

AMIT RAHEJA
(COMPANY SECRETARY)

MARC, PIERRE, CHARLES, AUDRIN
Digitally signed by MARC, PIERRE, CHARLES, AUDRIN
Date: 2020.05.13 17:24:59 +05'30'

MARC PIERRE CHARLES AUDRIN
(DIRECTOR)
DIN- 08420079

BHARAT SUMANT RAUT
Digitally signed by BHARAT SUMANT RAUT
Date: 2020.05.13 22:50:59 +05'30'

BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)
DIN- 00066080

rahul ahuja
Digitally signed by rahul ahuja
Date: 2020.05.13 17:24:59 +05'30'

RAHUL AHUJA
(CHIEF FINANCIAL OFFICER)

Annexure-I
Details of Ageing analysis of Gross Claim Outstanding

Outstanding as on March 31, 2020

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Credit Insurance		Crop Insurance		Other Miscellaneous		Grand Total		
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	
Period																															
0-30 days	38	51,825	260	106,270	-	-	6,436	269,784	248	128,724	37	6,103	4	1,140	13	18,337	-	-	153	18,787	2,007	98,577	-	-	21	316,711	136	7,193	9,353	1,023,451	
30 days to 6 months	164	433,182	189	155,112	-	-	2,228	491,274	1,711	1,097,285	104	25,976	11	13,837	43	40,349	-	-	354	47,350	1,423	104,158	-	-	4,155	581	29,987	256	72,621	9,017	2,515,267
6 months to 1 year	94	664,912	74	95,193	-	-	341	92,761	1,721	1,337,638	21	13,053	8	95,533	28	69,614	-	-	29	12,526	229	108,266	-	-	62	944,619	25	5,818	2,632	3,437,749	
1 year to 5 years	130	517,355	59	59,941	-	-	566	105,812	4,959	4,018,483	30	8,938	11	46,942	39	50,535	-	-	21	15,478	134	46,585	-	-	0	7	1,838	5,968	4,871,906		
More than 5 years	58	69,202	13	6,198	-	-	525	126,818	2,602	1,716,763	29	4,303	1	1,135	27	46,125	-	-	25	4,873	6	1,851	-	-	1	700	-	12	1,687	3,297	1,979,655
Grand Total	482	1,736,476	595	428,713	-	-	12,096	1,086,430	11,241	8,082,871	211	58,373	35	158,586	158	405,028	-	-	582	99,014	3,881	389,418	-	-	4,855	684	1,291,117	388	119,158	30,287	13,828,029

Outstanding as on March 31, 2019

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Credit Insurance		Crop Insurance		Other Miscellaneous		Grand Total		
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	
0-30 days	29	224,137	143	63,886	-	-	5,791	230,522	535	324,800	28	2,020	2	535	11	4,746	-	-	113	13,329	2,179	112,388	-	-	-	-	120	4,422	8,751	780,985	
30 days to 6 months	123	282,245	185	110,635	-	-	3,346	389,938	1,303	589,796	36	17,483	3	13,072	52	14,824	-	-	260	48,081	971	394,289	-	-	2	8,024	91	11,710	6,432	1,650,885	
6 months to 1 year	112	302,530	49	83,823	-	-	319	57,818	1,336	653,628	11	5,200	7	23,090	28	245,420	-	-	20	13,420	176	62,789	-	-	31	280,517	14	5,532	2,103	1,733,768	
1 year to 5 years	147	263,188	106	38,527	-	-	362	131,478	7,554	4,203,701	20	6,801	11	39,449	36	284,530	-	-	27	13,374	164	31,475	-	-	1	780	8	2,038	8,736	5,015,362	
More than 5 years	58	60,862	8	1,965	-	-	348	102,038	2,640	2,240,451	17	573	-	-	60	60,385	-	-	27	2,096	177	2,078	-	-	1	150	-	10	482	3,206	2,471,250
Grand Total	489	1,153,963	491	298,838	-	-	10,466	911,533	15,538	7,812,575	102	32,077	23	75,966	107	668,965	-	-	447	90,281	3,507	313,379	-	-	530	33	288,541	243	34,184	29,238	11,652,170

Outstanding as on March 31, 2018

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Crop Insurance		Other Miscellaneous		Grand Total			
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount		
Period																														
0-30 days	47	60,884	87	10,936	-	-	5,753	223,619	295	62,699	24	3,362	4	1,259	7	950	-	-	71	15,008	1,157	66,702	-	-	2	917,580	60	3,402	7,509	1,345,992
30 days to 6 months	32	61,492	217	63,416	-	-	3,516	334,873	1,658	601,798	49	7,992	6	27,776	25	30,583	-	-	163	39,505	493	42,303	-	-	101	23,048	6,273	1,132,506		
6 months to 1 year	47	97,016	72	32,314	-	-	594	77,787	1,786	679,133	7	425	4	1,320	26	33,900	-	-	9	5,760	40	12,008	-	-	25	18,043	2,610	957,710		
1 year to 5 years	202	380,165	145	245,193	-	-	725	159,291	8,893	4,691,630	22	5,779	10	11,868	42	505,796	-	-	28	5,153	120	50,435	-	-	12	6,101	10,199	6,081,413		
More than 5 years	36	39,763	7	7,056	-	-	246	75,348	2,022	2,038,249	11	475	-	-	55	38,868	-	-	16	1,459	3	381	-	-	6	280	2,402	2,189,818		
Grand Total	364	638,328	522	558,514	-	-	10,834	870,919	14,654	7,963,328	113	17,632	24	42,214	155	607,817	-	-	289	66,896	1,812	171,829	-	-	24	917,580	204	58,854	28,983	11,787,498

Outstanding as on March 31, 2017

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Crop Insurance		Other Miscellaneous		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Period																												
0-30 days	22	9,499	105	16,080	-	-	7,456	220,712	595	77,402	10	990	3	222	16	15,384	-	-	90	6,634	808	34,789	-	-	45	7,120	8,950	388,823
30 days to 6 months	136	170,665	128	80,586	-	-	4,173	308,107	1,767	516,192	62	7,615	7	3,152	37	19,721	-	-	199	2,814	396	18,833	-	-	111	12,482	7,176	1,262,168
6 months to 1 year	99	193,121	234	101,151	-	-	417	75,971	2,157	906,046	22	1,989	2	3,161	58	116,885	-	-	38	9,389	66	9,660	-	-	40	3,642	3,138	1,421,074
1 year to 5 years	197	307,570	139	237,011	-	-	759	186,107	10,566	7,289,822	26	9,227	9	30,118	113	462,803	-	-	31	3,707	130	45,091	-	-	35	34,549	12,005	8,605,804
More than 5 years	21	95,892	5	960	-	-	213	66,394	1,255	776,243	4	53	-	-	28	11,564	-	-	10	2,427	6	613	-	-	4	58	1,556	951,625
Grand Total	485	778,547	611	435,187	-	-	15,018	937,911	16,140	9,563,705	124	19,874	21	36,654	252	636,158	-	-	368	48,871	1,368	168,987	-	-	240	78,851	32,825	12,851,453

Outstanding as on March 31, 2016

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Crop Insurance		Other Miscellaneous		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Period																												
0-30 days	28	50,502	97	10,900	-	-	8,029	261,100	548	103,385	46	3,199	1	350	10	1,070	-	-	119	6,852	1,116	40,144	-	-	85	3,397	10,027	501,508
30 days to 6 months	105	204,362	276	3,703,240	-	-	5,961	596,933	2,263	652,966	150	12,090	17	5,139	46	42,851	-	-	305	30,423	357	41,814	-	-	225	125,470	9,950	5,415,613
6 months to 1 year	62	212,284	143	50,118	-	-	2,410	117,850	2,596	942,649	36	7,688	2	625	30	78,495	-	-	41	10,328	69	5,762	-	-	84	17,050	5,505	1,443,120
1 year to 5 years	179	404,729	111	28,492	-	-	8,446	260,217	9,766	6,715,162	22	7,138	7	3,689	132	391,863	-	-	45	6,359	108	11,696	-	-	42	50,617	18,818	7,879,982
More than 5 years	19	32,971	5	775	-	-	125	38,019	88	281,814	3	20	-	-	7	1,178	-	-	8	629	2	282	-	-	2	28	657	556,170
Grand Total	423	904,848	632	3,792,931	-	-	24,971	1,275,920	15,857	8,895,857	257	30,355	27	9,824	225	515,305	-	-	520	54,891	1,652	120,298	-	-	418	196,581	44,882	15,596,449

Outstanding as on March 31, 2015

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's		Public/Product		Engineering		Aviation		Personal Accident		Health Insurance		Crop Insurance		Other Miscellaneous		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	36	83,599	127	38,618	-	-	8,103	236,373	663	139,092	38	2,822	24	174,604	-	-	187	15,343	2,926	129,324	-	-	254	10,936	12,358	830,712	-	-
30 days to 6 months	173	431,877	342	106,201	-	-	10,367	500,501	2,591	671,576	84	12,461	8	3,957	108	16,792	390	31,122	823	38,189	-	-	456	58,687	15,020	1,946,277	-	-
6 months to 1 year	129	299,755	136	38,618	-	-	2,036	146,495	2,866	471,258	8	2,866	3	220	60	8,078	10	9,417	71	13,589	-	-	151	73,423	5,441	2,654,031	-	-
1 year to 5 years	10	274,106	56	27,334	-	-	1,814	254,599	7,201	6,411,468	13	3,927	2	14,935	18	94,555	5	8,836	66	1,281	-	-	8	8,705	1,078,608	-	-	
More than 5 years	-	-	1	11,426	-	-	25	10,168	117	88,644	-	-	14	-	4	455	-	-	11	10,257	-	-	15	11,222	113,604	-	-	
Grand Total	435	1,120,754	662	220,485	-	-	21,209	2,108,833	13,270	8,254,734	170	27,842	32	2,444	317	1,425,227	-	-	723	66,720	4,006	188,940	-	-	858	151,102	11,663	12,620,241

Annexure-II

Details of Average Claim Settlement Time for the Preceding Five Years										
Period	For the year ended March 31, 2020		For the year ended March 31, 2019		For the year ended March 31, 2018		For the year ended March 31, 2017		For the year ended March 31, 2016	
Product/Class	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)
Credit Insurance	3	373	6	190	3	1,268	1	27	1	191
Engineering	339	163	162	265	216	304	162	380	269	241
Fire	739	105	440	231	377	317	337	291	653	150
Health	45,275	32	37,054	28	18,129	32	19,225	32	27,404	30
Liability Insurance	14	276	6	291	7	504	9	385	7	175
Marine Cargo & Others	5,861	49	2,096	89	1,537	150	1,373	159	1,450	184
Motor *	212,876	25	166,890	31	190,350	32	212,595	28	212,642	30
Other Miscellaneous	6,866	78	7,142	22	600	130	708	191	2,392	100
Personal Accident	1,191	95	961	93	839	104	983	148	1,313	139
Workmen Compensation/ Employer's Liability	317	119	207	129	141	215	200	252	123	270
Grand Total	273,481		214,964		212,199		235,593		246,254	

* The above ageing does not include Motor third party claims which have to be settled through MACT and other judicial bodies

Annexure -III
Details of Claims Intimated

Period	For the year ended March 31, 2020		For the year ended March 31, 2019	
Product	Claims Intimated	Amount Rs.(000')	Claims Intimated	Amount Rs.(000')
Fire	900	370,037	620	28,546
Marine Cargo	6,742	490,129	2,400	9,543
Marine Hull	-	-	-	-
Motor OD	223,778	4,808,022	172,140	369,930
Motor TP	4,807	1,938,257	4,045	114,222
Workmen's Compensation	559	30,323	440	1,780
Public/Product Liability	37	10,651	22	574
Engineering	395	59,081	232	2,723
Aviation	-	-	-	-
Personal Accident	2,406	108,631	1,578	3,412
Health Insurance	60,006	3,269,584	48,726	7,116,612
Credit Insurance	5	3,184	7	785
Crop Insurance	6,733	3,111,670	6,671	503,543
Others	1,993	77,443	1,333	2,618
Grand Total	308,361	14,277,012	238,214	8,154,288

Annexure-IV
Details of payments to individuals, firms, Companies and organisations in which directors are interested during the year ended March 31, 2020

Sr No.	Name of the Director	Entity in which Director is interested	Interested As	Expenses Incurred by the Company during the Financial year Rs.('000)
1	Rakesh Bharti Mittal	Bharti AXA Life Insurance Company Limited	Chairman	65,550
		Bharti Airtel Limited	Director	27,333
2	Akhil Kumar Gupta	Bharti AXA Life Insurance Company Limited	Director	65,550
		Bharti Enterprises Limited	Director	255
3	Harjeet Kohli	Bharti AXA Life Insurance Company Limited	Director	65,550
		Bharti Enterprises Limited	Whole Time Director	255
		Brightstar Telecommunications India Limited	Director	3,611
4	Rajesh Sud	Bharti AXA Life Insurance Company Limited	Non Executive Director	65,550
		Bharti Life Ventures Private Limited	Managing Director	134,427
5	Bharat S Raut	Bharti AXA Life Insurance Company Limited	Independent Director	65,550
6	Garance	Bharti AXA Life Insurance Company Limited	Director	65,550
7	Harjeet Kohli	Bharti AXA Life Insurance Company Limited	Director	65,550
8	Jean Drouffe	Bharti AXA Life Insurance Company Limited	Director	65,550
9	Jitendra Balakrishnan	Bharti AXA Life Insurance Company Limited	Independent Director	65,550
10	Marc Audrin	Bharti AXA Life Insurance Company Limited	Director	65,550
11	Uma Relan	Bharti AXA Life Insurance Company Limited	Independent Director	65,550

<p style="text-align: center;">INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BHARTI AXA GENERAL INSURANCE COMPANY LIMITED</p>
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Report on audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Bharti Axa General Insurance Company Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2020, the related Revenue Accounts of fire, marine and miscellaneous insurance business (collectively called 'Revenue Account' and also called the "Policyholders' Account", or the "Technical Account"), the Profit and Loss Account (also called the "Shareholders' Account", or "Non-Technical Account"), and the Receipts and Payments Account for the year then ended, notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the Regulations") and the Companies Act 2013 ("the Act") to the extent applicable and in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to Insurance Companies:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- b. in the case of the Revenue Account, of the operating profit so far as it relates to Fire and Miscellaneous insurance business and operating loss in so far as it relates to Marine insurance business for the year ended on that date;
- c. in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- d. in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Insurance Act, the IRDA Act and the Regulations, Companies Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Emphasis of Matter

We draw attention to Note 3.30 to the Financial Statements on the possible effects of the COVID 19 Pandemic.

Our opinion is not modified in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	<p>Valuation of provisions against outstanding claims</p> <p>The estimation of liabilities arising from insurance contracts as disclosed in Note 3.4 to the financial statements, involves a significant degree of usage of assumptions, estimating default reserve basis the analysis of the historic data, evaluation of ancillary cost related to claim processing, judgment and changes in government regulations.</p> <p>The amount is quite significant and recurring adjustments are carried out based on the number of explicit or implicit assumptions relating to the expected settlement amount and settlement patterns of claims.</p> <p>Note 2.9 and 3.4 can be referred for accounting policy, disclosures of the related broad level judgments / estimates and other details.</p>	<p>Principal audit procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Verification of process relating to claim processing on test check basis and analytical review of outstanding claims. • Comparison of actual claims paid with the initial default reserve amount and estimates done post assessment of claim. • Substantive testing was performed on test check basis on the claims received during the year, focusing more on the one which may have significant impact on the financial statements, to assess whether the claims are appropriately assessed and documented. • Obtained confirmation from the process owner on the adequacy of the information received and amount recognized as outstanding claim. <p>We have also reviewed whether appropriate disclosures are made in the financial statements with respect to relevant IRDAI guidelines / accounting standards.</p>
2.	<p>Valuation of Investments</p> <p>The Company's investments represent 65% of the total assets as at March 31, 2020 which are to be valued in accordance IRDAI guidelines.</p>	<p>Our audit procedures for this area included but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an understanding from the

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	<p>Provision for diminution in value of investments represents 100% of the Net Profit for the year.</p> <p>The Company performs an impairment review of its investments periodically and recognizes impairment charge when the investments meet the trigger/s for impairment provision. The assessment of impairment involves significant management judgment.</p> <p>The valuation and impairment of investments were considered one of the matters of material significance in the financial statements due to the materiality of the total value of investments to the financial statements and the value of the impairment loss recognized vis-à-vis the net profit of the Company.</p>	<p>management with its process and controls to ensure valuation of Investment as per IRDAI Guidelines & their assessment of impairment indicators.</p> <ul style="list-style-type: none"> • Obtained external confirmation for ownership related to these investments. • Tested on a sample basis valuation of securities which have been valued in accordance with the Investment Regulations and Company's accounting policies • Examining the rating downgrades by credit rating agencies and assessing the risk of impairments to various investments. • Reviewed the impairment provisions made by the Company vis-à-vis minimum provisioning requirements specified in the IRDAI Regulations

Other Matters

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2020 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary. The Appointed Actuary has also certified that in her opinion, the assumptions for such valuation are in accordance with the guidelines and norms, if any, issued by the Insurance Regulatory and Development Authority of India ("the Authority") and the Actuarial Society of India in concurrence with IRDAI. We have relied upon the Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

Our opinion is not modified in this regard.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management report & Corporate Governance Report but 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 any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially

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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 on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements to give a true and fair view of the financial position, financial performance and Receipts and Payments of the Company in accordance with the requirements of the Insurance Act read with IRDA Act, the Regulations orders/ directions/ circulars/ guidelines issued by the Insurance Regulatory and Development Authority of India ('Authority'/'IRDAI') in this regard and in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, further amended by Companies (Accounting Standards) Amendment Rules, 2016 to the extent applicable and in the manner so required.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs 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.

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Mumbai – 400 001, India

As part of an audit in accordance with SAs, we exercise professional judgment 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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.
- 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 those charged with governance 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.

Report on Other Legal and Regulatory Requirements

1. As required by Regulations, we have issued a separate certificate dated May 13, 2020, certifying the matters specified in paragraphs 3 and 4 of Schedule C to these Regulations.
2. Further, to our comments in the Certificate referred to above, as required by paragraph 2 of Schedule C to the Regulations, read with Section 143 (3) of the Act, we report that:

Singhi & Co.**Chartered Accountants**

B2 402B, Marathon Innova, 4th Floor
Off Ganpatrao Kadam Marg, Lower Parel,
Mumbai – 400013, India

M. P. Chitale & Co.**Chartered Accountants**

1st Floor, Hamam House,
Ambalal Doshi Marg, Fort
Mumbai – 400 001, India

- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been maintained by the Company, so far as it appears from our examination of those books;
- (c) As the Company's financial accounting system is centralised, no returns for the purposes of our audit are prepared at the branches of the Company;
- (d) The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account;
- (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, further amended by Companies (Accounting Standards) Amendment Rules, 2016 to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by the IRDA in this regard;
- (f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, 1938, the Regulations and/or orders/directions issued by the Authority in this regard;
- (g) In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013), and the Rules framed thereunder and with the accounting principles as prescribed in the IRDA Financial Statements Regulations and orders/directions issued by the IRDAI in this regard;
- (h) Based on representations received on e-mail (due to nationwide lockdown) from the Directors, as on March 31, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act;
- (i) With respect to requirements of section 197(16) of the Act, as amended, we report that managerial remuneration is governed u/s 34A of the Insurance Act, 1938 and requires IRDAI approval. Accordingly, the provisions of Section 197 read with schedule V to the Act are not applicable, and hence reporting under Section 197(16) is not required. However, sitting fees paid to the Directors is in compliance with Section 197 (5) of the Companies Act, 2013.
- (j) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in the **Annexure A**;

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Chartered Accountants
1st Floor, Hamam House,
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Mumbai – 400 001, India

- (k) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 3.1 of schedule 16 in the Notes to Accounts forming part of financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts.
- (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

SHWETA
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Digitally signed by SHWETA
SINGHA
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2.5.4.20=159076d53458f58075e6e26613cd99f283ac3af209,
serialNumber=95d1c7852006877b9fc2d5415b181d5c648e726d6,
emailAddress=Murtuza.Taher.Vajhi@MCA21.DIGITAL,
c=IN, o=Murtuza Taher Vajhi,
ou=Murtuza Taher Vajhi,
cn=Murtuza Taher Vajhi,
Date: 2020.05.14 14:20:45 +05'30'

Shweta Singhal
Partner
Membership No: 414420
Date: May 14, 2020
Place: Mumbai
UDIN: 20414420AAAABF4344

For M. P. Chitale & Co.
Chartered Accountants
Firm Registration No. 101851W

Murtaza Taher
Vajhi

Digitally signed by Murtaza Taher Vajhi
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psudonym=72eead1ab677404fa39a0e34a75328c2f898065c,
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serialNumber=95d1c7852006877b9fc2d5415b181d5c648e726d6,
emailAddress=Murtuza.Taher.Vajhi@MCA21.DIGITAL,
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ou=Murtuza Taher Vajhi,
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Date: 2020.05.14 15:14:06 +05'30'

Murtuza Vajhi
Partner
Membership No: 112555
Date: May 14, 2020
Place: Mumbai
UDIN: 20112555AAAABA3652

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(j) under ‘Report on Other Legal and Regulatory Requirements’ forming part of the Independent Auditors’ Report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial statements **Bharti Axa General Insurance Company Limited (“the Company”)** as of March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”), issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of

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financial statements for external purposes, in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded, as necessary, to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on "the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

Other Matters

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2020 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary, as mentioned in "Other Matter" paragraph of our audit report on the financial statements of the Company as at and for the year ended March 31, 2020. In view of this, we did not perform any procedures relating to internal financial controls over financial reporting in respect of the valuation and accuracy of the actuarial valuation of estimate of claims IBNR and claims IBNER.

