

# **BHARTI AXA GENERAL INSURANCE** **COMPANY LIMITED**

NINTH ANNUAL REPORT  
FINANCIAL YEAR 2015-16

CIN: U66030KA2007PLC043362  
FIRST FLOOR, FERNS ICON,  
SURVEY NO. 28,  
DODDANEKUNDI,  
OFF OUTER RING ROAD,  
BANGALORE- 560 037

PH: +91-80-4026 0100  
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### Our Vision

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

At Bharti AXA GI, 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.

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### Our Core Values

#### 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 8 lakh claims in six years, 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 a milestone of 54 lakh + policies in just six years.

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### 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.

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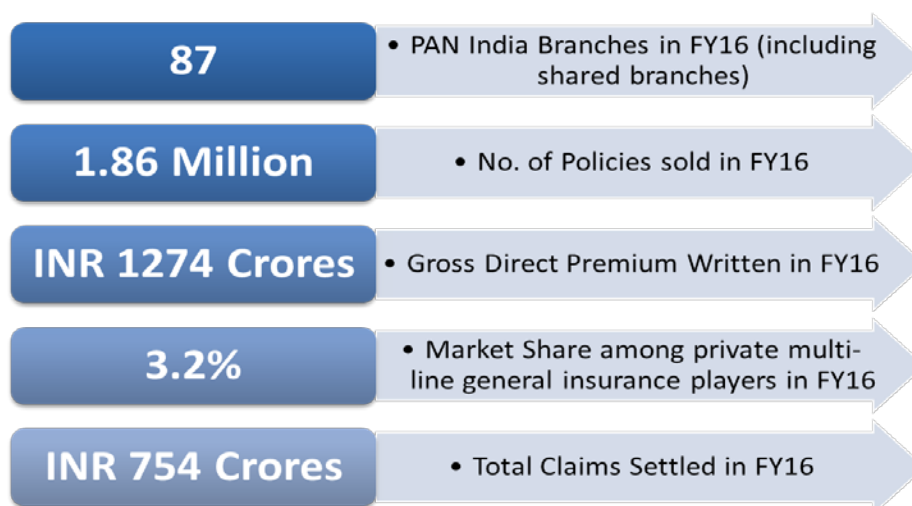
*Bharti AXA General Insurance Company Ltd is a joint venture between Bharti Enterprises, a leading Indian business group and AXA, a world leader in financial protection. The organization commenced its operations in August 2008. The joint venture company has a 51% stake from Bharti and 49% stake of the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

*Bharti Enterprises is one of India's leading business groups with interests in telecom, agri 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.*

*The AXA Group is a worldwide leader in insurance and asset management serving 103 million clients in 64 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 *Commercial* and *Private Motor*
-  **Health & Personal Accident Insurance** which includes *Individual Health, Group Health* and *Personal Accident*
-  **Marine Insurance** which consists of *Marine Cargo* and *Marine Hull*
-  **Property Insurance** which includes *Commercial, Industry* and *SME Property*
-  **Construction & Engineering Insurance**
-  **Liability Insurance** which includes *Bond, Commercial Liability, Employees Compensation* and *Professional Liability*
-  **Lifestyle Insurance** which includes *Travel, Private Liability* and *Private Property*



**Bharti AXA at a Glance in FY2016**



## BRIEF PROFILE OF THE DIRECTORS



**Rakesh Bharti Mittal** (DIN:00042494) is a Non-Executive Directors & Chairman of the Board of the Company since 24<sup>th</sup> August, 2009.

He is a member of the National Council of the Confederation of Indian Industry (CII) since 1999

and is currently the Chairman of CII Public Policy Council and is also a member of India Pakistan Joint Business Forum (IPJBF) and Member Founders Circle, Brookings India.

He has been awarded the Honorary Doctor of Civil Law Degree by Newcastle University, UK. He is a recipient of several awards including the 'LMA – Hari Chand Award' for Corporate Citizen of the Year 2013', 'Institute of Engineers - Engineering Excellence Award 2004', and 'LMA - Entrepreneur of the year Award 1992'. He also serves as Honorary Consul for Republic of Sierra Leone in India.