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

SHWETA
SINGHA
L

Shweta Singhal
Partner
Membership No: 414420
Date: May 14, 2020
Place: Mumbai
UDIN: 20414420AAAABF4344

For M. P. Chitale & Co.
Chartered Accountants
Firm Registration No. 101851W

Murtaza Taher
Vajihi

Murtuza Vajihi
Partner
Membership No: 112555
Date: May 14, 2020
Place: Mumbai
UDIN: 20112555AAAABA3652

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Chartered Accountants
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<p style="text-align: center;">INDEPENDENT AUDITORS' CERTIFICATE TO THE MEMBERS OF BHARTI AXA GENERAL INSURANCE COMPANY LIMITED</p>

(Referred to in our 'Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report of even date)

This certificate is issued to comply with the provisions of paragraphs 3 and 4 of Schedule C to be read with Regulation 3 of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "Regulations").

Management Responsibility

The Company's Board of Directors is responsible for complying with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 read with Insurance Regulatory and Development Authority of India circular IRDAI/F&A/CIR/FA/059/03/2015 dated March 31, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDA"), which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

Auditors' Responsibility

Our responsibility, for the purpose of this certificate, is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the Regulations. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the "ICAI"), which include the concepts of test checks and materiality.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform audits and reviews of historical financial information and other assurance and related services engagements issued by the ICAI.

Opinion

Based on our audit of financial statements for the year ended March 31, 2020 and in accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by Bharti Axa General Insurance Company Limited ("the Company") for the year ended March 31, 2020, we certify that:

1. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2020, and on the basis of our review, there are no apparent mistakes in or material inconsistencies with the financial statements;
2. Based on the management representation and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by

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Chartered Accountants
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Mumbai – 400 001, India

the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration stipulated by IRDA;

3. In view of the nationwide lockdown we have not been able to verify the cash balance as on March 31, 2020 by actual inspection. In view of the same, we have placed reliance on the management certificate with regard to the balance on hand as on March 31, 2020 and the control processes of the Company with regard to handling of cash. We have verified securities relating to the Company's investments as at March 31, 2020, on the basis of certificates/ confirmations / statements from the Custodian and/or Depository Participants appointed by the Company.
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938, relating to the application and investments of the Policyholders' Funds.

Restriction on Use

This certificate has been issued solely in compliance with the requirements of Schedule C of the Insurance Regulatory and Development Authority (Presentation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002, ("the Accounting Regulations"), read with Regulation 3 of the Accounting Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care of for any other purpose or to any other party to whom it is shown or into whose hand it may come without our prior consent in writing.

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

SHWETA SINGHA
L

Shweta Singhal
Partner
Membership No: 414420
Date: May 14, 2020
Place: Mumbai
UDIN: 20414420AAAABF4344

For M. P. Chitale & Co.
Chartered Accountants
Firm Registration No. 101851W

Murtaza Taher Vajihi

Murtuza Vajihi
Partner
Membership No: 112555
Date: May 14, 2020
Place: Mumbai
UDIN: 20112555AAAABA3652



Form B-BS

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NUMBER 139 DATED 27-06-2008

BALANCE SHEET

Particulars	Schedule Ref.	As at Mar 31, 2020 (Rs. '000)	As at Mar 31, 2019 (Rs. '000)
SOURCES OF FUNDS			
Share Capital	5	20,059,812	16,214,453
Share Application Money		-	-
Reserves and Surplus	6	1,720,185	1,720,185
Fair Value Change - Shareholder Funds		(667)	(4,820)
Fair Value Change - Policyholder Funds		(4,064)	(29,197)
Borrowings	7	2,550,000	2,200,000
Total		24,325,266	20,100,621
APPLICATION OF FUNDS			
Investments - Shareholders fund	8	6,719,025	5,523,363
Investments - Policyholders fund	8A	40,933,625	33,319,105
Loans	9	-	-
Fixed Assets	10	185,252	199,746
Current Assets			
Cash and Bank Balances	11	2,448,776	1,149,532
Advances And Other Assets	12	7,746,394	6,152,363
Sub Total (A)		10,195,170	7,301,895
Current Liabilities	13	39,492,924	31,345,685
Provisions	14	9,377,635	7,624,286
Sub Total (B)		48,870,559	38,969,970
Net Current Assets (C) = (A - B)		(38,675,389)	(31,668,075)
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit And Loss Account		15,162,753	12,726,482
Total		24,325,266	20,100,621

Significant accounting policies and notes to accounts

16

The Schedules referred to above and the notes to accounts form an integral part of the Financial Statements

As per our report of even date

For Singhi & Co
Chartered Accountants
(Regn No.302049E)

SHWETA SINGHAL
Digitally signed by SHWETA SINGHAL
DN: cn=SHWETA SINGHAL, o=Singhi & Co, ou=Chartered Accountants, email=singhi@singhi.co.in, c=IN
Date: 2020.05.13 12:27:18 +05'30'

SHWETA SINGHAL

(Partner)
Membership No.414420

Date: 13th May, 2020
Place: Mumbai

For M P Chitale & Co
Chartered Accountants

Murtaza Taher Vajhi
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Date: 2020.05.14 13:04:41 +05'30'

MURTUZA VAJHI

(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by RAKESH BHARTI MITTAL
DN: cn=RAKESH BHARTI MITTAL, o=Bharti AXA General Insurance Company Limited, ou=Board of Directors, email=mittal@bharti-axa.co.in, c=IN
Date: 2020.05.13 19:20:51 +05'30'

RAKESH BHARTI MITTAL

(CHAIRMAN)
DIN- 00042494

Sanjeev S
Digitally signed by Sanjeev S
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SANJEEV S
(CHIEF EXECUTIVE OFFICER & MD)
DIN- 07644073

AMIT RAHEJA
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AMIT RAHEJA
(COMPANY SECRETARY)

RAJES H SUD
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RAJESH SUD
(DIRECTOR)
DIN- 02395182

MARC PIERRE CHARLES AUDRIN
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Date: 2020.05.13 17:00:03 +05'30'

MARC PIERRE CHARLES AUDRIN
(DIRECTOR)
DIN- 08420079

BHARAT SUMANT RAUT
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BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)
DIN- 00066080

rahul ahuja
Digitally signed by rahul ahuja
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RAHUL AHUJA
(CHIEF FINANCIAL OFFICER)



Form B-PL

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NUMBER 139 DATED 27-06-2008

PROFIT AND LOSS ACCOUNT

Particulars	Schedule Ref.	For the year ending March 2020	For the year ending March 2019
		(Rs. '000)	(Rs. '000)
OPERATING PROFIT/(LOSS)			
(a) Fire Insurance		118,043	60,649
(b) Marine Insurance		(258,136)	(48,415)
(c) Miscellaneous Insurance		1,188,497	1,306,380
INCOME FROM INVESTMENTS			
(a) Interest, Dividends and Rent -Gross (Net of depreciation on Investment Property)		466,645	387,746
(b) Profit on sale/redemption of Investments (Net)		85,699	31,226
(c) Amortisation of Discount/(Premium)		(6,089)	1,167
OTHER INCOME		-	-
Total (A)		1,594,658	1,738,753
Provisions (Other than taxation)			
(a) For diminution in the value of investments		1,570,000	135,000
(b) For doubtful debts		31,516	38,647
(c) Others		-	-
Other Expenses			
(a) Expenses other than those related to the insurance business		1,454	1,607
(b) Bad debts written off		-	-
(c) Others			
- Managerial Remuneration		19,108	10,425
- Interest on Debentures		231,611	197,560
- Debenture related expenses		1,654	1,918
- Investment related expenses debited to Shareholders Account		2,341	1,819
- Contribution to Policyholders Funds under EOM rules 2016 (Refer Note 3.16)		2,173,245	1,321,358
Total (B)		4,030,929	1,708,334
Profit/(Loss) before tax		(2,436,271)	30,419
Provision for Taxation			
- Current Tax		-	-
- Deferred Tax		-	-
Profit/(Loss) after tax		(2,436,271)	30,419
Balance of Profit/(Loss) brought forward from last year		(12,726,482)	(12,756,901)
Appropriations			
(a) Interim dividends paid during the period		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution on tax		-	-
(d) Transfer to reserve/other accounts		-	-
(e) Debenture Redemption Reserve (Refer note no. 3.29)		-	-
Balance carried to Balance Sheet		(15,162,753)	(12,726,482)
Earning Per Share (Basic and Diluted) (in Rs.) (Refer Note No.3.19 of Schedule 16)		(1.40)	0.02
(Face Value Rs.10 per share)			

Significant accounting policies and notes to accounts

16

The Schedules referred to above and the notes to accounts form an integral part of the Financial Statements

As per our report of even date

For Singhi & Co
Chartered Accountants
(Regn No.302049E)

SHWETA SINGHAL

SHWETA SINGHAL

(Partner)
Membership No.414420For M P Chitale & Co
Chartered AccountantsMurtaza
Taher Vajih

MURTUZA VAJIHI

(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by RAKESH BHARTI MITTAL
Date: 2020.05.13 19:26:45 +05'30'

RAKESH BHARTI MITTAL

(CHAIRMAN)
DIN- 00042494Sanjeev S
Digitally signed by Sanjeev S
Date: 2020.05.13 13:08:33 +05'30'SANJEEV S
(CHIEF EXECUTIVE OFFICER & MD)
DIN- 07644073AMIT RAHEJA
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Date: 2020.05.13 17:17:45 +05'30'AMIT RAHEJA
(COMPANY SECRETARY)MARC, PIERRE, CHARLES, AUDRIN
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Date: 2020.05.13 17:17:45 +05'30'MARC PIERRE CHARLES AUDRIN
(DIRECTOR)
DIN- 08420079RAJESH SUD
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Date: 2020.05.13 21:48:49 +05'30'RAJESH SUD
(DIRECTOR)
DIN- 02395182BHARAT SUMANT RAUT
Digitally signed by BHARAT SUMANT RAUT
Date: 2020.05.13 21:48:49 +05'30'BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)
DIN- 00066080rahul ahuja
Digitally signed by rahul ahuja
Date: 2020.05.13 17:17:45 +05'30'RAHUL AHUJA
(CHIEF FINANCIAL OFFICER)Date: 13th May, 2020
Place: Mumbai



Form B-RA

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NUMBER 139 DATED 27-06-2008

REVENUE ACCOUNT

Fire Insurance Business

Particulars	Schedule Ref.	For the year ending March 2020	For the year ending March 2019
		Rs. (` 000)	Rs. (` 000)
Premiums earned-(Net)	1	286,476	184,328
Profit/(Loss) on sale/redemption of Investments (Net)		12,302	3,023
Amortisation of Discount/(Premium)		(874)	142
Interest, Dividend & Rent-Gross (Net of depreciation on Investment Property)		66,986	47,067
Others:-			
Investment Income from Terrorism Pool		14,479	17,760
Miscellaneous Income		30	288
Contribution from Shareholders Funds under EOM Rules 2016 (Refer Note 3.16)		-	-
Total (A)		379,399	252,608
Claims incurred (Net)	2	215,447	121,563
Commission	3	(129,446)	(54,597)
Operating Expenses related to Insurance Business	4	199,149	114,420
Others:-			
Terrorism Pool Expenses		5,116	4,075
Premium Deficiency		(28,910)	6,498
Total (B)		261,356	191,959
Operating profit/(Loss) from Fire Business (C)=(A)-(B)		118,043	60,649
Appropriations			
Transfer to Shareholders' Account		118,043	60,649
Transfer to catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		118,043	60,649

Significant accounting policies and notes to accounts

16

The Schedules referred to above and the notes to accounts form an integral part of the Financial Statements As Required by section 40C(2) of the Insurance Act, 1938, we hereby certify that, to the best of our knowledge and according to the available information all the expenses of management, incurred by the Company to the extent allowable under Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations 2016, have been fully debited in the Revenue Account as Expenses.

As per our report of even date

For Singhi & Co
Chartered Accountants
(Regn.No.302049E)

SHWETA SINGHAL

SHWETA SINGHAL

(Partner)
Membership No.414420

Date: 13th May, 2020
Place: Mumbai

For M P Chitale & Co
Chartered Accountants

Murtaza
Taher
Vajihi

MURTUZA VAJIHI

(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by RAKESH BHARTI MITTAL
Date: 2020.05.13 19:34:53 +05'30'

RAKESH BHARTI MITTAL

(CHAIRMAN)
DIN- 00042494

Sanjeev S
SANJEEV S
(CHIEF EXECUTIVE OFFICER & MD)
DIN- 07644073

AMIT RAHEJA
AMIT RAHEJA
(COMPANY SECRETARY)

RAJESH SUD
RAJESH SUD
(DIRECTOR)
DIN- 02395182

MARC, PIERRE, CHARLES, HARLES, AUDRIN

MARC PIERRE CHARLES AUDRIN

(DIRECTOR)
DIN- 08420079

BHARAT SUMANT RAUT
BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)
DIN- 00066080

raahul ahuja
RAHUL AHUJA
(CHIEF FINANCIAL OFFICER)



Form B-RA

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NUMBER 139 DATED 27-06-2008

REVENUE ACCOUNT

Marine Insurance Business

Particulars	Schedule Ref.	For the year ending March 2020	For the year ending March 2019
		Rs. (' 000)	Rs. (' 000)
Premiums earned-(Net)	1	531,973	266,531
Profit/(Loss) on sale/redemption of Investments (Net)		7,575	1,464
Amortisation of Discount/(Premium)		(538)	69
Interest, Dividend & Rent-Gross (Net of depreciation on Investment Property)		41,250	22,786
Others:-			
Investment Income from Terrorism Pool		-	-
Miscellaneous Income		43	371
Contribution from Shareholders Funds under EOM Rules 2016 (Refer Note 3.16)		39,272	23,967
Total (A)		619,575	315,188
Claims incurred (Net)	2	617,620	208,166
Commission	3	57,272	44,216
Operating Expenses related to Insurance Business	4	188,068	111,221
Premium Deficiency		14,751	
Total (B)		877,711	363,603
Operating profit/(Loss) from Marine Business (C)=(A)-(B)		(258,136)	(48,415)
Appropriations			
Transfer to Shareholders' Account		(258,136)	(48,415)
Transfer to catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		(258,136)	(48,415)

Significant accounting policies and notes to accounts

16

The Schedules referred to above and the notes to accounts form an integral part of the Financial Statements As Required by section 40C(2) of the Insurance Act, 1938, we hereby certify that, to the best of our knowledge and according to the available information all the expenses of management, incurred by the Company to the extent allowable under Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations 2016, have been fully debited in the Revenue Account as Expenses.

As per our report of even date

For Singhi & Co
Chartered Accountants
(Regn No.302049E)

SHWETA SINGHAL

SHWETA SINGHAL
(Partner)
Membership No.414420

Date: 13th May, 2020
Place: Mumbai

For M P Chitale & Co
Chartered Accountants

Murtaza Taher Vajihi

MURTUZA VAJIHI
(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by RAKESH BHARTI MITTAL
Date: 2020.05.13 19:37:55 +05'30'

RAKESH BHARTI MITTAL
(CHAIRMAN)
DIN- 00042494

Sanjeev S
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Date: 2020.05.13 17:20:24 +05'30'

SANJEEV S
(CHIEF EXECUTIVE OFFICER & MD)
DIN- 07644073

AMIT RAHEJA
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Date: 2020.05.13 17:20:24 +05'30'

AMIT RAHEJA
(COMPANY SECRETARY)

RAJESH SUD
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Date: 2020.05.13 17:20:24 +05'30'

RAJESH SUD
(DIRECTOR)
DIN- 02395182

MARC, PIERRE, CHARLES, AUDRIN
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Date: 2020.05.13 17:20:24 +05'30'

MARC PIERRE CHARLES AUDRIN
(DIRECTOR)
DIN- 08420079

BARAT SUMANT RAUT
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BARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)
DIN- 00066080

raahul ahuja
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Date: 2020.05.13 17:20:24 +05'30'

RAHUL AHUJA
(CHIEF FINANCIAL OFFICER)

Form B-RA

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NUMBER 139 DATED 27-06-2008

REVENUE ACCOUNT

Miscellaneous Insurance Business

Particulars	Schedule Ref.	For the year ending March 2020	For the year ending March 2019
		Rs. ('000)	Rs. ('000)
Premiums earned-(Net)	1	17,478,123	13,538,960
Profit/(Loss) on sale/redemption of Investments (Net)		502,216	146,382
Amortisation of Discount/(Premium)		(35,685)	6,857
Interest, Dividend & Rent-Gross (Net of depreciation on Investment Property)		2,734,660	2,278,790
Others:-			
Investment Income from Terrorism Pool		2,921	4,165
Miscellaneous Income		4,023	17,165
Contribution from Shareholders Funds under EOM Rules 2016 (Refer Note 3.16)		2,133,973	1,297,391
Total (A)		22,820,231	17,289,710
Claims incurred (Net)	2	13,497,887	10,437,066
Commission	3	1,152,061	544,863
Operating Expenses related to Insurance Business	4	6,974,578	4,995,798
Premium Deficiency		-	-
Others:-			
Terrorism Pool Expenses		1,032	956
Contribution to Solatium Fund		6,176	4,647
Total (B)		21,631,734	15,983,330
Operating profit/(Loss) from Miscellaneous Business (C)=(A)-(B)		1,188,497	1,306,380
Appropriations			
Transfer to Shareholders' Account		1,188,497	1,306,380
Transfer to catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		1,188,497	1,306,380

Significant accounting policies and notes to accounts

16

The Schedules referred to above and the notes to accounts form an integral part of the Financial Statements

As Required by section 40C(2) of the Insurance Act, 1938, we hereby certify that, to the best of our knowledge and according to the available information all the expenses of management, incurred by the Company to the extent allowable under Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations 2016, have been fully debited in the Revenue Account as Expenses.

As per our report of even date

For Singh & Co
Chartered Accountants
(Reqn No.302049E)

SHWETA SINGHAL
Digitally signed by SHWETA SINGHAL
DN: c=IN, o=Personal, ou=00000000, email=shweta.singhal@gmail.com, cn=SHWETA SINGHAL
Date: 2020.05.14 12:04:50 +05'30'

SHWETA SINGHAL

(Partner)
Membership No.414420

For M P Chitale & Co
Chartered Accountants

Murtaza Taher Vajih
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MURTUZA VAJIHI

(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by RAKESH BHARTI MITTAL
Date: 2020.05.13 19:41:19 +05'30'

RAKESH BHARTI MITTAL

(CHAIRMAN)
DIN- 00042494

Sanjeev S
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SANJEEV S
(CHIEF EXECUTIVE OFFICER & MD)
DIN- 07644073

AMIT RAHEJA
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Date: 2020.05.13 19:41:19 +05'30'

AMIT RAHEJA
(COMPANY SECRETARY)

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Date: 2020.05.14 01:11:57 +05'30'

MARC PIERRE CHARLES AUDRIN

(DIRECTOR)
DIN- 08420079

RAJESH SUD
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RAJESH SUD
(DIRECTOR)
DIN- 02395182

BHARAT SUMANT RAUT
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Date: 2020.05.13 22:26:29 +05'30'

BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)
DIN- 00066080

rahul ahuja
Digitally signed by rahul ahuja
Date: 2020.05.13 17:20:54 +05'30'

RAHUL AHUJA
(CHIEF FINANCIAL OFFICER)

Date: 13th May, 2020
Place: Mumbai

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NUMBER 139 DATED 27-06-2008

Receipts and Payments Statement For the year ended March 31, 2020

	Particulars	For the year ending March 2020 (Rs in '000's)	For the year ending March 2019 (Rs in '000's)
A.	Cash Flows from the operating activities:		
1	Premium received from policyholders, including advance receipts	38,532,064	26,980,276
2	Other receipts - Motor pool/Declined Pool (Net)	(52,095)	(19,111)
3	Payments to the re-insurers, net of commissions and claims	(5,600,037)	(1,649,587)
4	Receipt/(Payments) to co-insurers, net of claims recovery	273,520	300,572
5	Payments of claims	(14,318,550)	(12,121,268)
6	Payments of commission and brokerage	(2,308,153)	(1,745,917)
7	Payments of other operating expenses	(8,602,365)	(5,659,424)
8	Preliminary and other pre operative expenses	-	-
9	Deposits, advances and staff loans	(82,502)	31,140
10	Taxes paid (TDS & Wealth Tax)	(942,993)	(545,910)
11	Service tax/Goods and Service Tax paid	(2,263,439)	(1,721,408)
12	Other payments	-	-
13	Cash flows before extraordinary items	4,635,450	3,849,362
14	Cash flow from extraordinary operations	-	-
15	Net cash flow from operating activities	4,635,450	3,849,362
B	Cash flows from investing activities:		
1	Purchase of fixed assets	(81,773)	(85,424)
2	Proceeds from sale of fixed assets	1,417	3,663
3	Purchases of investments	(45,182,579)	(28,075,508)
4	Loans disbursed	-	-
5	Sales of investments	35,526,060	21,108,070
6	Repayments received	-	-
7	Rents/Interests/ Dividends received	3,065,292	2,656,974
8	Investments in money market instruments and in liquid mutual funds (Net)	(311,974)	(107,024)
9	Expenses related to investments	(2,341)	(1,819)
10	Net cash flow from investing activities	(6,985,898)	(4,501,067)
C	Cash flows from financing activities:		
1	Proceeds from issuance of share capital	3,845,359	-
2	Proceeds from borrowing	350,000	-
3	Repayments of borrowing	-	-
4	Expenses on borrowing	-	-
5	Interest/dividends paid	(177,804)	(177,804)
6	Net cash flow from financing activities	4,017,555	(177,804)
D	Effect of foreign exchange rates on cash and cash equivalents, net		
E	Net increase/(decrease) in cash and cash equivalents:	1,667,106	(829,509)
1	Cash and cash equivalents at the beginning of the reporting period	354,746	1,184,255
2	Cash and cash equivalents at the end of the reporting period ¹	2,021,852	354,746

1 Cash and Cash equivalents at the end of period comprise of following balance sheet amounts;

Particulars	For the year ending March 2020	For the year ending March 2019
Cash (including cheques, drafts and Remittance in transit) (Refer Schedule 11)	26,409	104,606
Short Term Deposits (Refer Schedule 11)	922,362	773,555
Bank Balances - Current Accounts (Refer Schedule 11)	1,500,005	271,371
Bank Overdraft (As per books) (Refer Schedule 13)	(426,924)	(794,786)
Total	2,021,852	354,746

As per our report of even date

For Singhi & Co
Chartered Accountants
(Rean No.302049E)

SHWETA
SINGHAL

SHWETA SINGHAL

(Partner)

Membership No.414420

Date: 13th May, 2020
Place: Mumbai

For M P Chitale & Co
Chartered Accountants

Murtaza Taher
Vajhi

MURTUZA VAJIHI

(Partner)

Sanjeev
S

SANJEEV S
(CHIEF EXECUTIVE OFFICER & MD)
DIN- 07644073

For and on behalf of the Board

RAKESH
BHARTI
MITTAL

RAKESH BHARTI MITTAL

(CHAIRMAN)
DIN- 00042494

RAJESH
SUD

RAJESH SUD
(DIRECTOR)
DIN- 02395182

AMIT
RAHEJA

AMIT RAHEJA
(COMPANY SECRETARY)

MARC,
PIERRE, CH
ARLES, AU
DRIN

**MARC PIERRE CHARLES
AUDRIN**
(DIRECTOR)
DIN- 08420079

Digitally signed by BHARAT
SUMANT RAUT
Date: 2020.05.13 21:51:50
+05'30'

BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)
DIN- 00066080

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ahuja
Date: 2020.05.13
17:17:38 +05'30'

RAHUL AHUJA
(CHIEF FINANCIAL OFFICER)

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS Year Ending March 2020																		(Rs. '000)
Particulars	Fire	Cargo	Marine Others	Total	Total	Motor OD	TP	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc. Total	Total
Premium from Direct Business Written :	2,215,520	818,772	-	818,772	14,877,912	8,702,166	6,175,746	98,766	336,339	345,190	-	455,276	3,647,854	8,280,579	27,135	238,821	28,308,081	31,342,373
Add : Premium on Reinsurance Accepted	199,097	9,839	-	9,839	-	-	-	-	11,557	10,897	-	-	-	-	-	24	22,479	23,415
Less : Premium on Reinsurance Ceded	1,991,105	277,435	-	277,435	1,047,150	527,860	519,290	19,795	171,845	280,406	-	26,547	6,862,465	6,862,465	25,243	138,187	9,264,100	11,532,640
Net Premium	423,512	551,176	-	551,176	13,830,762	8,174,306	5,656,456	78,971	176,251	75,681	-	428,729	2,955,391	1,418,114	1,892	100,669	19,066,460	20,041,148
Adjustment for change in Unexpired Risk Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Reserve created during the period	486,040	152,952	-	152,952	6,971,707	4,132,641	2,839,066	40,240	89,264	50,462	-	265,018	1,071,824	62,795	316	66,351	8,617,977	9,256,970
Add: Reserve created during the previous year Written back	349,004	133,749	-	133,749	5,646,158	3,363,290	2,384,088	39,011	81,383	51,698	-	91,442	1,044,688	42,878	369	30,653	7,059,640	7,512,393
Total Premium Earned (Net)	286,476	531,973	-	531,973	12,507,254	7,404,955	5,102,298	77,742	168,290	76,917	-	255,153	2,928,255	1,398,197	1,945	64,371	17,478,123	18,296,971
* Refer Note No. 3.13																		

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS Year Ending March 2020																		(Rs. '000)
Particulars	Fire	Cargo	Marine Others	Total	Total	Motor OD	TP	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc. Total	Total
Claims Paid																		
Direct	496,315	491,767	-	491,767	8,207,170	5,333,246	2,873,924	40,935	928	320,619	-	137,387	2,164,623	1,998,806	2,575	32,919	12,905,962	13,894,044
Add : Reinsurance Accepted	61,953	29,997	-	29,997	-	-	-	-	-	786	-	-	-	-	-	-	786	92,656
Less : Reinsurance Ceded	424,360	146,415	-	146,415	590,764	266,805	323,899	2,218	(7,907)	278,777	-	9,376	122,318	1,592,849	2,415	14,122	2,694,932	3,175,707
Net Claims Paid	133,908	375,349	-	375,349	7,616,406	5,066,381	2,550,025	38,717	8,835	42,458	-	128,011	2,042,305	405,957	160	18,797	10,301,736	10,810,993
Claims Outstanding (including IBNR & IBNER)																		
Add : Claims Outstanding at the close of the period (net of Re-insurance)	338,428	419,719	-	419,719	20,789,158	1,304,936	19,484,222	94,516	214,107	111,065	-	164,894	799,396	803,691	5,493	110,644	23,092,964	23,851,111
Less: Claims Outstanding at the beginning of the period (net of Re-insurance)	256,889	177,448	-	177,448	18,160,687	1,072,393	17,088,294	69,358	153,032	103,869	-	139,306	528,073	662,025	3,163	77,300	19,896,813	20,331,150
Total Claims Incurred	215,447	617,620	-	617,620	10,245,877	5,208,924	4,555,953	63,075	69,910	49,744	-	153,959	2,313,628	547,643	2,490	52,151	11,497,887	14,330,954

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS																		(Rs. '000)	
SCHEDULE - 3 COMMISSION																			
Particulars	Fire	Marine			Total	Motor		Workmen's Compensation	Year Ending March 2020			Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc		
		Cargo	Others	Total		OD	TP		Public Liability	Engineering	Aviation						Total	Total	
Commission paid direct	161,403	80,354	-	80,354	1,640,100	1,590,804	49,296	9,667	26,006	23,351	-	26,021	363,111	-	3,078	22,070	2,113,404	2,355,161	
Add: Commission on Re-insurance Accepted	11,621	600	-	600	-	-	-	-	1,545	271	-	-	-	-	-	2	1,818	14,039	
Less: Commission on Re-insurance Ceded	302,470	23,682	-	23,682	161,122	65,269	95,853	775	18,753	50,650	-	3,407	383,939	320,999	5,596	17,920	963,161	1,289,313	
Net Commission	(129,446)	57,272	-	57,272	1,478,978	1,525,535	(46,557)	8,892	8,798	(27,028)	-	22,614	(20,828)	(320,999)	(2,518)	4,152	1,152,061	1,079,887	
Break-up of the commission (Gross) incurred to procure direct business furnished as per details below:																			
Agents	15,200	11,120	-	11,120	96,861	90,277	6,584	3,338	1,806	3,626	-	2,058	15,187	-	41	3,987	126,904	153,224	
Brokers	111,745	64,454	-	64,454	942,253	907,953	34,300	5,770	26,591	18,655	-	9,735	86,684	-	3,059	10,700	1,103,447	1,279,646	
Concurrence Agency	25,052	2,194	-	2,194	143,035	140,071	2,964	361	314	676	-	14,603	264,324	-	6,593	429,906	497,152		
Rewards - Agents/Brokers	9,406	2,586	-	2,586	306,514	306,514	-	198	(2,705)	394	-	(424)	(2,120)	-	(22)	790	301,535	313,527	
Others (BSP, POSP)	0	-	-	-	151,437	145,889	5,448	-	-	-	-	-	176	-	-	-	151,613	151,613	
Total (B)	161,403	80,354	-	80,354	1,640,100	1,590,804	49,296	9,667	26,006	23,351	-	26,021	363,111	-	3,078	22,070	2,113,404	2,355,161	

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-4 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(Rs. '000)

Particulars	Year Ending March 2020																	
	Fire	Marine Cargo	Marine Others	Marine Total	Motor Total	Motor OD	Motor TP	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Miscellaneous Total	Total
Employees' remuneration and welfare benefits	65,431	79,197	-	79,197	1,332,729	787,674	545,055	9,673	28,515	9,382	-	47,061	365,811	74,933	250	13,351	1,881,705	2,026,333
Travel, conveyance and vehicle running expenses	3,958	4,255	-	4,255	99,970	59,085	40,885	619	1,401	609	-	3,030	22,066	7,544	13	856	136,108	144,321
Training Expenses	711	926	-	926	23,226	13,727	9,499	133	296	127	-	720	4,963	2,381	3	169	32,018	33,655
Rents, rates and taxes	4,609	6,702	-	6,702	126,897	74,999	51,898	819	2,335	773	-	4,476	32,517	13,617	23	1,040	182,497	193,808
Repairs Maintenance (including Electricity Expenses)	926	1,205	-	1,205	30,228	17,866	12,363	173	385	165	-	937	6,459	3,099	4	220	41,671	43,802
Printing and stationery	472	472	-	472	15,439	9,125	6,314	56	98	50	-	708	6,660	859	1	177	24,048	24,992
Communication Expenses	5,035	6,553	-	6,553	164,429	97,181	67,248	939	2,095	900	-	5,097	35,135	16,859	22	1,197	226,673	238,261
Legal and professional charges	5,474	7,125	-	7,125	201,337	118,995	82,342	1,021	2,278	978	-	5,542	38,206	30,708	24	1,301	281,397	293,996
Auditor's fees expenses etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	116	151	-	151	3,796	2,243	1,552	22	48	21	-	118	811	389	1	28	5,233	5,500
(b) as advisor or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Certification Fee	17	22	-	22	559	330	229	3	7	3	-	17	119	57	0	4	771	810
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Audit Out of Pocket expenses	30	40	-	40	993	587	406	6	13	5	-	31	212	102	0	7	1,369	1,439
Advertisement and Publicity	92,579	57,534	-	57,534	2,572,255	1,520,263	1,051,992	13,573	14,968	14,108	-	65,412	416,844	40,380	153	20,773	3,158,466	3,308,579
Interest and Bank Charges	1,421	1,849	-	1,849	46,404	27,426	18,978	265	591	254	-	1,438	9,915	51,898	6	338	111,109	114,379
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Information technology	9,275	12,070	-	12,070	302,888	179,014	123,874	1,729	3,860	1,657	-	9,389	64,722	31,056	41	2,205	417,547	438,892
Marketing Expenses	425	554	-	554	13,891	8,210	5,681	79	177	76	-	431	2,968	1,424	2	101	19,149	20,128
Exchange (gain) /loss	0	0	-	0	8	4	3	0	0	0	-	0	2	1	0	0	10	10
Miscellaneous Expenses*	366	476	-	476	11,952	7,064	4,887	68	152	65	-	371	2,554	1,226	2	87	16,476	17,318
Support Services	4,854	4,446	-	4,446	135,418	80,035	55,383	740	1,299	736	-	3,993	29,485	33,992	13	1,145	206,821	216,121
GST on Exempted Services	1,446	1,882	-	1,882	47,224	27,910	19,313	270	602	258	-	1,464	10,091	81,017	6	344	141,275	144,603
(Profit)/ Loss on Discard / Sale of Assets	26	34	-	34	853	504	349	5	11	5	-	26	182	87	0	6	1,175	1,235
Depreciation	1,978	2,575	-	2,575	64,604	38,182	26,421	369	823	394	-	2,003	13,805	6,624	9	470	89,060	93,613
	199,149	188,068	-	188,068	5,195,100	3,070,424	2,124,672	30,562	59,954	30,526	-	152,264	1,063,527	398,283	573	43,819	6,974,578	7,361,795

* Miscellaneous expenses does not exceed 1% of the Gross written premium less Reinsurance

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-1A PREMIUM EARNED (NET)

Particulars	Fire	Marine			Motor		Year Ending March 2019										(Rs. '000)	
		Cargo	Others	Total	Total	OO	TP	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc	Total
Premium from Direct Business Written :	1,232,560	520,766	-	520,766	11,429,998	6,782,890	4,647,106	91,358	310,690	310,323	-	218,735	3,118,263	5,196,085	29,133	122,585	20,827,167	22,580,493
Add : Premium on Reinsurance Accepted	222,144	25,801	-	25,801	-	-	-	-	8,650	12,041	-	-	-	-	-	20	20,710	268,656
Less : Premium on Reinsurance Ceded	1,100,465	204,467	-	204,467	866,823	407,908	458,915	16,174	150,868	254,450	-	14,048	564,228	4,339,530	27,298	78,976	6,320,395	7,085,326
Net Premium	294,239	342,100	-	342,100	10,563,173	6,374,982	6,188,191	75,184	160,472	67,914	-	204,687	2,554,034	856,556	1,835	43,629	14,527,483	15,163,823
Adjustment for change in Unearned Risk Reserve	349,004	133,749	-	133,749	5,648,199	3,363,291	2,384,908	39,011	81,303	51,698	-	91,442	1,044,688	42,878	369	30,053	7,029,641	7,512,394
Less: Reserve created during the period	239,093	58,180	-	58,180	5,236,205	3,396,181	1,840,024	26,983	58,447	30,871	-	57,057	546,336	66,232	657	18,332	6,041,119	6,338,392
Add: Reserve created during the previous year Written back	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Premium Earned (Net)	184,328	266,531	-	266,531	10,151,179	6,407,873	3,743,307	63,155	137,615	47,087	-	170,301	2,055,683	879,909	2,123	31,908	13,535,962	13,989,821

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-2A CLAIMS INCURRED (NET)

Particulars	Fire	Marine			Motor		Year Ending March 2019										(Rs. '000)	
		Cargo	Others	Total	Total	OO	TP	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc Total	Total
Claims Paid																		
Direct	310,678	429,700	-	429,700	6,509,787	4,499,657	2,010,130	31,466	43,496	176,325	-	113,864	1,727,555	2,384,289	4,480	50,345	11,041,606	11,781,984
Add : Reinsurance Accepted	7,490	9,215	-	9,215	-	-	-	-	-	325	-	-	-	-	-	-	325	17,029
Less : Reinsurance Ceded	266,737	254,215	-	254,215	440,947	225,408	215,539	1,726	20,391	151,277	-	6,364	107,163	1,903,601	4,256	15,668	2,651,393	3,174,345
Net Claims Paid	49,431	184,700	-	184,700	6,068,839	4,274,248	1,794,591	29,740	23,104	25,373	-	107,500	1,620,392	480,689	224	34,677	8,390,538	8,624,668
Claims Outstanding (including IBNR & IBNER)																		
Add : Claims Outstanding at the close of the period (net of Re-insurance)	256,889	177,448	-	177,448	18,160,687	1,072,393	17,086,294	69,358	153,032	103,869	-	139,306	528,073	662,025	3,163	77,300	19,896,814	20,331,150
Less: Claims Outstanding at the beginning of the period (net of Re-insurance)	184,757	153,982	-	153,982	16,568,114	1,280,785	15,287,329	43,815	130,947	86,209	-	101,658	322,419	477,600	1,796	117,739	17,850,286	18,189,025
Total Claims Incurred	121,562	208,166	-	208,166	7,661,412	4,065,856	3,595,555	55,283	45,189	43,033	-	145,148	1,826,046	665,113	1,602	(5,762)	10,437,066	10,766,793

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 3A COMMISSION

Particulars	Fire	Marine			Motor		Year Ending March 2019										(Rs. '000)	
		Cargo	Others	Total	Total	OO	TP	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc Total	Total
Commission paid direct	83,571	60,331	-	60,331	1,235,381	1,205,904	29,477	8,426	33,618	20,878	-	15,311	289,042	-	2,528	9,580	1,615,164	1,759,065
Add : Commission on Re-insurance Accepted	11,318	2,915	-	2,915	-	-	-	-	1,216	468	-	-	-	-	-	1	1,685	15,919
Less: Commission on Re-insurance Ceded	149,486	19,030	-	19,030	190,313	178,695	11,618	741	19,820	44,514	-	1,637	302,419	496,488	6,388	9,666	1,071,987	1,240,501
Net Commission	(54,597)	44,215	-	44,215	1,045,068	1,027,209	17,859	7,684	15,014	(23,146)	-	13,675	(13,377)	(496,488)	(3,460)	(86)	544,863	534,482
Break-up of the commission (Gross) incurred to procure direct business furnished as per details below:																		
Agents	6,035	6,483	-	6,483	138,467	129,264	9,203	3,281	1,472	4,331	-	2,008	17,430	-	175	2,242	169,407	181,926
Brokers	51,861	47,170	-	47,170	681,736	662,417	19,389	4,815	28,940	14,788	-	10,134	74,775	-	2,684	5,405	823,337	924,569
Corporate Agency	16,950	1,876	-	1,876	21,973	21,008	965	45	66	751	-	2,703	191,371	-	-	1,352	218,262	237,087
Reverends - Agents/Brokers	6,725	4,802	-	4,802	207,341	207,341	-	205	3,140	987	-	418	5,369	-	69	521	219,029	229,555
Others (BMSD, POGP)	0	-	-	-	185,874	185,874	-	-	-	11	-	48	187	-	-	-	186,130	186,130
Total (B)	83,571	60,331	-	60,331	1,235,380	1,205,903	29,477	8,426	33,618	(20,878)	-	15,311	289,042	-	2,528	9,580	1,615,164	1,759,065
									(1)	(1)	-	0		-		(1)	(1)	(1)