**Akhil Kumar Gupta** (DIN:00028728) is a Non-Executive Directors of the Company since 21<sup>st</sup> October, 2008. He has been closely associated with Bharti Group for over 20 years. His experience with the Bharti Group includes strategic planning, financial decisions, mergers and

acquisitions and business performance related issues of the group.

He has been honoured with awarded like 'CEO of the Year' award at the National Telecom Awards 2012, 'Outstanding Contribution to the Telecom Sector' by industry's leading telecom magazine – tele.net., the Asia Corporate Dealmaker Award at the Asia – Pacific M&A ATLAS Awards and many more.

He has also been inducted to the CFO India – 'Hall of Fame' in recognition of his contribution to the world of finance.

He is a Chartered Accountant by qualification with over 30 years of professional experience. He has also attended an "Advanced Management Program" at the Harvard Business School in the year 2002.



**Deepak Dharmarajan Iyer** (DIN:06474773) was the CEO & Managing Director of the Company since 28<sup>th</sup> August, 2015 till 5<sup>th</sup> August, 2016.

He was Managing Director - Indian subcontinent at Wrigley India Pvt Ltd, a subsidiary of Mars Inc. before joining Bharti AXA.

Mr. Iyer has brought with him 22 years of diverse experience across various aspects of management, sales, marketing, P & L management, operational turnaround, research & development and franchise management across different countries.

Prior to his association with Wrigley, he worked with PepsiCo Inc for 16 years handling multiple international assignments including holding the posts of senior franchise director — Africa; general manager — North & East India (including Bangladesh, Nepal & Sri Lanka) and director — sales for modern trade/food service/leisure/travel & transport channels of the company.

He has a Bachelor of Engineering in Electronics from Sardar Patel University, Birla College, Gujarat and Master of Management Studies (MBA) with a specialization in Marketing from S.P. Jain Institute, Mumbai University.

**Amélie Marie Breitburd** nee

**Belge** (DIN:06609124) is a Non- Executive (Additional) Director of the Company since 30<sup>th</sup> July, 2015.



She is Regional Chief Financial Officer of AXA Asia, for both the Life and P&C insurance businesses, based at the regional head office in Hong Kong.

Prior to her appointment to this position at AXA Asia in March 2015, she was Group Head of Plan, Budgets, Results & Controlling (PRBC) since November 2011. Previously, she had been Head of Accounting Policies, and then Head of Group Corporate Actuarial Team, Group Accounting policies and Control.

She is graduated from the ESSEC Business School and is an actuarial (CEA - Centre d'Etudes Actuarielles).



**Bharat Sumant Raut** (DIN:00066080) is an Independent Director of the Company since **12<sup>th</sup> March, 2010**. He holds a bachelor's degree in Law and bachelor's degree in Commerce from University of Bombay. He is also a Certified

Chartered Accountant and a fellow member of ICAI.

He has more than 42 years of experience in the fields of accountancy and law. He was, in the past, associated with Sharp and Tannan, Chartered Accountants as a Partner, with Price Waterhouse, Chartered Accountants as a Partner and with B S R & Co., Chartered Accountants and B S R & Associates, Chartered Accountants as their Founding Partner. He is a practising lawyer since 2006. He is currently an independent director on the board of various companies.



**Jean Louis Christian M Laurent Josi** (DIN:07101738) is a Non-Executive Director of the Company since **2<sup>nd</sup> March, 2015**.

He was Member of the AXA Group Executive Committee and Chief Executive Officer of

AXA Life Insurance Company Limited, Japan since 2011. He joined the AXA Group with Winterthur's integration in 2006 to head AXA Belgium's multi distribution activity and was member of the Executive Committee. He was previously managing director and COO of RealBank S.A. and Keytrade Bank S.A. In 2008 he was appointed CEO of AXA Gulf & Middle East.

He holds a postgraduate degree in actuarial sciences from the Universite Catholique de Louvain, Belgium and a MBA from the College of Insurance in New York.

## BRIEF PROFILE OF THE DIRECTORS

**Jean Paul Dominique Louis Drouffe**

(DIN:07373856) is a Non-Executive (Additional) Director of the Company since **1<sup>st</sup> January, 2016**.