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-4A OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(Rs. '000)

Particulars	Fire	Marine Cargo	Marine Others	Marine Total	Motor Total	Motor OD	Motor TP	Workmen's Compensation	Year Ending March 2019				Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Miscellaneous Total	Total
									Public Liability	Engineering	Aviation								
Employees' remuneration and welfare benefits	41,637	53,219	-	53,219	1,136,430	685,847	450,583	9,708	25,474	9,415	-	26,138	337,586	59,261	264	7,145	1,611,421	1,706,277	
Travel, conveyance and vehicle running expenses	2,526	2,689	-	2,689	81,415	49,135	32,280	596	1,235	581	-	1,529	19,616	5,577	13	400	110,962	116,176	
Training Expenses	333	387	-	387	11,962	7,219	4,743	85	182	77	-	232	2,892	970	2	49	16,452	17,172	
Rents, rates and taxes	11,336	11,076	-	11,076	355,222	214,380	140,842	2,596	5,069	2,599	-	6,450	82,132	10,265	53	1,762	466,147	488,561	
Repairs Maintenance (including Electricity Expenses)	929	1,080	-	1,080	33,339	20,121	13,218	237	506	214	-	646	8,061	2,703	6	138	45,850	47,859	
Printing and stationery	577	514	-	514	19,603	11,831	7,772	98	176	87	-	388	7,606	1,191	2	153	29,304	30,395	
Communication Expenses	3,309	3,848	-	3,848	118,808	71,702	47,106	846	1,805	764	-	2,302	28,726	9,634	21	491	163,396	170,554	
Legal and professional charges	2,417	2,798	-	2,798	109,380	66,012	43,368	614	1,307	554	-	1,680	21,192	30,553	15	364	165,657	170,873	
Auditor's fees expenses etc.																			
(a) as auditor	98	114	-	114	3,535	2,133	1,402	25	54	23	-	69	855	287	1	15	4,861	5,075	
(b) as advisor or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i) Taxation matters	23	27	-	27	843	509	334	6	13	5	-	16	204	68	0	3	1,159	1,210	
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(iii) Certification Fee	18	21	-	21	641	387	254	5	10	4	-	12	155	52	0	3	881	920	
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Audit Out of Pocket expenses	8	10	-	10	304	183	121	2	5	2	-	6	74	25	0	1	418	437	
Advertisement and Publicity	36,627	19,739	-	19,739	1,291,106	779,196	511,910	7,641	6,781	8,442	-	16,042	222,378	2,665	64	5,691	1,560,811	1,617,177	
Interest and Bank Charges	572	665	-	665	20,540	12,396	8,144	146	312	132	-	398	4,966	22,171	4	85	48,754	49,991	
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Information technology	7,699	8,952	-	8,952	276,409	166,816	109,593	1,967	4,199	1,777	-	5,356	66,832	22,414	48	1,142	380,144	396,795	
Marketing Expenses	201	234	-	234	7,204	4,348	2,856	51	110	46	-	140	1,744	587	1	30	9,913	10,347	
Exchange (gain) /loss	25	29	-	29	907	548	359	6	14	6	-	18	219	74	0	4	1,248	1,303	
Miscellaneous Expenses*	480	558	-	558	17,216	10,390	6,826	123	262	111	-	334	4,163	1,396	3	71	23,677	24,715	
Support Services	3,743	3,096	-	3,096	125,780	75,910	49,870	800	1,252	821	-	2,015	29,355	21,438	13	660	182,134	188,973	
GST/ST on Exemoted Services	166	193	-	193	5,964	3,599	2,365	42	91	38	-	116	1,442	81,159	1	25	88,878	89,237	
(Profit)/ Loss on Sale of Assets	(31)	(36)	-	(36)	(1,121)	(677)	(444)	(8)	(17)	(7)	-	(22)	(271)	(91)	(0)	(5)	(1,542)	(1,609)	
Depreciation	1,727	2,008	-	2,008	61,988	37,417	24,581	441	942	399	-	1,201	14,990	5,027	11	256	85,266	89,001	
	114,422	111,221	-	111,221	3,677,488	2,219,399	1,458,085	26,029	49,779	26,088	-	65,867	854,916	277,423	521	18,484	4,995,797	5,221,439	

* Miscellaneous expenses does not exceed 1% of the Gross written premium less Reinsurance

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE -5 SHARE CAPITAL

Particulars	As at Mar 31, 2020 (Rs. '000)	As at Mar 31, 2019 (Rs. '000)
Authorised Capital		
[4,000,000,000 (As at March 31, 2019 2,000,000,000) Equity shares of Rs. 10 each]	40,000,000	20,000,000
Issued Capital		
[2,006,445,322 (As at March 31, 2019- 1,621,445,322 Equity shares of Rs. 10 each] (Refer Note No.4.10 of Schedule 16)	20,064,453	16,214,453
Subscribed Capital		
[2,005,981,216 (As at March 31, 2019- 1,621,445,322 Equity shares of Rs. 10 each]	20,059,812	16,214,453
Called-up Capital		
Equity shares of Rs. 10 each	20,059,812	16,214,453
Less: Calls unpaid -		
Add : Shares forfeited (Amount originally paidup)	-	-
Less : Par Value of Equity Shares bought back	-	-
Less: Preliminary Expenses including commission or brokerage on underwriting or subscription of shares	-	-
Total	20,059,812	16,214,453

Note - Of the above, 1,023,050,416 shares are held by the holding company, Bharti General Ventures Private Limited (Formerly known as Bharti General Private Limited) (as at March 31, 2019 826,937,110 shares)

SCHEDULE-5A SHARE CAPITAL

PATTERN OF SHAREHOLDING (As certified by the Management)

Shareholder	As at Mar 31, 2020		As at Mar 31, 2019	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
- Indian	1,023,050,416	51.00	826,937,110	51.00
- Foreign	982,930,795	49.00	794,508,207	49.00
Others - Employee (Others)	5	0.00	5	0.00
Total	2,005,981,216	100	1,621,445,322	100

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-6 RESERVES AND SURPLUS

Particulars	As at Mar 31, 2020 (Rs. '000)	As at Mar 31, 2019 (Rs. '000)
Capital Reserve	-	-
Capital Redemption Reserve	-	-
Share Premium	-	-
Opening Balance	1,720,185	1,720,185
Additions during the year	-	-
Deletions during the year	-	-
Closing Balance	1,720,185	1,720,185
General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilised for Buyback	-	-
Catastrophe Reserve	-	-
Other Reserves	-	-
Balance in Profit and Loss Account	-	-
Total	1,720,185	1,720,185

SCHEDULE - 7 BORROWINGS

Particulars	As at Mar 31, 2020 (Rs. '000)	As at Mar 31, 2019 (Rs. '000)
Debentures/Bonds (Refer Note No. 3.29 of Schedule 16)	2,550,000	2,200,000
Banks	-	-
Financial Institutions	-	-
Others	-	-
Total	2,550,000	2,200,000

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 8 INVESTMENTS - SHAREHOLDERS

Particulars	As at Mar 31, 2020 (Rs. '000)	As at Mar 31, 2019 (Rs. '000)
Long Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	1,668,876	1,628,238
Other Approved Securities	633,185	-
Other Investments	-	-
(a) Shares -	-	-
(aa) Equity Shares	256,884	235,120
(bb) Preference Shares	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debenture/Bonds	607,822	1,038,141
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate (Net off depreciation)	106,389	108,980
(Refer Note No. 3.9 of Schedule 16)		
Investments in Infrastructure and Social Sector	2,424,504	1,239,862
Other than Approved Securities	165,525	327,224
Less: Provision for Non-Performing Investment (Refer Note No. 3.8 of Schedule 16)	<u>(64,860)</u>	<u>(5,668)</u>
	100,665	321,556
Short Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	2,817	82,135
Other Approved Securities	-	-
Other Investments	-	-
(a) Shares	-	-
(aa) Equity Shares	-	-
(bb) Preference Shares	-	-
(b) Mutual Funds	83,502	29,679
(c) Derivative Instruments	-	-
(d) Debenture/Bonds	381,203	376,422
(e) Other Securities (Fixed Deposit)	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	387,613	268,980
Other than Approved Securities	98,700	198,501
Less: Provision for Non-Performing Investment (Refer Note No. 3.8 of Schedule 16)	<u>(33,135)</u>	<u>(4,251)</u>
	65,565	194,250
Total	<u>6,719,025</u>	<u>5,523,363</u>

1. Investments Other than Listed Equities and Derivative Instruments:

Aggregate Value of Investments excluding provisions as at March 31, 2020 Book Value Rs. 6,832,291 thousand and Market Value Rs. 6,822,696 thousand (As at March 31, 2019 Book Value Rs. 5,537,870 thousand and Market Value Rs. 5,550,379 thousand)

2. Investments maturing within next 12 months are Rs. 952,847 thousand (as at March 31, 2019 Rs. 955,190 thousand).

3. Investment Properties-Real Estate is shown at cost less accumulated depreciation of Rs. 4,951 thousand (as at March 31, 2019 Rs. 2,913 thousand)

4. Investment Assets have been allocated notionally in the ratio of policyholders and shareholders funds

5. The Fair value of Investment Properties - Real estate is Rs 118,088 thousand based on Valuation report as on March 31, 2019

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 8A INVESTMENTS - POLICYHOLDERS

Particulars	As at Mar 31, 2020 (Rs. '000)	As at Mar 31, 2019 (Rs. '000)
Long Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	10,167,124	9,862,500
Other Approved Securities	3,857,486	-
Other Investments	-	-
(a) Shares -	-	-
(aa) Equity Shares	1,564,987	1,424,158
(bb) Preference Shares	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debenture/Bonds	3,702,971	6,288,192
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate (Net off depreciation)	648,143	660,107
(Refer Note No. 3.9 of Schedule 16)		
Investments in Infrastructure and Social Sector	14,770,559	7,510,049
Other than Approved Securities	1,008,412	1,982,050
Less: Provision for Non-Performing Investment (Refer Note No. 3.8 of Schedule 16)	<u>(395,140)</u>	<u>(34,335)</u>
	613,272	1,947,715
Short Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	17,162	497,504
Other Approved Securities	-	-
Other Investments	-	-
(a) Shares	-	-
(aa) Equity Shares	-	-
(bb) Preference Shares	-	-
(b) Mutual Funds	508,709	42,969
(c) Derivative Instruments	-	-
(d) Debenture/Bonds	2,322,364	2,280,050
(e) Other Securities (Fixed Deposit)	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	2,361,413	1,629,253
Other than Approved Securities	601,300	1,202,354
Less: Provision for Non-Performing Investment (Refer Note No. 3.8 of Schedule 16)	<u>(201,865)</u>	<u>(25,746)</u>
	399,435	1,176,608
Total	<u>40,933,625</u>	<u>33,319,105</u>

1. Investments Other than Listed Equities and Derivative Instruments:

Aggregate Value of Investments excluding provisions as at March 31, 2020 Book Value Rs. 41,969,786 thousand and Market Value Rs. 41,910,847 thousand (As at March 31, 2019 Book Value Rs. 33,408,618 thousand and Market Value Rs. 33,482,749 thousand)

2. Investments maturing within next 12 months are Rs 5,804,936 thousand (as at March 31, 2019 Rs Rs 5,650,581 thousand).

3. Investment Properties-Real Estate is shown at cost less accumulated depreciation of Rs 30,163 thousand (as at March 31, 2019 Rs 17,646 thousand)

4. Investment Assets have been allocated notionally in the ratio of policyholders and shareholders funds

5. The Fair value of Investment Properties - Real estate is Rs. 719,413 thousand based on Valuation report as on March 31, 2019

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-9 LOANS

Particulars	<u>As at Mar 31, 2020</u> (Rs. '000)	<u>As at Mar 31, 2019</u> (Rs. '000)
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SECURITY-WISE CLASSIFICATION

Secured

a) On Mortgage of Property		
(aa) In India	-	-
(bb) Outside India	-	-
b) On Shares, Bonds, Govt.Securities	-	-
c) Loans against policies	-	-
d) Others	-	-

Unsecured

-

Total	<u>-</u>	<u>-</u>
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BORROWER-WISE CLASSIFICATION

a) Central and State Government	-	-
b) Bank and Financial Institutions	-	-
c) Subsidiaries	-	-
d) Industrial Undertakings	-	-
e) Others	-	-

Total	<u>-</u>	<u>-</u>
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PERFORMANCE-WISE CLASSIFICATION

a) Loans classified as standard		
(aa) In India	-	-
(bb) Outside India	-	-
b) Non-Performing loans less provisions		
(aa) In India	-	-
(bb) Outside India	-	-

Total	<u>-</u>	<u>-</u>
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MATURITY-WISE CLASSIFICATION

a) Short Term		
b) Long Term	-	-

Total	<u>-</u>	<u>-</u>
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BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 10 FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block			(Rs. '000)
	As at April 1, 2019	Additions/ Adjustments	Deductions/ Adjustments	As at Mar 31, 2020	As at April 1, 2019	For the period	On Sales/ Adjustments	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles-Computer softwares and License fees	265,967	14,173	80,356	199,784	221,639	20,855	78,314	164,180	35,604	44,328
Leasehold Improvements	128,242	11,497	21,123	118,616	109,042	12,236	21,065	100,213	18,403	19,200
Furniture, Fixtures & Equipments	33,235	9,134	3,940	38,429	28,902	3,221	3,746	28,377	10,052	4,333
Information Technology Equipment	318,704	26,802	9,079	336,427	199,932	53,921	8,983	244,870	91,557	118,772
Vehicles	10,850	-	-	10,850	10,850	-	-	10,850	-	-
Office Equipment	41,815	4,785	6,681	39,919	33,991	3,382	6,419	30,954	8,965	7,824
Total	798,813	66,391	121,179	744,025	604,356	93,615	118,527	579,444	164,581	194,457
Work-in-progress	5,289	34,535	19,153	20,671	-	-	-	-	20,671	5,289
Grand Total	804,102	100,926	140,332	764,696	604,356	93,615	118,527	579,444	185,252	199,746
Previous year	760,071	127,047	83,016	804,102	554,695	89,001	39,340	604,356	199,746	

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-11 CASH AND BANK BALANCES

Particulars	<u>As at Mar 31, 2020</u> (Rs. '000)	<u>As at Mar 31, 2019</u> (Rs. '000)
Cash (including cheques, drafts and Remittance in	26,409	104,606
Bank Balances		
(a) Deposit Accounts		
(aa) Short Term (due within 12 months)	922,362	773,555
(bb) Others	-	-
(b) Current Accounts	1,500,005	271,371
(c) Others	-	-
Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
Others	-	-
Total	<u><u>2,448,776</u></u>	<u><u>1,149,532</u></u>

Balances with non-scheduled banks included in Bank Balances and Money at Call and Short Notice above

CASH & BANK BALANCES

1. In India	2,448,776	1,149,532
2. Outside India	-	-
Total	<u><u>2,448,776</u></u>	<u><u>1,149,532</u></u>

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-12 ADVANCES AND OTHER ASSETS

Particulars	As at Mar 31, 2020 (Rs. '000)	As at Mar 31, 2019 (Rs. '000)
Advances		
Reserve Deposits with Ceding Companies	-	-
Application money for Investments	-	-
Prepayments	111,628	78,951
Advances to Directors / Officers	-	-
Advance Tax Paid and Taxes Deducted at Source (Net of Provision for Tax)	18,745	9,413
Others	-	-
- Advance to employees	6,650	3,414
- Sundry Advances / Advance to supplier	50,772	7,542
- Advances receivable in cash or kind	16,027	7,439
Total (A)	203,822	106,759
Other Assets		
Income accrued on Investments	1,404,321	1,152,413
Money market securities representing unclaimed fund	365,759	430,800
Fair Value Change - Money market securities representing unclaimed fund	33,216	12,490
Unutilised GST/Service tax carried forward	298,450	160,881
Outstanding Premium	3,988,671	3,180,078
Agents' Balances	90,029	66,972
Less : Provision for doubtful debts	(35,482)	(33,327)
Due from other entities carrying on insurance business (including reinsurers)	625,448	524,674
Less : Provision for doubtful debts	(202,375)	(179,814)
Deposit with Reserve Bank of India (Pursuant to Section 7 of Insurance Act, 1938)	-	-
Others		
- Receivable from Terrorism Pool	433,215	380,736
Deposits		
- Rental	67,984	67,146
Less : Provision for doubtful debts	(6,800)	-
- Others	15,136	14,896
Unsettled Investment receivable	(0)	(0)
Investments realization receivable	1,475,000	325,000
Less : Provision for doubtful debts (Refer Note No. 3.8)	(1,010,000)	(65,000)
Interest Receivable	-	7,659
Krishi Kalyan cess refund receivable	28,548	28,548
Less: Provision for Krishi Kalyan cess	(28,548)	(28,548)
Total (B)	7,542,572	6,045,604
Total (C)=(A)+(B)	7,746,394	6,152,363

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-13 CURRENT LIABILITIES

Particulars	As at Mar 31, 2020 (Rs. '000)	As at Mar 31, 2019 (Rs. '000)
Agents' Balances	166,698	156,294
Balances due to other insurance companies	5,838,478	4,312,292
Deposit held on reinsurance ceded	78,815	52,543
Premium Received in Advance	4,970,404	1,493,101
Unallocated Premium	796,267	701,582
Unclaimed Amount of Policy Holders	271,221	256,251
Investment Income accruing on Unclaimed Amount	88,058	62,532
Sundry Creditors	1,644,057	1,372,885
Claims Outstanding	23,851,111	20,331,150
Claims Outstanding - Motor Pool	330,401	605,917
Others		
- Statutory Dues	216,469	293,248
- Rent Equilisation Reserve	22,648	21,091
- Employee related	246,321	216,373
- Claims approved but not paid	-	-
- Declined Pool	341,199	530,685
- Interest Payable - Debentures	141,686	107,657
- Rental deposits	15,779	15,779
- Book Overdraft (As per books)	426,924	794,786
- Excess amount received- refundable	46,388	-
- Investment payable	0	21,518
Total	39,492,924	31,345,685

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-14 PROVISIONS

Particulars	As at Mar 31, 2020 (Rs. '000)	As at Mar 31, 2019 (Rs. '000)
Reserve for Unexpired Risk	9,256,970	7,512,393
Reserve for Premium Deficiency	14,751	28,910
For taxation	-	-
(Less advance tax paid and taxes deducted at source)	-	-
For proposed dividends	-	-
For dividend distribution tax	-	-
Others		
- Employee Benefits	105,914	82,983
Total	9,377,635	7,624,286

SCHEDULE-15 MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)

Particulars	As at Mar 31, 2020 (Rs. '000)	As at Mar 31, 2019 (Rs. '000)
Discount allowed in issue of shares/debentures	-	-
Others	-	-
Total	-	-



BHARTI AXA GENERAL INSURANCE COMPANY LIMITED

SCHEDULE 16

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS FOR PERIOD ENDED MARCH 31, 2020

1. Background

Bharti AXA General Insurance Company Limited ('the Company') was incorporated under the provisions of the Companies Act, 1956 on July 13, 2007 and is a joint venture between AXA and Bharti group to undertake and carry on the business of General Insurance. The Company obtained regulatory approval from the Insurance Regulatory and Development Authority of India "IRDAI" on June 27, 2008 to undertake General Insurance business in various lines of business like fire, marine, motor, liability, engineering, accident, health, workmen compensation etc. and the Company holds a valid certification of registration. The redeemable and non-convertible debentures of the company are listed on National Stock Exchange from May 9, 2019.

2. Significant accounting policies

2.1. Basis of Preparation of financial statements

The financial statements are prepared under the historical cost convention unless otherwise stated and on the accrual basis of accounting in accordance with the generally accepted accounting principles and in accordance with the statutory requirements prescribed under the Insurance Act, 1938, the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('The Regulations'), Insurance Laws (Amendment) Act, 2015 and orders and directions issued by the IRDAI in this behalf, the Companies Act 2013, to the extent applicable and comply with the notified accounting standards under section 133 of Companies Act 2013 and Companies (Accounting Standards) Amendment Rules, 2016. The Financial statements are prepared in Indian rupees rounded off to the nearest thousands.

2.2. Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities as at the balance sheet date. The estimates and assumptions used in the accompanying financial statements are based on the management's evaluation of the relevant facts and circumstances as on date of financial statements. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results may differ from the estimates and assumptions and any revision to accounting estimates is recognized in the year in which they actually materialize.

2.3. Revenue recognition

Premium Income

Premium (net of Goods and Service Tax), including reinstatement premium and reinsurance accepted, is recognized as income over the period of risk or the contract period, as appropriate, after adjusting for unearned premium based on 1/365 method. Any subsequent revision to premium is recognized over the remaining period of risk. Adjustments to premium, arising on cancellation of policies are accounted for in the year of cancellation. Installment cases are recorded on installment due dates. Premium received in advance represents the premium received prior to commencement of the risk.

In case of long term motor insurance business for new private vehicles and two wheelers sold on or after 1st September, 2018 premium received (net of Goods and Service Tax) for Motor Third party Insurance cover is recognized equally over the period of risk coverage at the commencement of risk on 1/n basis where 'n' denotes the tenure of the risk in years. Premium allocated for the year is recognized as income earned based on 1/365 method, on a gross basis and the remaining premium is accounted as "Advance Premium" and shown under the head "Current Liabilities".

Reinstatement premium is allocated on the same basis as the original premium over the balance term of the policy. Any subsequent revisions to premium as and when they occur are recognized on the same basis as the original premium, over the balance term of the policy.

Adjustments to premium income due to cancellation of policies are recognized in the period in business is cancelled. Adjustments to premium income for corrections to area covered under Crop Insurance are recognized in the period in which the information is confirmed by the concerned Government/nodal agency.

Income from reinsurance ceded

Commission on reinsurance ceded is recognized as income in the period in which risk is ceded. Profit commission under reinsurance treaties, where ever applicable, is recognized as income in the year in which the same is determined and agreed with the reinsurer.

Income earned on investments

Interest/Rental income

Interest and rental income on investments are recognized on an accrual basis.

Profit/Loss on Sale/Redemption of Investments

The net realized gains or losses on the debt securities are the difference between the net sale consideration and the amortized cost, which is computed on a weighted average basis, as on the date of sale. In case of listed equity shares/mutual fund units, the profit or loss on sale of investment includes the accumulated changes in the fair value previously recognized under the head "Fair Value Change Account" (FVCA).

Sale consideration for the purpose of realized gain/loss is net of brokerage or taxes, if any, and excludes interest received on sales.

Dividend income

Dividend income is recognized when the right to receive the dividend is established. Dividend income in respect of listed equity shares is recognized on ex-dividend date.

Premium/discount on purchase of investments

Premium or discount on acquisition, as the case may be, in respect of debt securities, is amortized/ accreted on constant yield to maturity basis over the period of holding.

Allocation of Investment Income

Investment Income has been allocated between revenue accounts and profit and loss account in the ratio of policyholders and shareholders fund as at the Balance sheet date. Policy holder's investment income is further allocated to various segments on the basis of ratio of average policyholder's funds comprising of reserves for unexpired risks, IBNR, IBNER and outstanding claims.

2.4. Reinsurance premium

Premium ceded in respect of proportional reinsurance is accounted for in the year in which the premium is recognized. Premium ceded in respect of non-proportional reinsurance is recognized when incurred and due. Any subsequent revision of reinsurance premium/adjustment to premium arising on cancellation of policies is recognized in the year in which it occurs.

Adjustments to reinsurance premium for corrections to area covered under Crop insurance are recognized simultaneously along with adjustment to related premium income

2.5. Reinsurance accepted

Reinsurance Inward acceptances are accounted for on the basis of binding slips, to the extent received, from the insurers.

2.6. Acquisition costs

Acquisition costs are those costs that vary with, and are primarily related to the acquisition of new and renewal insurance contracts viz., commission, brokerage, motor insurance service providers, rewards and remuneration. These costs are expensed in the period in which they are incurred.

2.7. Reserve for unexpired risk

Reserve for unexpired risk is recognized net of reinsurance ceded on the basis of 1/365 method or risk period basis. For fire, marine cargo and miscellaneous business, it is calculated on a daily pro-rata basis, except in the case of marine hull business it is computed at 100% of net premium written on all unexpired policies on the balance sheet date. Reserve for unexpired risk on terrorism pool retrocessions are provided with 50% of the retrocessions booked.

2.8. Premium deficiency

Premium deficiency is recognized for the company at segmental revenue account level when the sum of expected claim costs and related expenses (including claim handling cost) exceed the reserve for unexpired risks. Assessment of expected claim cost and related expenses is duly certified by the Appointed Actuary in accordance with IRDAI (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulation, 2016.

2.9. Claims incurred

Claims incurred comprises of claims paid (net of salvage and other recoveries), change in estimated liability for outstanding claims made following a loss occurrence reported, change in estimated liability for claims incurred but not reported ('IBNR') and claims incurred but not enough reported ('IBNER'). Further, claims incurred also include specific claim settlement costs comprising survey fees, legal costs and other ancillary cost.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognized on the date of intimation based on estimates from surveyors / insured in respective revenue accounts.

Estimated liability in respect of outstanding claims is provided on the basis of the ultimate amounts that are likely to be paid on each claim, established by the management in light of past experience, based on estimates from surveyors/insured and based on actuarial valuation (including cases where claim payment period exceeds four years). These estimates are modified for changes, as appropriate on availability of further information.

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/payable to co-insurers/reinsurers. Where salvage is retained by the Company, the recoveries from sale of salvage are recognized at the time of sale.

2.10. Incurred but not reported (I.B.N.R.) and incurred but not enough reported (I.B.N.E.R.)

IBNR represents the amount of all claims that may have been incurred during the accounting period but have not been reported or claimed. IBNER includes provision, if any, required for claims incurred but not enough reported. Liability for IBNR/IBNER is based on an actuarial estimate duly certified by the appointed actuary in compliance with the guidelines issued by the Institute of Actuaries of India in concurrence with the relevant IRDAI regulations.

2.11. Operating expenses related to the insurance business

Operating expenses related to the insurance business are allocated to specific business segments on the basis of:

- Expenses which are directly identifiable to the business segments are on actual basis.
- Certain expenses based on their nature are allocated based on their correlation with various business segments as determined by the management.
- Other expenses which are not directly identifiable are apportioned on the basis of Net Written Premium.

Expenses pertaining to Shareholders/Directors are recognized in the Profit and Loss Account and expenses relating to Policyholders' are recognized in the Revenue Account. As per IRDAI (Expenses of Management of Insurers transacting General or Health insurance business) Regulations, 2016 expenses in excess of allowable expenses are charged to the Shareholders Account.

2.12. Fixed Assets, Intangibles and Depreciation/Amortization

(A) Tangible Assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use, net of GST input credit receivable.

Subsequent expenditure related to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are recognized in the revenue account as and when incurred.

(B) Intangible Assets

Intangible assets are stated at cost less accumulated amortization. Intangible assets comprising computer software including improvements, server software and license fee for operating system are amortized over a period of 4 years, being the management's estimate of the useful life of such intangibles.

(C) Capital Work in Progress

Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct cost and related incidental expenses .

(D) Depreciation/Amortisation

Depreciation on Fixed Assets is provided on Straight Line Method (SLM) based on management's assessment of the estimated useful life of the asset, reviewed/revised in conjunction with the Schedule II of the Companies Act 2013, of the assets which is as follows:

Asset category	Useful life as per Schedule II in years	Management Estimate of useful life in years
Intangibles	4	4
Building	60	60
Leasehold Improvements		
a. Temporary structures	3	Lower of Primary Lease period or 3 Years
b. Electrical Equipment's	10	Lower of Primary Lease period or 6 Years
Furniture, Fixtures & Equipment's	10	6
Information Technology Equipment's		
a. Servers and networks	6	4
b. End user devices	3	3
Vehicles	8	4
Office Equipment	5	5

Depreciation is provided on pro rata basis from/to the day in which the asset is acquired or put to use/disposed off. All assets including intangibles individually costing less than 5,000 rupees are fully depreciated in the year of addition.

2.13. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognized in the Profit and Loss Account. If, at the reporting date, there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is reinstated to that effect.

2.14. Leases

i) Finance leases

Finance leases, which effectively transfer substantially all the risks and benefits incidental to ownership of the leased item to the Company, are capitalized at the lower of the fair value of the asset and present value of the minimum lease payments at the inception of the lease term and are disclosed as leased assets. Lease payments are apportioned between the finance charges and the corresponding liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Revenue Accounts.

Leased assets capitalized under finance lease are depreciated on a straight line basis over the lease term unless the period derived on the basis of straight line method rates prescribed in Schedule II to the Companies Act, 2013 is shorter.

ii) Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognized as an expense in the revenue account on a straight line basis over the lease term.

2.15. Investments

Investments are recorded on trade date at cost including brokerage, transfer charges; transaction charges as applicable if any and excludes pre-acquisition interest.

Classification

Investments maturing within twelve months from balance sheet date and investments made with the specific intention to dispose off within twelve months from balance sheet date are classified as short term investments.

Investments other than short term investments are classified as long term investments.

Investments that are earmarked, are allocated separately to policyholder's or shareholder's, as applicable; balance investments are segregated at Shareholder's level and Policyholder's level notionally based on policyholder's funds and shareholder's funds at the end of period vide circular No IRDA /F&A/CIR/CPM/010/01/2017 dated 12th January 2017 issued by IRDAI in the context.

Valuation:

Equity shares and ETF

Listed Equity shares and ETF are measured at fair value on the balance sheet date being the last quoted closing price at the National Stock Exchange of India and incase not listed on National stock exchange, then the last quoted closing price at the Bombay Stock Exchange Limited. Unlisted equity shares are stated at historical cost.

Debt securities

All debt securities including government securities are considered as 'held to maturity' and accordingly stated at historical cost subject to amortization of premium or accretion of discount on constant yield to maturity basis over the period of holding / maturity. However, AT1 bonds are valued at market price as per IRDA circular on the basis of FBIL Prices.

Mutual fund units

Mutual fund investments are stated at their Net Asset Value ('NAV') declared by the respective funds at the balance sheet date.

Investment Properties – Real Estate

Investment Properties- Real Estate are stated at historical cost less accumulated depreciation.

Investments other than those mentioned above are valued at cost.

Fair Value Change Account

Unrealized gains or losses arising due to changes in the fair value of listed equity shares, mutual funds and AT1 bonds are taken under the head "Fair Value Change Account" (FVCA). The balance in the FVCA is not available for distribution as dividend.

Impairment of Investments

The Company assesses at each balance sheet date whether any impairment has occurred in respect of investment in equity, debt, Investment property and units of mutual fund. The impairment loss, if any, is recognized in the profit and loss account and the carrying value of such investment is reduced to its recoverable value. If on the assessment at balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the profit & loss account and the investment is restated to that extent.

An amount, whether interest or principal is said to be overdue if it is not paid to the insurer on the specified date. An asset is classified as an NPA if the interest and/ or installment of principal remain overdue for more than 90 days (i.e., one quarter)". Once an investment gets classified as NPA, any unrealized interest is reversed back from investment income and provision on investment is accounted for in accordance with Master Circular - IRDAI (Investment) Regulations, 2016.

2.16. Retirement and other employee benefits

(A) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, bonus and other short term benefits are recognized in the period in which the employee renders the services. All short term employee benefits are accounted on undiscounted basis.

(B) Long Term Employee Benefits

The Company has both defined contribution and defined benefit plan. The defined benefit plans are financed by the Company and in the case of some defined contribution plans, by the Company along with the employee.

I. Defined contribution plan

i) Provident fund and family pension schemes

These are defined contribution schemes and contributions are made to the Regional Provident Fund Authority at the prescribed percentage of salaries and are charged to the profit and loss account and revenue account(s), as applicable.

II. Defined benefit plan

i) Gratuity

Gratuity, which is a defined benefit obligation, is provided on the basis of actuarial valuation using the projected unit credit method as at the balance sheet date and is recognized in the profit and loss account and revenue account(s), as applicable.

ii) Compensated absences and leave entitlements

Long term accumulating leave entitlements are provided on the basis of actuarial valuation using the projected unit credit method as at the balance sheet date. Short term compensated absences are provided for based on management estimates. Actuarial gains/losses are immediately taken to profit and loss account and revenue account(s), as applicable.

iii) Other Long term benefits

Long term incentive plan

The Company has a Long Term Incentive Plan ('LTIP') for selected employees. The plan is a discretionary deferred compensation plan with a vesting period of three years from the year of first entitlement of an employee. Provision for LTIP liability is accrued and provided for on the basis of actuarial valuation made at the balance sheet date. Once, the liability under the plan is vested on employees, it is carried as liability in the balance sheet till the final disbursement. The value of such incentive is based on the Company performance measured on specified key performance indicators.

The Company also has Special Long Term Incentive Plan (Special LTIP) for selected employees. The Special LTIP Plan is a deferred cash incentive plan that pays an employee at a future date based on the company's performance measured by its Net Worth (NW) and Profit after tax (PAT). Provision for Special LTIP liability is accrued and provided based on actuarial valuation made at Balance Sheet.

2.17. Foreign currency transactions

Transactions denominated in foreign currencies, are recorded at the exchange rates prevailing on the date of the transaction.

At each reporting date, the monetary assets and liabilities denominated in foreign currencies are converted into rupee equivalent at the end of the reporting year exchange rates.

All exchange differences arising on settlement/conversions on foreign currency transactions are included in the revenue account.

2.18. Contributions to terrorism pool

In accordance with the requirements of the IRDAI, the Company, together with other direct insurance companies, participates in the Terrorism Pool. This pool is managed by the General Insurance Corporation of India (GIC). The Company cedes 100% of its terrorism premium to GIC. GIC retro cedes, to the Company, terrorism premium to the extent of the share, agreed to be borne by the Company, in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly statements received from the GIC. The reinsurance accepted on account of terrorism pool has been recorded in accordance with the last statement received from GIC.

2.19. Indian motor third party declined risk insurance pool for commercial vehicles.

- a) The IRDAI had vide order Ref. IRDA/NL/ORD/MPL/277/12/2011 dated December 23, 2011 required general insurers to participate in the Indian Motor Third Party Declined Risk Insurance Pool (Declined pool) with effect from April 1, 2012. The Declined pool applies to the insurance of standalone third party cover of commercial vehicles and is administered by General Insurance Corporation of India (GIC).
- b) The Order requires all general insurers to underwrite a minimum percentage of Standalone (Act only) commercial vehicle motor third party insurance which shall be in proportion to the sum of fifty per cent of the Company's percentage share in total gross direct premium and fifty per cent of the total motor premium of the industry in the current financial year. The derived percentage would be multiplied with the total amount of standalone (Act only) third party premium of commercial vehicles of all the general insurers taken together in the current year.
- c) Insurers are required to fulfill their obligations by writing the business directly. However, in case the insurer is unable to underwrite the business based on its underwriting guidelines it can cede the same to the declined pool. However, insurers are required to retain 20% of the risk with themselves and cede the balance (after obligatory cession to GIC) to the declined pool.
- d) The declined pool is to be extinguished at the end of every underwriting year on a clean cut basis by transferring the risks at par to the members who have not fulfilled their obligations. Such transfer would be in proportion of the shortfall of each member.
- e) The Company's share of premium, claims, reinsurance commissions and expenses if any of the pool is recorded as inward reinsurance business based on the returns submitted by GIC under the respective heads of income or expense as the case may be and included within the Motor Third Party sub-segment of the Miscellaneous Revenue Account. Unexpired risks reserve is provided for at 50% of net premium of such inward reinsurance business. IBNR and IBNER determined by GIC are subject to clearance from IRDA. Pending such clearance, IBNR/IBNER is recorded based on GIC's determination.
- f) The Indian Motor Third Party Declined Risk Insurance Pool was dismantled with effect March 31, 2015.

2.20. Solatium fund

In accordance with the requirements of the IRDAI circular dated March 18, 2003 and based on recommendations made at the General Insurance Council in its meeting held on February 4, 2005, the Company provides 0.1% of total third party premium of all Motor Policies (excluding the retro cession on the motor third party for commercial vehicles) towards contribution to the Solatium Fund.

2.21. Income taxes

Tax expense comprises current tax and deferred tax.

Current tax

The Company provides for income tax on the basis of taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax reflects the impact of current timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

If the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.22. Goods and Service tax(GST)

Goods and Service tax collected is considered as a liability against which GST paid for eligible input services, to the extent claimable, is adjusted and net liability is remitted to the appropriate authority as stipulated. Unutilized credit if any, are carried forward for adjustments in subsequent years. GST for input services which are ineligible is recognized in Revenue Account.

2.23. Provisions and contingent liabilities

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present values and are determined on their best estimates required to settle the obligation at the balance sheet date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent losses arising from claims other than insurance claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability will be incurred and the amount can be reasonably estimated.

A disclosure for contingent liability other than those under policies is made when there is a possible obligation or a present obligation that may come but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation, in respect of which the likelihood of outflow of resources is remote no provision or disclosure is made.

2.24. Earnings per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 on 'Earnings per Share' issued by the Institute of Chartered Accountants of India. Basic earnings per share are computed by dividing the net Profit and Loss for the year by weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net Profit and Loss for the year by the weighted average number of equity shares outstanding during the year as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

Borrowing Costs

Directly attributable borrowing cost are expensed over the tenure of the borrowing. Interest cost on borrowing are accrued based on coupon rate and charged to the Profit and Loss account in the period in which they are incurred.

2.25. Share issue expenses

Share issue expenses are adjusted against share premium account.

3 Notes to accounts

3.1. Contingent liabilities

Particulars	As at March 31, 2020 (Rs. 000's)	As at March 31, 2019 (Rs. 000's)
Partly paid up investments	Nil	Nil
Underwriting commitments Outstanding	Nil	Nil
Claims other than those under policies not acknowledged as debts	10,965	252
Guarantees given by or on behalf of the Company	Nil	Nil
Statutory demands/liabilities in dispute, not provided for (As per Table below)	Nil	25,913
Reinsurance obligations to the extent not provided for in accounts	Nil	Nil
Others(excluding interest and penalty if any)	Nil	Nil

Contingent liabilities as certified by the management

Show Cause Notices issued by various Government Authorities are not considered as Obligation. When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.

The Company had filed an application under Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 (the Amnesty Scheme) for the following service tax matters. The summary of disputed obligations settled under the SVLDR-1 scheme has been summarized;

Sr. No.	Order received Date	Particulars	Demand (Rs. 000's)	Remarks
1	June 13, 2018	<ul style="list-style-type: none"> Service tax on services provided in J&K Sale of salvaged goods & services provided to Royal Embassy of Saudi Arabia Eligibility of credit on identified input services 	12,645	The Company paid Rs.6,202 thousand for net settlement on March 3, 2020.
2	June 13, 2018	<ul style="list-style-type: none"> Demanding service tax on provision of group health insurance to SEZ units for its employees 	13,268	The Company paid Rs. 3,577 thousand for net settlement on March 3, 2020
3	October 25, 2019	<ul style="list-style-type: none"> Reversal of credit on services provided in J&K 	10,684	The Company paid Rs. 5,822 thousand for net settlement on February 19, 2020.
		Total	36,597	

3.2. Encumbrances on assets

The assets of the Company are free from all encumbrances [As at March 31, 2019 Rs. Nil].

No assets of the Company are subject to restructuring.

3.3. Capital commitments

- There are no commitments made and outstanding for Investments and Loans.
- Estimated amount of contracts remaining to be executed on capital account, to the extent not provided for as at March 31, 2020 is Rs. 3,834 thousand net of advances [as at March 31, 2019 Rs. 5,145 thousand].