He is CEO, General Insurance, AXA Asia

leading the AXA GI business in South East Asia covering China, India, Hong Kong, Singapore, Thailand, Malaysia, Indonesia, Philippines and oversee all AXA entities (both Life and GI) in India, Malaysia, and Singapore.

Jean Drouffe has been with AXA Group since 2000 and have worked at various senior level positions across geographies.

Jean Drouffe is a Qualified actuary from French Institute IAF (Dec 1999) and Qualified actuary from UK. He has also completed Ecole Polytechnique in July 1997 (major in Economics and Applied Mathematics) and ENSAE in Aug 1999 (major in Economics, Insurance, Finance and Statistics).

**Jitender Balakrishnan**

(DIN: 00028320) is an Independent Director of the Company since **1<sup>st</sup> June, 2010**.

He has wide experience in sectors like Banking, Oil and Gas, Refineries, Power, Telecom, Airports, Roads, Ports, Steel, Cement, fertilizers, Petrochemicals, Hotel, Pharmaceuticals, paper.

He served as a member on Board of Directors of IDBI Bank Ltd. and all Board Sub Committees, Board of Directors of various Corporate in the areas of Telecom, Steel, Textile, Fertiliser, Infrastructure, Housing finance, Asset Reconstruction and on the Board of Directors of a Commercial Bank, Housing Finance Company, Asset Management Company, besides State Financial Institutions.

He has also served as IDBI's representative on various Committees in Fertiliser, Oil & Gas, Telecommunication sectors and High Level Committee on Ultra Mega Power Projects. At present serves as an Independent Director on the Boards of large number of Companies.





## BRIEF PROFILE OF THE DIRECTORS



**Rahul Bhatnagar**  
(DIN: 07268064) is a Non-Executive (Additional) Director of the Company since 1<sup>st</sup> September, 2015.

He has over 35 years of rich global experience, spread across diverse industries. His experience spans Business Strategy and Execution, Financial Management and Controls, M&A, Taxation, Treasury, Marketing Intelligence and IT.

Prior to joining Bharti AXA, Rahul was with PepsiCo, where he worked for over 19 years in various senior level positions across geographies. He was the CFO for the India business (1996 to 2003), CFO - Beverages and Snacks businesses for the APAC Region (2003 to 2009), and most recently he was VP - Business Services & CFO for WorldWide Flavors business for Ireland (2009 to 2015).

Rahul is a CA from ICAI and an MBA from Wharton.



**Sundar Rajan Rajagopalan**  
(DIN:06428757) was a Non-Executive (Additional) Director of the Company since 12<sup>th</sup> December, 2015 till 30<sup>th</sup> June, 2016.

He has more than 20 years' experience in legal field across diverse functions in reputed companies.

He was chief of legal at infrastructure firm GMR, heading its legal department, and at present is group general counsel at Bharti Enterprises, the holding company of Airtel and its sister concerns.

He had also worked as Executive Director-Legal at Ashok Leyland, in addition to handling specific group-level legal assignments.

He is a law graduate and started his career as an advocate, and has practiced in the Madras High Court.