3.4. Claims

All Claims, net of reinsurance are incurred and paid in India except for Marine Insurance where consignments are exported from India and Overseas Travel Insurance.

Particulars	Year ended March 31, 2020 (Rs. 000's)	Year Ended March 31, 2019 (Rs. 000's)
In India	10,323,270	8,232,642
Outside India	487,723	392,026
Total	10,810,993	8,624,668

The Ageing of Gross Claims outstanding (Unsettled) is as under:

Particulars	As at March 31, 2020 (Rs. 000's)	As at March 31, 2019 (Rs. 000's)
Outstanding for Less than Six Months	3,536,915	2,434,397
Outstanding for more than Six Months	10,291,114	9,217,873
Total	13,828,029	11,652,270

The above details do not include claims outstanding/IBNR pertaining to Indian Motor Third Party Insurance Motor (IMTPIP) Pool Rs. 1,133,010 thousand [as at March 31, 2019 Rs. 1,390,531 thousand] including IBNR, declined pool claims retained in books as at March 31, 2020 Rs. Nil [as at March 31, 2019 Rs. Nil] and IBNR/IBNER for all lines of business Rs. 13,881,192 thousand [as at March 31, 2019 Rs. 11,603,295 thousand].

There are no claims that have been settled and remaining unpaid for a period of more than six months as at March 31, 2020.

As per Section 2.4 of the circular IRDA-F&I-CIR-F&A-231-10-2012 - Master circular on Preparation of Financial Statements General Insurance Business, requires all insurers to furnish the particulars of the claims made in respect of contracts where the claims payment period exceeds four years. Accordingly, the appointed actuary has certified the liability assessment and same form part of IBNR reserves.

3.5. Premium

Premium net of reinsurance is written and received in India.
Premium on varying risk pattern – Nil (Previous Year – Nil)

3.6. Premium deficiency reserve, IBNR/IBNER and provision for free look period

The appointed actuary has certified to the Company that actuarial estimates for Premium deficiency reserve and IBNR (including IBNER) are in compliance with the IRDA (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations 2016 and the guidelines issued by the Institute of Actuaries of India.

Depending upon the Business segment, a suitable actuarial method like Basic Chain Ladder Method, Average Cost per Claim Method, Bornhuetter Ferguson Method, Ultimate Loss Ratio (ULR) Method or a mixture of these have been used for IBNR calculations.

Claims outstanding for more than four years

As IBNR with respect to these open claims are already included in the Total IBNR; therefore, no additional provision is required separately for claims older than four years.

Provision for free look period

The Appointed Actuary has certified that the free look policies are part of the claim liabilities and are accordingly included in the projection of ultimate amount of claims and hence IBNR.

3.7. Extent of risk retained and reinsured

Extent of risk retained and reinsured based on Gross written premium (excluding excess of loss and catastrophe reinsurance).

Line of Business	Year ended March 31, 2020		Year ended March 31, 2019	
	Ceded Ratio (%)	Retained Ratio (%)	Ceded Ratio (%)	Retained Ratio (%)
Fire	74	26	71	29
Marine Cargo	26	74	28	72
Motor	6	94	7	93
Workmen compensation	5	95	5	95
Public Liability	38	62	42	58
Engineering	71	29	70	30
Personal Accident	5	95	5	95
Health Insurance	19	81	18	82
Crop Insurance	80	20	80	20
Credit Insurance	93	7	94	6
Others	45	55	51	49
Total	34	66	31	69

3.8. Investments

A. Value of contracts in relation to investments for:

Purchases where deliveries are pending - Rs. Nil thousand (Previous year: Rs. 21,518 thousand) and

Sales where deliveries are pending - Rs. Nil (Previous year: Rs. Nil)

B. All Investments are made in accordance with the Insurance Act, 1938 and Insurance Regulatory and Development Authority (Investment) Regulations, 2016 and are performing investments except as stated in point D.

C. The historical cost of Investments in Mutual Fund and Equity which are valued on fair value basis is Rs. 711,453 thousand [as at March 31, 2019 Rs. 442,182 thousand] (excluding Policyholders excess).

Particulars	As on March 31, 2020 (Rs.000's)		As on March 31, 2019 (Rs.000's)	
	Fair value	Book value	Fair value	Book value
Shareholders' Investment	95,107	99,603	82,141	81,809
Policyholders Investment	584,227	611,850	360,741	360,373
Total	679,334	711,453	442,882	442,182

- D. As per clause 3.7 of Master Circular - IRDAI (Investment) Regulations, 2016 which states "An amount, whether interest or principal is said to be overdue if it is not paid to the insurer on the specified date. An asset is classified as an NPA if the interest and/ or installment of principal remain overdue for more than 90 days (i.e., one quarter)". The company has following non-performing investments as detailed below :

(Rs. '000)					
Issuer Name	Security	Face Value	% Provision	Provision for diminution in the value of investments	Accrued Interest Reversal
IL&FS Financial Services Limited and Infrastructure Leasing & Financial Services Limited	Secured Non-Convertible Debentures	675,000	60%	405,000	24,038
Dewan Housing Finance Corporation Limited	Secured Non-Convertible Debentures	900,000	50%	450,000	102,469
Reliance Capital Limited	Secured Non-Convertible Debentures	800,000	50%	400,000	57,681
Yes Bank Limited	Additional Tier I Bonds	450,000	100%	450,000	18,419
Total		2,825,000		1,705,000	202,607

In accordance with IRDAI regulations, since the credit rating has been declined, the Additional Tier I Bonds have been classified as "Other than Approved Investments" and presented as Investments in Schedule 8 and 8A. Out of above Investment matured amounting to Rs. 1,475,000 thousand forms part of Schedule 12 as Investment realization receivable.

3.9. Investment property

Depreciation on the Investment Property - Real State in accordance with IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2000, is provided on Straight Line Method (SLM) considering the useful life of 60 years in conjunction with the Schedule II of Companies Act, 2013. However, as the Company had purchased the commercial property at "Parinee Crescenzo" Bandra Kurla Complex, Mumbai in FY 2017-18 after 5 years of its construction, the useful life in the books has been considered as 55 years.

The depreciation on the Investment Property – Real Estate for the period amounts to Rs. 14,555 thousand [Previous Year Rs. 14,515 thousand] which is adjusted against the Investment Income. The Fair value of Real Estate is Rs. 837,500 thousand which is based on valuation report.

- 3.10. There are no amounts required to be transferred to the Investor Education and Protection Fund by the company for the year ended March 31, 2020.

3.11. Sector wise business [based on gross direct written premium]

Business Sector	For the year ended March 31, 2020			For the year ended March 31, 2019		
	GDPI (Rs. 000's)	No. of lives	% of GDPI	GDPI (Rs. 000's)	No. of lives	% of GDPI
Rural	10,693,996	-	34%	7,249,962	-	32%
Social	8,299,954	1,313,584	27%	4,556,935	741,630	20%
Urban	12,348,424	-	39%	10,773,596	-	48%
Total	31,342,374	1,313,584	100%	22,580,493	741,630	100%

Note:

1. Rural GDPI of FY 2019-20 includes crop insurance premium of Rs. 8,280,579 thousand [As at March 31, 2019 Rs. 5,196,085 thousand]

2. Total Number of Lives is as per report submitted to IRDAI.
3. Bifurcation of GDPI into 3 business sector has been identified and certified by the management.

3.12. Computation of managerial remuneration

A. The details of remuneration of MD and CEO as per the terms of appointment are as under:

Details of Payment	For the Year ended March 31, 2020 (Rs. 000's)	For the Year ended March 31, 2019 (Rs. 000's)
Salary and allowances	17,093	14,233
Provident fund	881	734
Bonus (2)	10,403	8,675
Long Term Incentive Paid	5,731	1,783
Perquisites	-	-
Total	34,108	25,425

Managerial remuneration in excess of Rs.15,000 thousand [Rs. 19,108 thousand (previous year Rs. 10,425 thousand)], for MD & CEO has been charged to profit and loss account.

Note:

1. Expenses towards gratuity funding, leave encashment provision and long term incentive plan are determined and accounted as per the actuarial valuation on overall company basis and accordingly will be considered as and when paid.
2. Bonus amounts stated above includes provisional Bonus (STIC) for the respective year.

B. The details of remuneration of Key Management Persons as per guidelines issued by IRDAI vide Ref no IRDA/F&A/GDL/CG/100/05/2016 dated May 16, 2016 and as per terms of appointment of Company are as under:

Details of Payment	For the Year ended March 31, 2020 (Rs. 000's)	For the Year ended March 31, 2019 (Rs. 000's)
Salary and allowances	85,997	77,947
Provident fund	4,482	3,698
Bonus (2)	38,353	24,095
Long Term Incentive Paid	14,038	2,490
Perquisites	44	16
Total	142,913	108,246

Note:

1. Expenses towards gratuity funding, leave encashment provision and long term incentive plan are determined actuarially on the overall company basis annually and accordingly have not been considered in the above information.
2. Bonus amounts stated above includes provisional Bonus (STIC) for the respective year.

3.13. Segment reporting

The Company's primary reportable segments are business segments, which have been identified in accordance with the IRDAI Regulations. Segment revenue and results have been disclosed in the financial statements in **Annexure - I**. There are no reportable

geographical segments since the Company provides services only to customers in the Indian market or to Indian interests overseas and does not distinguish any reportable regions within India.

3.14. Related party disclosure

As per the Accounting Standard (AS) 18 on 'Related Party Disclosures' the following are list of related parties with the relationship.

A. List of Related Parties*

S.No	Entity Name/Related Party Name	Relationship
1.	Bharti General Ventures Private Limited (Formerly known as Bharti General Private Limited)	Holding Company
2.	Societe Beaujon	Significant Influence
3.	AXA SA	Significant Influence
4.	AXA Business Services Private Limited	Common Control
5.	Sanjeev Srinivasan – Managing Director	Key Management Personnel

*As certified by the management

B. Related Party disclosure have been set out in Annexure-II

3.15. Outsourcing, business development and marketing support expenses:

Expenses relating to outsourcing, business development and marketing support are:

Particulars	For the year ended March 31, 2020 (Rs. 000's)	For the year ended March 31, 2019 (Rs. 000's)
Outsourcing costs	197,824	136,100
Business Development and marketing support expenses	3,326,726	1,627,524
Total	3,524,550	1,763,624

3.16. Expenses of Management

The Company has allocated expenses of management as per the policy approved by the Board of Directors dated January 14, 2020.

In accordance with the IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016, operating expenses of Rs 2,173,245 thousand (Previous Year 1,321,358 thousand) in excess of segmental limits pertaining to Marine, Motor & Health segment has been transferred from revenue account to profit & Loss account.

3.17. Ratio Analysis

A. For ratios at March 31, 2020 refer Annexure III-A and at March 31, 2019 refer Annexure III-B

B. The actual solvency ratio of the Company as at March 31, 2020 is 1.63 [Previous Year Ratio 1.76].

	(Rs. 000's)	
Solvency Margin	At March 31, 2020	At March 31, 2019
Required solvency margin under IRDAI Regulations (A)	5,235,207	3,924,824
Available solvency margin (B)	8,525,165	6,889,756
Solvency ratio actual (times) (B/A)	1.63	1.76
Solvency ratio prescribed by Regulation	1.50	1.50

3.18. Leases

Operating lease commitments

i) Office and residential premises

a) As Lessor

The details of minimum future rental towards non-cancellable lease agreements are as under:

Particulars	As at March 31, 2020 (Rs. 000's)	As at March 31, 2019 (Rs. 000's)
not later than one year	72,584	68,791
later than one but not later than five years	156,043	228,627
later than five years	-	-

An amount of Rs. 68,791 thousand [Previous year Rs. 42,229 thousand] has been recognized in Revenue Account.

b) As Lessee

The Company's significant leasing arrangements include agreements for office and residential premises. In respect of premises taken on operating lease, the lease agreements are generally mutually renewable.

The details of minimum future rental payable towards non-cancellable lease agreements are as under:

Particulars	As at March 31, 2020 (Rs. 000's)	As at March 31, 2019 (Rs. 000's)
not later than one year	141,522	128,461
later than one but not later than five years	394,172	380,964
later than five years	128,860	124,330

An amount of Rs. 156,910 thousand [Previous year Rs. 153,667 thousand] has been charged to Revenue Account.

ii) Motor vehicles

The company takes vehicles on lease. The minimum lease payments to be made in future towards non-cancellable lease agreements are as follows:

Particulars	As at March 31, 2020 (Rs. 000's)	As at March 31, 2019 (Rs. 000's)
Payable not later than one year	4,733	3,823
Payable later than one but not later than five years	6,738	4,074

The aggregate operating lease rental, charged to the Revenue Account in the current year is Rs. 5,772 thousand [Previous year Rs. 3,929 thousand]. The lease terms do not contain any exceptional/restrictive covenants nor are there any options given to the company to renew the lease or purchase the asset at a price which is expected to be sufficiently lower than the fair value at the date the option becomes exercisable and it is not reasonably certain that the Company will exercise the option.

3.19. Earnings per share

Particulars		Year ended March 31, 2020	Year ended March 31, 2019
Profit/(Loss) attributable to the Equity Shareholders [A]	Rs. (000's)	(2,436,274)	30,419
Number of Equity Shares at the beginning of the reporting year (par value of Rs 10 each)	No's	1,621,445,322	1,621,445,322
Shares issued during the reporting year	No's	384,535,894	Nil
Total number of equity shares outstanding at the end of the reporting year	No's	2,005,981,216	1,621,445,322
Weighted average number of equity shares outstanding during at the end of the reporting	No's	1,736,544,892	1,621,445,322

year [B]			
Diluted weighted average number of equity shares outstanding during the year (C)	No's	1,737,724,182	1,621,445,322
Nominal Value of equity shares	Rs.	10	10
Basic Earnings per share [D= A/B]	Rs.	(1.40)	0.02
Diluted Earnings per share [E= A/C]	Rs.	(1.40)	0.02

- 3.20.** As per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) the Micro and Small Enterprises have been identified by the Company from the available information. Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is as follows:

S.No.	Particulars	As at March 31, 2020 (Rs. 000's)	As at March 31, 2019 (Rs. 000's)
i)	Principal amount due and remaining unpaid to any Supplier as at the end of reporting year	-	-
ii)	Interest due on principal amount remaining unpaid as at the end of reporting year	Nil	Nil
iii)	Amount of Interest along with principal amount paid to Supplier beyond due date of payment	Nil	Nil
iv)	Amount of interest accrued/due and remaining unpaid at the end of reporting year	Nil	Nil
v)	Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil

3.21 Deferred tax

On a prudent and conservative basis and due to absence of virtual certainty of future taxable income, the deferred tax asset on accumulated business losses and unabsorbed depreciation has not been recognized as on the reporting date.

3.22 Retirement and other employee benefits

(a) Defined contribution plan

The Company has recognized Rs. 83,139 thousand [Previous year Rs. 67,675 thousand] as Provident Fund contribution towards defined contribution plan as an expense in the Revenue and Profit and Loss Account, as applicable.

(b) Defined benefit plan

The Company has a defined benefit gratuity plan. Every eligible employee is entitled to receive gratuity at 15 days salary (last drawn salary) for each completed year of service. Valuation in respect of Gratuity has been carried out by an independent actuary, as at the reporting date on the basis of Projected Unit Credit method.

The following tables summarize the components of net benefit/expense recognized in the Revenue Accounts/Profit and Loss Account and amounts recognized in the Balance Sheet for the gratuity (funded) and leave encashment plans (unfunded) respectively:

i) Changes in present value of the defined benefit obligation are as follows:

a. Gratuity Defined benefit obligation

Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2020 (Rs. 000's)	As at March 31, 2019 (Rs. 000's)
Present value of obligations as at the beginning of the reporting year (A)	62,883	56,885
Current service cost (B)	19,685	14,661
Interest cost (C)	4,213	4,107
Actuarial loss/(gain) on obligation (D)	6,083	1,291
Benefits paid (E)	(9,055)	(14,061)
Present value of obligations as at the end of the reporting year (F=A+B+C+D+E)	83,809	62,883

Reconciliation of Fair Value of Plan Assets

Particulars	As at March 31, 2020 (Rs. 000's)	As at March 31, 2019 (Rs. 000's)
Plans assets at period beginning, at fair value (A)	54,599	41,051
Expected Return on Plan Assets (B)	3,354	2,872
Actuarial Gain/(Loss) (C)	2,467	605
Contributions (D)	-	24,132
Benefits Settled (E)	(9,055)	(14,061)
Plan Assets at Period End, at fair value [F=A+B+C+D+E]*	51,365	54,599

*Gratuity Fund was managed by Life Insurance Corporation of India (LIC) till 30th March, 2018. With effect from 31st March, 2018 onwards, the fund is managed by Bharti AXA Life Insurance Company Limited. Individual investment wise details of the plan assets are not being provided by Fund Manager.

Fair Value of assets and obligations

Particulars	As at March 31, 2020 (Rs. 000's)	As at March 31, 2019 (Rs. 000's)
Fair Value of Plan Assets (A)	51,365	54,599
Present value of Obligations (B)	83,809	62,883
Net Asset/(Liability) recognized in Balance Sheet (C = B – A)	(32,444)	(8,284)

Net cost for the reporting year

Particulars	Current Year	Previous Year
	(Rs. 000's)	(Rs. 000's)
Current Service Cost (A)	19,685	14,661
Interest Cost (B)	4,213	4,107
Actuarial loss/(gain) on obligation (C)	6,083	1,291
Actuarial (loss)/gain on plan assets (D)	(2,467)	(605)
Expected Return on Plan Assets (E)	(3,354)	(2,872)
Actuarial Adjustment (F)	-	-
Expenses recognized in Revenue/Profit & Loss Account (G) =(A+B+C+D+E+F)	24,160	16,582

ii) Principal actuarial assumptions used in determining gratuity -employment benefits.

Particulars		For the year ended 31-Mar-20	For the year ended 31-Mar-19	For the year ended 31-Mar-18	For the year ended 31-Mar-17	For the year ended 31-Mar-16
Discount Rate		5.70%	6.70%	7.22%	6.54%	7.21%
Salary Growth Rate		9%	9%	11%	14%	11%
Mortality rate		Mortality Rate Indian Assured Lives Mortality (2012-14)	Mortality Rate Indian Assured Lives Mortality(2006-08)			
Estimated rate of returns on plan assets		6.70%	7.22%	6.54%	6.54%	7.21%
Retirement Age		58	58	58	58	58
Attrition Rate	Employee under deferred compensation	7%	7%	24%	28%	35.30%
	Other Employees	28%	28%	-	-	-

- (c) The Company has a Long Term Incentive Plan ('LTIP') for selected employees. The plan is a discretionary deferred compensation plan with a vesting period of three years from the year of first entitlement of an employee. Provision for LTIP liability is accrued and provided for on the basis of actuarial valuation amounting to Rs. 38,050 thousand [As at March 31, 2019 Rs. 40,518 thousand] as at the reporting date. Once, the liability under the plan is vested on employees, it is carried as liability in the balance sheet till the final disbursement.
- (d) The Special Long Term Incentive Plan ('Special LTIP') is a deferred cash incentive plan that pays an employee at a future date based on the company's performance measured by its Net Worth (NW) and Profit after tax (PAT). Provision for Special LTIP liability is accrued and provided for on the basis of actuarial valuation amounting to Rs. 785 thousand [As at March 31, 2019 Rs. 10,500 thousand] as at the reporting date.