**Uma Ajay Relan** (DIN:07087902) is an Independent Director of the Company since 11<sup>th</sup> February, 2015.

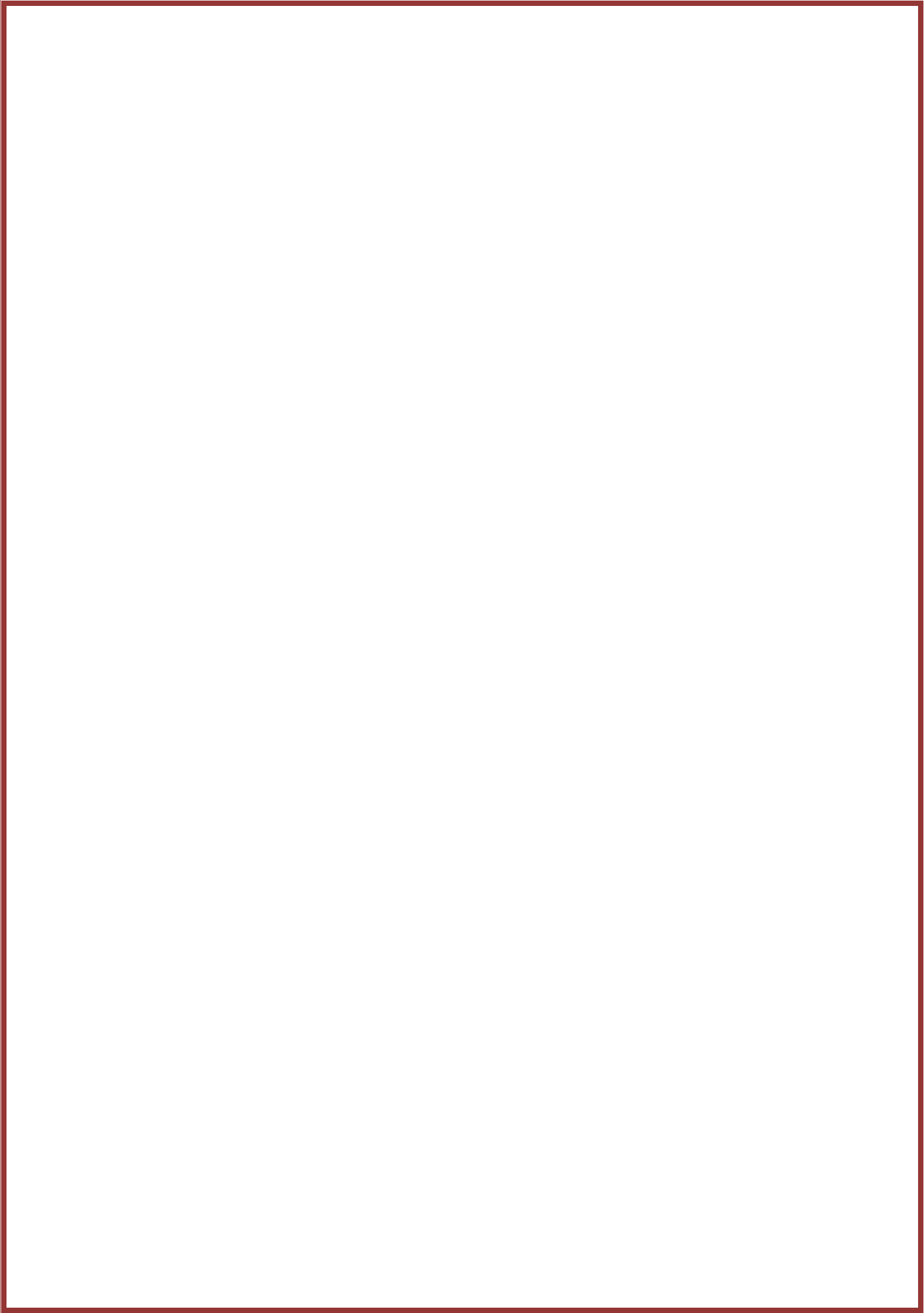
She specializes in Consumer Credit and spent about 33 years with Citigroup working in multiple geographies, various banking disciplines and diverse product groups.



She worked in Dubai for 6 years as head of credit for the Gulf region where she successfully launched the first credit card portfolio in UAE.

The bulk of her career has been with Citigroup's consumer business where she was the principal architect of the growth story in several markets across the globe. She has the distinction of being a Level 1 Senior Credit Officer (the most senior credit designation in Citibank) for both commercial and retail lending. Since her return to India and retirement from a highly successful career in Citigroup in 2007, she has been working as a consultant for several large/international banks in the Middle East, Saudi Arabia, Eastern Europe, India and Egypt.

Her consulting assignments have included consumer credit training, credit policy redesign, business reviews, due diligence projects and business process reengineering.



## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS:**

1. Mr. Rakesh Bharti Mittal	Chairman& Director
2. Mr. Deepak Iyer	CEO& MD(till 5 <sup>th</sup> August, 2016)
3. Mr. Akhil Gupta	Director
4. Ms. Amelie Marie Breitburd nee Belge	Director
5. Mr. Bharat S Raut	Independent Director
6. Mr. Jean-Louis Laurent Josi	Director
7. Mr. Jean,Paul,Dominique, Louis Drouffe	Director
8. Mr. Jitender Balakrishnan	Independent Director
9. Mr. Rahul Bhatnagar	Director
10. Mr. Sundar Rajan Rajagopalan	Director (till 30 <sup>th</sup> June, 2016)
11. Ms. Uma Relan-	Independent Director

### **KEY MANAGERIAL PERSON:**

1. Mr. Deepak Iyer	CEO & MD(till 5 <sup>th</sup> August, 2016)
2. Mr. Mathieu Verillaud	Chief Financial Officer
3. Mr. Ashish Sarma	Company Secretary, Head Of Legal & Compliance
4. Mr. Ajit Banerjee	Chief Investment Officer
5. Ms. Lakshmi Vishnampet	Appointed Actuary
6. Mr. Upendra Namburi	Chief Innovation and Marketing Officer

### **STATUTORY AUDITORS:**

1. B. K. RAMADHYANI & COMPANY  
LLP, CHARTERED ACCOUNTANTS  
(REGN NO. 002878S/S200021)
2. G M KAPADIA & COMPANY,  
CHARTERED ACCOUNTANTS  
(REGN NO. 104767W)

### **INTERNAL AUDITORS (Concurrent Auditor):**

RAJ GOPAL & BADRINARAYANAN,  
CHARTERED ACCOUNTANTS -  
CONCURRENT AUDITORS FOR  
INVESTMENT OPERATIONS

### **REGISTRARS & SHARE TRANSFER (R&T) AGENTS**

BGSE FINANCIALS LTD  
'STOCK EXCHANGE TOWER', NO.51,  
1ST CROSS, J. C. ROAD,  
BANGALORE 560027  
PH: 080-41329661

### **REGISTERED OFFICE:**

BHARTI AXA GENERAL INSURANCE  
COMPANY LIMITED  
FERNS ICON, FIRST FLOOR, SURVEY  
NO. 28, NEXT TO AKME BALLET,  
DODDANEKUNDI, OFF OUTER RING  
ROAD,  
BANGALORE- 560 037  
PH: +91-80-4026 0100  
FAX: +91-80-4026 0101  
WEB: [www.bharti-axagi.co.in](http://www.bharti-axagi.co.in)



## BOARD REPORT

To  
Dear the Members,

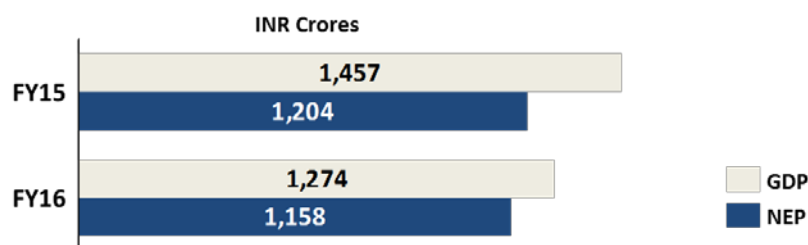
Your Directors present herewith Board Report on the business and operations together with Audited Financial Accounts for the period ended 31<sup>st</sup> March, 2016.

### 1. FINANCIAL RESULTS

Particulars	INR Mn	
	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
Gross Written Premium (Including Pool Retrocessions)	12,845	14,742
Net Written Premium	10,972	12,198
Net Earned Premium	11,582	12,038
Net Incurred Claims		10,309
	10,716	
Net Commission (Income/Expenses)	327	298
Expenses of Management	4,894	4,737
General Insurance Result	(4,354)	(3,306)
Investment Income- Policyholders	2316	2,093
Investment Income-Shareholders	6	6
Terrorism and Motor Pool Expenses (Net of Investment Income)	9864	(18)
Expenses directly debited to Profit and Loss Account	28	38
Solatium Fund and Premium Deficiency	(16)	27
Provision for wealth tax/Fringe Benefit Tax	1.2	0.68
Profit / (Loss) After taxation	(2,044)	(1,183)