3.23 SUMMARY OF FINANCIAL STATEMENTS

Corresponding previous figures have been given wherever available/applicable. Disclosure in respect of summarized financial statements for the last five years has been compiled and presented in **Annexure IV**:

- 3.24 The company does not have any long term contracts including derivative contracts wherein the company is required to make provision towards any foreseeable losses. Foreign currency exposure as at March 31, 2020 and March 31, 2019 that has not been hedged by any derivative instrument or otherwise is estimated as follows:

Particulars	As at March 31, 2020 (Rs. 000's)	As at March 31, 2019 (Rs. 000's)
Foreign Currency Exposure*	455,639	249,738

*represented by various currencies

3.25 Disclosures on penal actions taken against the Company for the period April 1, 2019 to March 31, 2020

Rs. ('000)

S. NO	Authority	Non-Compliance Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1.	Insurance Regulatory And Development Authority	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
2.	Service Tax Authorities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3.	Income Tax Authorities	Nil (256)	Nil (256)	Nil (256)	Nil (Nil)

4.	Any other Tax Authorities	None (None)	Nil (Nil)	Nil (Nil)	Nil (Nil)
5.	Enforcement Directorate/Adjudicating Authority/Tribunal or any other Authority under FEMA	None (None)	Nil (Nil)	Nil (Nil)	Nil (Nil)
6.	Registrar of Companies/NCLT/CLB/ Department of Corporate Affairs or any other Authority	None (None)	Nil (Nil)	Nil (Nil)	Nil (Nil)
7.	Penalty Awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	None (None)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8.	Securities and Exchange Board of India	N.A (N.A)	Nil (Nil)	Nil (Nil)	Nil (Nil)
9.	Competition commission of India	None (None)	Nil (Nil)	Nil (Nil)	Nil (Nil)
10.	Any other Central/State/Local Government/Statutory Authority	None (None)	Nil (Nil)	Nil (Nil)	Nil (Nil)

Figures in brackets pertain to year ended March 31, 2019
As certified by the Management

3.26 Disclosure on other work given to auditors.

Pursuant to clause 7.1(g) of Corporate Governance Guidelines issued IRDAI on May 18, 2016, the additional work entrusted to statutory auditors is given below:

Rs.(000')

Name of Auditor	Services rendered	For the year ended March 31, 2020	For the year ended March 31, 2019
M P Chitale & Co	Tax Audit	-	210
	Certification	265	450
Singhi & Co	GST Audit	-	1,000
	Certification	545	470

3.27 Contributions to terrorism pool, solatium fund and environment relief fund

(a) Contribution to terrorism pool

The Company is a participant in and has received the Terrorism Pool retrocession of premium in the current financial year. Accordingly, as per the statement received from the Pool managers, the Company has recognized the pool retrocession for the three quarters ended December 31, 2019 including a provisional investment income as provided by GIC vide provisional statement as on 31st March 2020.

(b) Solatium fund

The IRDAI had asked the General Insurance Council ("the Council") to recommend the percentage of contribution to be made to a Solatium Fund and matters relating to the administration of the Fund. The Council has decided that The New India Assurance Company Limited would administer the fund. The Council in its meeting held on May 6, 2005 approved the contribution of 0.10% of the motor third party gross written premium with effect from the date of commencement of business, for private insurance companies.

Vide letter dated July 26, 2010, the Council recommended the companies w.e.f April 1, 2010 to contribute 0.10% of all the third party premium written as Solatium Fund to the administrator on demand. However, during the year the Company has provided charge to the Revenue Accounts of Rs. 6,176 thousand [Previous year Rs. 4,647 thousand] on an accrual basis (see accounting policy in paragraph 2(u) above) and disclosed under Current Liabilities.

(c) Transfer of amounts to Senior Citizen Welfare Fund

In accordance with the requirement of the Notification no G.S.R 380(E), issued by the Ministry of Finance, dated April 11 2017 read with IRDAI Circular No IRDA/F&A/CIR/MISC/173/07/2017 dated July 25, 2017 the Company transfers amounts outstanding for a period of more than 10 years in Unclaimed amount of Policyholders to the Senior Citizen Welfare Fund (SCWF) on or before March 1st of each financial year.

(d) **Contributions to environment relief fund**

During the year, an amount of Rs. 254 thousand [Previous year Rs. 2,195 thousand] was collected towards Environment Relief Fund for public liability policies and an amount of Rs. 918 thousand [Previous year Rs. 2,181 thousand] has been transferred to "United India Insurance Company Limited, Environment Fund Account" as per Notification of Environment Relief Fund (ERF) scheme under the public liability Insurance Act, 1991 as amended. The balance amount of Rs. (664) thousand [Previous year Rs. 14 thousand] is included under statutory dues in Schedule 13.

3.28 Unclaimed amount of policyholders

Pursuant to Circular No. IRDA/F&I/CIR/CMP/174/11/2010, dated November 4, 2010 the statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders is presented hereunder:

W.e.f. 1 April, 2016 separate category of investments corresponding to the unclaimed amounts have been maintained and income of the fund is calculated on actual basis credited to policyholders' unclaimed amounts account. For this purpose these investments have been transferred at book value. The outstanding unclaimed amounts and the corresponding investments of the fund are disclosed in the balance sheet under Schedule 13 and Schedule 12 respectively as at 31st March 2020

[Amount Rs. 000's]								
Authority	Total amount	0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	Beyond 36 months
Claims settled but not paid to the policyholders/insured due to any reasons except under litigation from the insured/policyholders	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Sum due to the insured/policyholders on maturity or otherwise	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any excess collection of the premium/tax or any charges which is refundable to the policyholders either as terms if conditions of the policy or as per law or as the case may be directed by the authority but not refunded so far.	83,717 (102,852)	- (-)	22,621 (27,639)	11,090 (23,598)	9,646 (15,185)	6,910 (6,265)	7,111 (4,957)	26,339 (25,208)
Cheques issued but not encashed by the policyholders/insured	275,563 (215,931)	31,087 (28,338)	27,582 (31,073)	38,249 (40,432)	29,434 (12,676)	29,867 (6,430)	11,381 (9,096)	107,962 (87,886)
Total	359,280 (318,783)	31,087 (28,338)	50,203 (58,712)	49,339 (64,030)	39,081 (27,861)	36,777 (12,695)	18,492 (14,053)	134,301 (113,094)

Figures in brackets pertain to year ended March 31, 2019

The above ageing includes interest payable of Rs 88,058 [Previous year Rs. 62,532] thousand on unclaimed amounts of policyholder.

Statement showing movement of Unclaimed Amount of policyholders due

Particulars	(Rs. 000's)	(Rs. 000's)
	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Balance	318,783	267,580
Add: Amount transferred to Unclaimed Amount	33,898	43,346

Add: Cheques issued out of the unclaimed amount but not encashed by the policy holders (To be included only when the cheques are Stale)	57,296	78,583
Add: Investment Income on unclaimed Fund	25,526	27,280
Less: Amount paid during the year (1)	75,496	98,006
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred)	728	-
Closing Balance of Unclaimed Amount	359,280	318,783

Note:

1. Amount paid includes reversal towards policy issuance, reconciliation of Coinsurance, Reinsurance & corporate deposits earlier shown as unclaimed amount of policyholders.

3.29 Borrowings

A. Summary of the terms of debentures are as follows;

Type, Nature and Seniority of Instrument	Unsecured, subordinated, fully paid-up, unlisted, redeemable and non-convertible debentures
Face Value (per security)	Rs.10,00,000
Issue Size	Rs. 2,200,000 thousand
Issue Date/Date of Allotment	August 23, 2017
Redemption Date	August 23, 2027
Call option Date	August 23, 2022
Coupon Rate	8.98% per annum
Credit Rating	"BWR AA" by Brickworks Ratings India and "[ICRA]AA-" by ICRA
Frequency of the Interest Payment	Annual

Type, Nature and Seniority of Instrument	Unsecured, subordinated, fully paid-up, listed, redeemable and non-convertible debentures
Face Value (per security)	Rs.10,00,000
Issue Size	Rs. 350,000 thousand
Issue Date/Date of Allotment	April 30, 2019
Redemption Date	April 30, 2029
Call option Date	April 30, 2024
Coupon Rate	10.5% per annum
Credit Rating	"BWR AA" by Brickworks Ratings India and "[ICRA]AA-" by ICRA
Frequency of the Interest Payment	Annual

Maturity Pattern from the date of issue

(Rs. in 000's)

Maturity buckets	Borrowings
1 to 5 years	-
Above 5 years	2,200,000
Total	2,200,000

(Rs. in 000's)

Maturity buckets	Borrowings
1 to 5 years	-
Above 5 years	350,000
Total	350,000

B. Debenture Redemption Reserve

Section 71 of the Companies Act, 2013 read with relevant rules requires the company to create Debenture Redemption Reserve. Since the Company does not have any distributable profits during the current financial year, Debenture Redemption Reserve has not been created which has also been opined by the legal consultant of the Company.

3.30 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, tangible & intangible assets and current & non-current investments. In assessing the recoverability of aforesaid assets, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. Based on such estimates, the Company expects the carrying amount of these assets may not be adversely impacted. A definitive assessment of impact is not possible due to economic uncertainty. However, the Company prima facie evaluated the impact of this pandemic on its business operations and based on such evaluation, by being prudent in applying estimates, taking assumptions and account for the impact of the COVID-19 situation on the Financial Statements, the Company believes that it has factored in all significant impacts of COVID 19 on the Financial position and performance of the Company as at March 31, 2020. Adjustments to Actuarial assumptions & recoverable amounts that the company has felt necessary due to the pandemic have been made in the Financial Statements. Actual results may not contour with the current estimates and assumptions used and may impact future estimates including, but not limited to, Actuarial assumptions, potential future claims, allowance for loan losses, asset impairment charges, cancellation reserves, actuarial losses on our retirement benefit plans and discount rate assumptions. The Company will continue to closely monitor any material changes to future economic conditions. Other than these adjustments, the company believes that there is no significant impact on the Financial Results for the year ended March 31, 2020.

3.31 As per IRDAI circulars reference number: IRDAI/HLT/ CIR/MISC/091 /04/2020 and IRDAI/NL/CIR/MOT/ 090 /04/2020 dated 16 April 2020, relaxations has been allowed to insured to pay premium till May 15, 2020 for Health insurance and Motor Third Party policies due for renewal between March 25, 2020 to May 3, 2020, to ensure continuity of the insurance cover from the date on which the policy falls due for renewal. Premiums for Health insurance & Motor Third Party policies which were due for renewal from March 25, 2020 to March 31, 2020 and have been renewed upto April 25, 2020, amounting to Rs. 1,513 thousand, have been accounted in the Financial Statements by the Company.

3.32 Risk Management Architecture

Risk Management Framework:

As per the prevailing Corporate Governance Guideline, Board of the Company is responsible for defining framework for robust and efficient mechanism for the identification, assessment, quantification, control mitigation and monitoring of the risks. In pursuit of development of a strong risk Management system a separate Risk Management Committee of the Company has been set-up to implement the Risk Management Strategy. The Risk Management function of the Company works under the guidance and supervision of the Chief Risk Officer.

The Company has a Local Risk Management Committee overseeing all risks to provide Board and management with a holistic, comprehensive and consolidated view of the risks faced by the Company. Day to day management of risk is delegated through the Local Chief Executive Office to the local management for managing risk in their respective businesses.

Management is supported by central specialist risk function and the Local Chief Risk Officer.

The Company has a Risk Management Policy and Strategy to monitor all the risks across the various lines of business of the company. Risk Management function continually engages with various stakeholders of the Company to assess existing risk and to identify emerging risks. . The function has direct access to the Risk Committee of the Board.

Roles and responsibilities of the Risk Management Team , CRO & related committee has been defined in the policy.

The three lines of defense

The Bharti AXA General Insurance Risk Management Framework demonstrates how risk management is governed across the Company, and where responsibilities reside by following the concept of the "three lines of defense" for managing risk as illustrated below:

- 1st line of defense – Management and staff:
Line management and staff are responsible for day to day risk taking management and decision making and have primary responsibility for establishing and maintaining an effective control environment

- 2nd line of defense – Risk & Compliance
These functions are responsible for developing, facilitating and monitoring effective risk and control frameworks and strategies
- 3rd line of defense – Internal Audit
Internal Audit provides independent assurance on the effectiveness of the system of internal control

Bharti AXA has a Board Risk Committee reporting to the Board of Directors. Board Risk Committee oversees all the risks to provide local board and management with a holistic, comprehensive and consolidated view of the risks the entity faces. Day to day management of risk is delegated through the CEO to management for risk management in their respective business. Management is supported by the risk functions and the Chief Risk Officer.

I. Definitions and Classification of Risk

Risk is defined as the effect of uncertainty on Bharti Axa General Insurance Companies business objectives. Hence, risk is seen as an event that will have associated consequences, either positive or negative, for financial position, performance, and/or reputation. Events with a positive impact represent opportunities, while events with a negative impact can erode value or prevent value creation. The table below defines the various kinds of risk categories:

Risk Chapter	Definition
Financial Risks	<p>This includes market risk, credit risk and liquidity risk.</p> <p>Market risk refers to the risk the Company is exposed to on account of exposure of the business to the performance of the financial markets. Market movements impact the level of income on equity, returns earned by policyholders and investment earnings on shareholder capital.</p> <p>Credit risk refers to the risk the Company is exposed to on account of value of a debt security, or a commitment provided by a reinsurer, may change due to the counterparty defaulting, or a change in the likelihood of a future default.</p> <p>Liquidity risk includes both the risk that assets may not be realized at their fair value in a short period of time, and the risk that the company may not have access to enough liquid assets to meet its cash outgo obligations.</p>
Insurance Risks	<p>Premium risk is the risk that the claims cost for future claims exceeds the expected level.</p> <p>Reserve risk is the risk that technical provisions are not sufficient to cover the cost for already incurred claims and results from fluctuations in the timing and amount of claim settlements.</p> <p>Catastrophe risk is the risk of low frequency, high severity events, such as natural catastrophes, that are not captured adequately by the premium risk or reserve risk.</p>
Operational Risks	<p>Operational risk refers to the risk of loss arising from inadequate or failed internal processes, personnel or systems or from external events.</p>
Other risks	<p>This includes strategic & regulatory risk, as well as reputation risk.</p> <p>Strategic & regulatory risk arises from an inability to adapt to changes in the business environment, such as economic changes, changes in competition, social and regulatory changes.</p> <p>Reputation risk relates to uncertainties in regards to events that will have an impact, either positive or negative, on the Company's reputation.</p> <p>Emerging risks are risks which may emerge in the foreseeable future.</p>

II. Risk Appetite

The Company has a defined risk appetite framework in place to identify and quantify risk. The objective of this risk appetite framework is to ensure that appropriate governance, reporting, limits and decision processes have been set up to drive risk management decisions. It is a structured process to ensure consistency of risk tolerance, to have a clearly stated risk appetite, to monitor the accumulation of risks, and to manage its exposure on a regular basis.

Risk Appetite (RA) Framework is reviewed every year with appropriate reference and alignment to Risk Appetite (RA) Indicators (RA Statements and Exposures) as per AXA Risk Management framework and the local environment/regulatory requirements and covers various RA dimensions and risk types. Limits for various RA Indicators are tracked as per the frequency defined.

Local Risk Management Committee (LRMC) is presented the local entity's risk appetite position, and alert levels and limits on all functional risk indicators at least once every year, and should make all necessary decisions to manage risks consistently with their risk appetite.

Breaches of local risk appetite limits lead to action plan and are reported to the Board Risk Committee and Local Risk Management Committee.

III. Annual Risk Assessment Process by Functional Unit

An annual risk assessment is a consistent and structured approach to identifying, analysing, evaluating and managing risks. During the year, re-assessment of the key risks for the company was conducted considering changes in the current macro-economic environment and actions were defined to address/mitigate these risks. .

A structured approach to reporting and monitoring top risks is adopted to ensure that the Local Executive Committee and the Company's Management Board receive assurance that risks are being effectively managed. This includes:

- Documenting top identified through local entities' annual risk assessment process and their action plans in Key Risk Report which is endorsed by management.
- Quarterly reporting of local entities' Key Risk Report in Local Risk Committee which monitors action plan progress.

Management is responsible for highlighting high or critical risk immediately when it is identified and assessed. Relevant EXCOM members are required to inform and be responsible for working on action plans. The responsible EXCOM member is required to inform the CRO and present the high or critical risk in the local risk committee.

Additionally, the risk profile for each function is documented in respective functional unit's risk register and a Risk and Control Self Assessment (RCSA) process has been implemented wherein respective function heads /process owners are required to sign off and certify on the risk and control assessment for their respective areas.

3.33 Expenditure in Foreign Currency

Particulars	Year ended 31.03.2020 (Rs.'000)	Year ended 31.03.2019 (Rs.'000)
Expenditure in foreign currency	682,650	153,399

3.34 Statement containing names, descriptions, occupations of and directorships held by the persons in charge of Management of business under section 11(2) of the Insurance Act, 1938

- i) Name: Sanjeev S
Description: Chief Executive Officer & Managing Director
Occupation: Service
Directorship held as at 31 March 2020 – No directorship held other than Bharti AXA General Insurance Company Ltd.

3.35 Previous year figures have been regrouped wherever necessary in conformity with the presentation followed in the current financial year. The details of changes are as under:

Sr. no.	Regrouped from	Regrouped to	Period	Amount (in Rs. 000's)	Reason
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1.	Schedule 13 – Current Liabilities – Expense Payable	Schedule 13 – Current Liabilities –Sundry Creditors	March 2019	887,710	Regrouped for better presentation and to conform with this period's presentation.
2.	Schedule 13 – Current Liabilities – Sundry Creditors	Schedule 12 –Advances & Other Assets– Advances	March 2019	8,051	Regrouped for better presentation and to conform with this period's presentation.
3.	Schedule 13 – Current Liabilities – Service Tax/GST payable	Schedule 13 – Current Liabilities – Statutory Dues	March 2019	147,385	Regrouped for better presentation and to conform with this period's presentation.
4.	Schedule 12 – Advances & Other Assets–Other Assets	Schedule 12 –Advances & Other Assets– Advances	March 2019	7,439	Regrouped for better presentation and to conform with this period's presentation.

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by RAKESH BHARTI MITTAL
Date: 2020.05.13 19:46:59 +05'30'

RAKESH BHARTI MITTAL
(CHAIRMAN)
DIN- 00042494

RAJESH SUD
Digitally signed by RAJESH SUD
Date: 2020.05.13 17:22:04 +05'30'

RAJESH SUD
(DIRECTOR)
DIN- 02395182

Sanjeev S
Digitally signed by Sanjeev S
Date: 2020.05.13 17:22:04 +05'30'

SANJEEV S
(CHIEF EXECUTIVE OFFICER & MD)
DIN- 07644073

AMIT RAHEJA
Digitally signed by AMIT RAHEJA
Date: 2020.05.13 17:36:29 +05'30'

AMIT RAHEJA
(COMPANY SECRETARY)

As per our report of even date

For Singhi & Co
Chartered Accountants
(Regn No.302049E)

SHWETA SINGHAL
Digitally signed by SHWETA SINGHAL
Date: 2020.05.13 17:36:29 +05'30'

SHWETA SINGHAL
(Partner)
Membership No.414420

MARC, PIERRE, CHARLES AUDRIN
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Date: 2020.05.13 14:00:24 +05'30'

MARC PIERRE CHARLES AUDRIN
(DIRECTOR)
DIN- 08420079

BHARAT SUMANT RAUT
Digitally signed by BHARAT SUMANT RAUT
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BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)
DIN- 00066080

raahul ahuja
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Date: 2020.05.13 17:22:04 +05'30'

RAHUL AHUJA
(CHIEF FINANCIAL OFFICER)

For M P Chitale & Co
Chartered Accountants

Murtaza Taher Vajihi
Digitally signed by Murtaza Taher Vajihi
DN: c=IN, o=Personal, title=1951, pseudonym=72eead1ab677404a39a0e34a75328c2f89805c, 2.5.4.20=bfec15907b8d53458f580756bf26613cd899283ac5af2096e10b7895895ca6, postalCode=400002, st=Maharashtra, serialNumber=95d1c7852006877b9fc2d5415b181d5c648e726db1ff20c2826cba0735e27650, cn=Murtaza Taher Vajihi
Date: 2020.05.14 14:45:11 +05'30'

MURTUZA VAJIHI
(Partner)

Bharti AXA General Insurance Company Limited

Annexure -1
SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2020

Rs '000'

		Marine			Miscellaneous																		Total
Particulars	Fire	Cargo	Others	Total	Motor	OD	Motor	TP	Motor Total	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Miscellaneous Total				
Premium Earned (Net)	286,476	531,973	-	531,973	7,404,955		5,102,298		12,507,253	77,742	168,290	76,917	-	255,153	2,928,255	1,398,197	1,945	64,371	17,478,123	18,296,571			
Profit on Sale of Investments	12,302	7,575	-	7,575	83,233		359,401		442,634	2,050	4,533	2,673	-	5,569	29,033	13,247	79	2,397	502,216	522,093			
Interest and Dividend	66,986	41,250	-	41,250	453,220		1,957,008		2,410,228	11,160	24,683	14,556	-	30,327	158,092	72,133	429	13,053	2,734,660	2,842,896			
Amortisation	(874)	(536)	-	(536)	(5,914)		(25,538)		(31,452)	(146)	(322)	(190)	-	(396)	(2,063)	(941)	(6)	(170)	(35,685)	(37,098)			
Other Income (Including Terrorism pool income/expenses, Premium Deficiency & Contribution to Solutum Fund)	38,302	(14,706)	-	(14,706)	1,725		(4,982)		(3,257)	17	37	1,905.23	-	90	624	299	0	21	(263)	23,330			
Contribution from Shareholders Funds under EOM Rules 2016	-	39,272	-	39,272	1,115,322		771,781		1,887,103	-	-	-	-	-	246,870	-	-	-	2,133,973	2,173,245			
Total Segmental Revenue	403,192	604,823	-	604,824	9,952,542		8,159,968		17,212,510	90,823	197,221	95,861	-	290,744	3,360,811	1,482,935	2,447	79,671	22,813,024	23,821,037			
Claims Incurred (Net)	215,447	617,620	-	617,620	5,298,924		4,945,953		10,244,878	63,875	69,910	49,744	-	153,599	2,313,628	547,623	2,490	52,141	13,497,887	14,330,955			
Commission Paid (Net)	(129,446)	57,272	-	57,272	1,525,535		(46,557)		1,478,978	8,892	8,798	(27,026)	-	22,614	(20,828)	(320,999)	(2,518)	4,152	1,152,063	1,079,889			
Operating Expenses related to Insura	199,149	188,068	-	188,068	3,070,424		2,124,672		5,195,096	30,562	59,954	30,526	-	152,264	1,063,527	398,253	573	43,819	6,974,571	7,361,787			
Total Segmental Expenditure	285,150	862,960	-	862,960	9,894,883		7,024,068		16,918,952	103,329	138,662	53,242	-	328,477	3,356,327	624,878	545	100,112	21,624,520	22,772,630			
Segmental Profit	118,043	(258,136)	-	(258,136)	(842,341)		1,135,899		293,558	(12,506)	58,559	42,619	-	(37,732)	4,483	858,057	1,902	(20,440)	1,188,497	1,048,404			

Bharti AXA General Insurance Company Limited

Annexure -1
SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31 , 2020

Segment revenues and segment results have been incorporated in the financial statements. However given the nature of the business, segment assets and liabilities, have been allocated among various segments to the extent possible

Assets																		Rs '000'
Particulars	Fire	Marine			Motor	Motor -OD	Motor -TP*	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather	Credit Insurance	Others	Misc Total	Total
		Cargo	Others	Total														
Outstanding Premium	-	-	-	-	1,097	-	1,097	-	-	-	-	-	416	3,987,158	-	-	3,988,671	3,988,671

Liabilities																		Rs '000'
Particulars	Fire	Marine			Motor	Motor -OD	Motor -TP*	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather	Credit Insurance	Others	Misc Total	Total
		Cargo	Others	Total														
Claims Outstanding	338,428	419,719	-	419,719	21,119,559	1,304,936	19,814,623	94,516	214,107	111,065	-	164,894	799,396	803,691	5,493	110,644	23,423,365	24,181,511
Reserve for Premium Deficiency	-	14,751	-	14,751	-	-	-	-	-	-	-	-	-	-	-	-	-	14,751
Reserve for Unexpired Risk	486,040	152,952	-	152,952	6,971,707	4,132,641	2,839,066	40,240	89,264	50,462	-	265,018	1,071,824	62,795	316	66,351	8,617,977	9,256,969

*Motor TP - Claims O/s includes Motor pool liability

Bharti AXA General Insurance Company Limited

Annexure -1
 SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31 , 2019

Rs '000'																				
	Fire	Marine			Miscellaneous															Total
		Cargo	Others	Total	Motor	OD	Motor	TP	Motor Total	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Miscellaneous Total	
Particulars																				
Premium Earned (Net)	184,328	266,531	-	266,531	6,407,872		3,743,307		10,151,179	63,156	137,616	47,087	-	170,302	2,055,683	879,909	2,123	31,908	13,538,961	
Profit on Sale of Investments	3,023	1,464	-	1,464	25,486		106,340		131,826	501	1,185	763	-	1,089	6,828	3,492	17	681	146,382	
Interest and Dividend	47,067	22,786	-	22,786	396,747		1,655,442		2,052,189	7,801	18,448	11,871	-	16,956	106,299	54,368	260	10,598	2,278,790	
Amortisation	142	69	-	69	1,194		4,981		6,175	23	56	36	-	51	320	164	1	32	6,857	
Other Income (Including Terrorism pool income/expenses, Premium Deficiency & Contribution to Solutium Fund)	7,474	371	-	371	7,532		301		7,834	89	190	3,289	-	242	3,018	1,012	2	52	15,726	
Contribution from Shareholders Funds under EOM Rules 2016	-	23,967	-	23,967	627,895.77		412,511		1,040,406	-	-	-	-	-	256,985	-	-	-	1,297,391	
Total Segmental Revenue	242,035	315,187	-	315,187	7,466,727		5,922,882		13,389,610	71,570	157,495	63,045	-	188,640	2,429,133	938,944	2,403	43,270	17,284,107	
Claims Incurred (Net)	121,563	208,166	-	208,166	4,065,857		3,595,556		7,661,414	55,283	45,190	43,033	-	145,148	1,826,046	665,113	1,601	(5,762)	10,437,066	
Commission Paid (Net)	(54,597)	44,216	-	44,216	1,027,209		17,859		1,045,068	7,685	15,014	(23,168)	-	13,674	(13,377)	(496,488)	(3,460)	(85)	544,863	
Operating Expenses related to Insur	114,420	111,221	-	111,221	2,219,402		1,458,083		3,677,485	26,027	49,782	26,090	-	65,066	854,917	277,426	522	18,483	4,995,798	
Total Segmental Expenditure	181,386	363,602	-	363,602	7,312,468		5,071,498		12,383,968	88,996	109,985	45,955	-	223,887	2,667,587	446,051	(1,337)	12,635	15,977,727	
Segmental Profit	60,649	(48,415)	-	(48,415)	154,259		851,384		1,005,642	(17,425)	47,509	17,090	-	(35,247)	(238,454)	492,894	3,740	30,635	1,306,380	

Bharti AXA General Insurance Company Limited

Annexure -1
SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31 , 2019

Segment revenues and segment results have been incorporated in the financial statements. However given the nature of the business, segment assets and liabilities, have been allocated among various segments to the extent possible

Assets

Particulars	Fire	Marine			Motor	Motor -OD	Motor -TP*	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather	Credit Insurance	Others	Misc Total	Rs '000'
		Cargo	Others	Total														Total
Outstanding Premium	-	-	-	-	2,000	2,000	-	-	-	-	-	-	-	3,178,078	-	-	3,180,078	3,180,078

Liabilities

Particulars	Fire	Marine			Motor	Motor -OD	Motor -TP*	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather	Credit Insurance	Others	Misc Total	Rs '000'
		Cargo	Others	Total														Total
Claims Outstanding	256,889	177,448	-	177,448	18,766,604	1,072,393	17,694,211	69,358	153,032	103,869	-	139,306	528,073	662,025	3,163	77,300	20,502,730	20,937,067
Reserve for Premium Deficiency	28,910	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,910
Reserve for Unexpired Risk	349,004	133,749	-	133,749	5,648,199	3,363,291	2,284,908	39,011	81,303	51,698	-	91,442	1,044,688	42,878	369	30,053	7,029,641	7,512,393

*Motor TP - Claims O/s includes Motor pool liability

Annexure-II

Details of transaction with related parties for year ended March 31, 2020 are given below:

(₹ in 000's)

Particulars	Period	Bharti General Ventures Private Limited (Formerly Known as Bharti General Private)	Societe Beaujon	AXA SA	AXA Business Services Private Limited	Key managerial personnel	Total
		Holding Company	Significant Influence	Significant Influence	Significant Influence		
Premium income	Current Period	-	-	-	46,083	-	46,083
	Previous Period	-	-	-	46,265	-	46,265
Claim payments net of claims received	Current Period	-	-	-	273	-	273
	Previous Period	-	-	-	634	-	634
Commission/ Brokerage payouts	Current Period	-	-	-	-	-	-
	Previous Period	-	-	-	-	-	-
Remuneration Paid	Current Period	-	-	-	-	34,108	34,108
	Previous Period	-	-	-	-	24,397	24,397
Advertisement and Business Promotion	Current Period	-	-	-	-	-	-
	Previous Period	-	-	-	1,301	-	1,301
Professional Charges	Current Period	-	-	-	4,805	-	4,805
	Previous Period	-	-	-	7,623	-	7,623
Rent, Rates & Taxes	Current Period	-	-	-	-	-	-
	Previous Period	-	-	-	-	-	-
Communication Charges	Current Period	-	-	-	1,112	-	1,112
	Previous Period	-	-	-	38,222	-	38,222
Miscellaneous Expenses	Current Period	-	-	-	-	-	-
	Previous Period	-	-	-	-	-	-

Balances with related parties at March 31, 2020, are given below:

(₹ in 000's)

Particulars	Period	Bharti General Ventures Private Limited	Societe Beaujon	AXA SA	AXA Business Services Private Limited	Key managerial personnel	Total
		Holding Company	Significant Influence	Significant Influence			
ASSETS							
Investments	Current Period	-	-	-	-	-	-
	Previous Period	-	-	-	-	-	-
Income accrued on investments	Current Period	-	-	-	-	-	-
	Previous Period	-	-	-	-	-	-
Others assets/ Receivables	Current Period	-	-	-	-	-	-
	Previous Period	-	-	-	-	-	-
LIABILITIES							
Share Capital (Including Share Premium)	Current Period	11,242,284	10,537,713	-	-	-	21,779,997
	Previous Period	9,281,151	8,653,487	-	-	-	17,934,638
Others liabilities/ Payables	Current Period	-	-	-	4,173	-	4,173
	Previous Period	-	-	-	168	-	168

Annexure-III-A

Analytical Ratios as at March 31, 2020

Sr. No.	Particular	Total	Fire	Marine Cargo	Marine Others	Marine total	Motor Total	Motor OD	Motor TP	Workmen compensation	Public/Product Liability	Engineering	Aviation	PA	Health	Crop / Weather Insurance	Credit Insurance	Others	Total miscellaneous	Basis of calculations
1	Gross Direct Premium Growth Rate	39%	80%	57%	0%	57%	30%	28%	33%	8%	8%	11%	0%	108%	17%	59%	-7%	95%	36%	(GDPi current year- GDPi previous year)/ GDPi previous year
2	Gross Direct Premium to Net Worth Ratio	4.74																		GDPi/ Net worth
3	Growth rate of Net Worth	27%																		(Net worth current year- Net worth previous year) / Net worth previous year
4	Net Retention Ratio	63%	18%	67%	-	67%	93%	94%	92%	80%	51%	21%	-	94%	81%	17%	7%	42%	67%	(NWP / (GDPi + RI accepted))
5	Net Commission Ratio	5%	-31%	10%	0%	10%	11%	10%	-1%	11%	5%	-36%	0%	5%	-1%	-23%	-133%	4%	6%	Net commission / NWP
6	Expense of Management to Gross Direct Premium Ratio	31%	16%	33%	0%	33%	46%	54%	35%	41%	26%	16%	0%	39%	39%	5%	13%	28%	32%	Expenses of management/ GDPi
7	Expense of Management to Net Written Premium Ratio	48%	85%	49%	0%	49%	49%	57%	38%	51%	49%	71%	0%	42%	48%	28%	193%	65%	48%	Expenses of management/ NWP
8	Net Incurred Claims to Net Earned Premium	78%	75%	116%	0%	116%	82%	72%	97%	82%	42%	65%	0%	60%	79%	39%	128%	81%	77%	Net Incurred Claims / Net Earned Premium
9	Combined Ratio	120%																		(Net Incurred Claims / Net Earned Premium) + ((Net Commission + Operating Expenses)/NWP))
10	Technical Reserves to Net Premium Ratio	1.67																		(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ NEP
11	Underwriting balance Ratio	(0.24)	0.00	(0.62)															(0.24)	(Underwriting profit/loss) / Net Earned Premium
12	Operating Profit Ratio	-6%																		(Underwriting profit/loss + Investment income) / Net Earned Premium
13	Liquid Assets to liabilities Ratio	0.26																		Liquid Assets/ Policyholders liabilities
14	Net earnings Ratio	-12%																		Profit after tax/ Net Written premium
15	Return on Net Worth Ratio	-36.8%																		Profit after tax/ Net Worth
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	1.63																		
17	NPA Ratio																			
	Gross NPA Ratio	5.79%																		
	Net NPA Ratio	2.30%																		

Notes :

Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013

1. GDPi - Premium from direct business written, NWP - Net written premium

2. Shareholders' funds/ Net worth = (Share capital + Reserve & Surplus) - (Miscellaneous expenditure - Debit balance in profit & loss account)

3. Expenses of management = Commission paid-direct + Operating expenses related to insurance business

4. Liquid asset- Short term investments + Cash and bank balances

5. Policyholders liabilities = Claim outstanding (to be discharged in 12 months) + Reserve for unexpired risk + Reserve for premium deficiency

6. Underwriting profit/ (loss) = Net premium earned - Net claims incurred - Net commission - Operating expense

Annexure-BI-A
Analytical Ratios as at March 31, 2019

Sr. No.	Particular	Total	Fire	Marine Cargo	Marine Others	Marine total	Motor Total	Motor OD	Motor TP	Workmen compensation	Public Liability	Engineering	Aviation	Person al Accide nt	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Total miscellaneous	Basis of calculations
1	Gross Direct Premium Growth Rate	28.77%	102%	66%	-	66%	6%	-2%	22%	48%	35%	78%		53%	132%	37%	-7%	30%	25%	(GDPI current year- GDPI previous year)/ GDPI previous year
2	Gross Direct Premium to Net Worth Ratio	4.34																		GDPI/ Net worth
3	Growth rate of Net Worth	0.59%																		(Net worth current year- Net worth previous year) / Net worth previous year
4	Net Retention Ratio	66.36%	20%	63%	-	63%	92%	94%	90%	82%	50%	21%		94%	82%	16%	6%	36%	70%	NWP / (GDPI + RI accepted)
5	Net Commission Ratio	3.52%	-19%	13%	-	13%	10%	16%	0%	10%	9%	-34%		7%	-1%	-58%	-189%	0%	4%	Net commission / NWP
6	Expense of Management to Gross Direct Premium Ratio	25.06%																		Expenses of management/ GDPI
7	Expense of Management to Net Written Premium Ratio	37.32%																		Expenses of management/ NWP
8	Net Incurred Claims to Net Earned Premium	76.96%																		Net Incurred Claims / Net Earned Premium
9	Combined Ratio	106.21%																		(Net Incurred Claims / Net Earned Premium) + ((Net Commission + Operating Expenses) /NWP)
10	Technical Reserves to Net Premium Ratio	2.04																		(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ NWP
11	Underwriting balance Ratio	(0.09)	0.02	(0.27)	-	(0.27)														(0.08) (Underwriting profit/loss) / Net Earned Premium
12	Operating Profit Ratio	10.19%																		(Underwriting profit/loss + Investment Income) / Net Earned Premium
13	Liquid Assets to liabilities Ratio	0.24																		Liquid Assets/ Policyholders liabilities
14	Net earnings Ratio	0.20%																		Profit after tax/ Net Written Premium
15	Return on Net Worth Ratio	0.58%																		Profit after tax/ Net Worth
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	1.74																		
17	NPA Ratio																			
	Gross NPA Ratio	1.73%																		
	Net NPA Ratio	1.39%																		

Notes :

Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013

- GDPI = Premium from direct business written, NWP = Net written premium
- Shareholders' funds/ Net worth = (Share capital + Reserve & Surplus) - (Miscellaneous expenditure - Debit balance in profit & loss account)
- Expenses of management = Commission paid-direct + Operation expenses related to insurance business
- Liquid asset= Short term investments + Cash and bank balances
- Policyholders liabilities = Claim outstanding + Reserve for unexpired risk + Reserve for premium deficiency
- Underwriting profit/ (loss) = Net premium earned - Net claims incurred - Net commission - Operating expense
- Gross NPA= [(Book Value of NPA)/Total Book value of Investments]
 Book value of NPA includes 'Investments realization receivable shown in Schedule 12 of Balance Sheet
- Net NPA= [(Book Value of NPA -Provision for diminution in value of Investments)/Total Book value of Investments]
 Book value of NPA includes 'Investments realization receivable shown in Schedule 12 of Balance Sheet

Annexure - IV Summary of Financial Statements

S.No	Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
		(Rs 000's)	(Rs 000's)	(Rs 000's)	(Rs 000's)	(Rs 000's)
	OPERATING RESULTS					
1	Gross Written Premium (1)	31,573,788	22,849,148	17,716,892	13,259,600	12,845,220
2	Net Premium Income	20,041,148	15,163,823	12,683,282	11,653,019	10,971,700
3	Income from Investments (net)	3,345,291	2,528,504	2,265,162	2,504,448	2,315,726
4	Other Income	4,097	17,824	5,714	9,089	13,106
5	Total Income	23,390,536	17,710,151	14,954,158	14,166,556	13,300,532
6	Commission (net)	1,079,887	534,483	614,439	381,344	326,931
7	Operating Expenses (3)	5,188,550	3,900,081	3,633,401	3,947,521	4,893,535
8	Claims, Increase in Unexpired Risk Reserve and other outflows	16,073,695	11,956,973	10,635,994	10,099,548	10,099,756
9	Operating Profit/(Loss)	1,048,404	1,318,614	70,324	(261,857)	(2,019,690)
	NON- OPERATING RESULTS					
10	Total Income under shareholders account	(3,484,675)	(1,288,195)	(996,624)	(1,024,478)	(22,688)
11	Profit/(Loss) before tax	(2,436,271)	30,419	(926,300)	(1,286,335)	(2,042,378)
12	Provision for tax	-	-	-	-	1,200
13	Profit/(Loss) after tax	(2,436,271)	30,419	(926,300)	(1,286,335)	(2,043,578)
	MISCELLANEOUS					
14	Policyholder's Account (2)					
	Total Funds	40,933,625	33,319,105	26,749,763	28,685,792	28,363,510
	Total Investments	40,933,625	33,319,105	26,749,763	28,685,792	28,363,510
	Yield on Investments	7.98%	7.65%	8.64%	8.49%	8.87%
15	Shareholder's Account (2)					
	Total Funds	6,617,244	5,208,156	5,177,737	6,104,035	6,890,372
	Total Investments	6,719,025	5,523,363	5,364,723	36,073	48,503
	Yield on Investments	7.98%	7.65%	6.31%	3.53%	3.04%
16	Paid up equity capital	20,059,812	16,214,453	16,214,453	16,214,453	15,714,453
17	Net worth	6,617,244	5,208,156	5,177,737	6,104,036	6,890,372
18	Total Assets	58,033,072	46,344,110	38,766,987	31,852,528	31,612,041
19	Yield on Total Investments	7.98%	7.65%	8.63%	8.57%	8.51%
20	Earnings Per Share - (INR Rs)	(1.40)	0.02	(0.57)	(0.80)	(1.58)
21	Book Value Per Share - (INR Rs)	3.30	3.21	3.19	3.76	4.39
22	Total Dividend	-	-	-	-	-
23	Dividend per Share	-	-	-	-	-

Note:

- 1 Gross Written Premium includes Re Insurance Inwards premium and Motor Pool & Terrorism Pool Premium
- 2 Policyholder's fund and Shareholders fund are calculated as per circular IRDA/F&A/CIR/CPM/056/03/2016 dated 4th April 2016
- 3 Operating Expenses are reported net of Expenses of Management transferred from revenue account to profit and loss account under EOM Rules, 2016