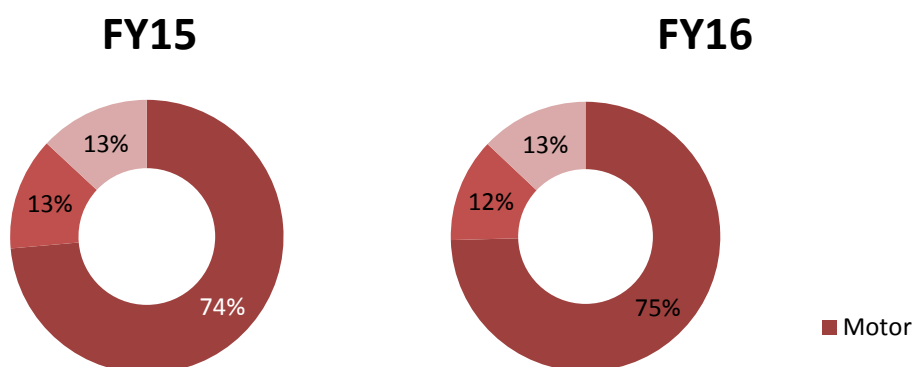
### 1. COMPANY PERFORMANCE

Your Company's market share in Financial Year ("FY") 2015-16, amongst private multi-line general insurance players, was 3.3%. Your Company recorded a Gross Direct Premium of INR 1274 Crore in FY16 as compared to INR 1457 Crore in FY15. However, the Net Earned Premium (INR 1158 Crore) was marginally lower as compared to last year.



GDP and NEP Comparison for FY15 and FY16

Motor Business continued to be the major contributor at 75% of the total business underwritten in FY16, compared to 74% in FY15. Commercial lines and Health & PA portfolio contribution were at 13% and 12% respectively.



**Segment Contribution for FY15 and FY16 has been consistent**

Loss for FY16 was INR 204 Crore as against loss of INR 118 Crore in the previous year. Your Company's operating at loss ratio of 93% as against 86% in the last year.

Your Company has achieved an Investment Income of INR 232 Crore in FY16 as against INR 216.38 Crore in previous year. Total capital infused in Your Company as at 31st March, 2016 remains at INR 1743.46 Crore. Capital infused during the year was INR 334.50 Crore. The capital solvency ratio is maintained at 1.59.

Your Company met its Rural and Social Sector obligation for the financial year 2015-16. Your Company achieved a rural business of INR 78 Crore more than the regulatory requirement. Your Company covered 264,777 lives in the social sector significantly higher than the regulatory requirement.

This year was not good for the industry from a claims perspective since a catastrophe was witnessed in form of floods in Chennai (in southern India) as well as due to the riots in Haryana (North India). This has impacted the profitability of Your Company as well.

## **2. CAPITAL INJECTION**

Your Company has received Capital injection of INR 334.5 Crore (including securities premium) vide rights issue from the existing shareholders. A total of 332,776,788 equity shares were issued during the year by way of rights issue.

## **3. 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 to this Annual Report.

## **4. DIVIDEND**

Since Your Company has not made profits, no dividend is recommended for the financial ended 31<sup>st</sup> March, 2016.

## **5. TRANSFER OF SHARES**

## BOARD REPORT

During the financial year 2015-16 the following transfer of equity shares took place in the Company:

Transfer of Shares by Bharti Insurance Holdings Private Ltd to Société Beaujon	352,276,257 equity shares of INR10/- each	Effective date of transfer- 30th November, 2015
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Subsequent to above transfer, the total equity holding of Société Beaujon in the Company increased to 49%. Further, the Company has taken steps and complied with IRDAI's Guidelines on Indian Owned and Controlled.

### 6. DEMAT

The shares of Your Company are in dematerialization with Central Depositories Services Limited. The International Securities Identification Number (ISIN) allocated to Your Company's equity shares is INE513L01011. As on 31<sup>st</sup> March, 2016 100% of our shares are held in dematerialization form, except the four shares which are beneficially held by individuals on behalf of Bharti Insurance Holdings Private Limited. The details of the shares in Demat and Physical mode, as on 31<sup>st</sup> March, 2016 are as below:

Sl. No.	Particulars	No. of Shareholders	No. of Shares	% to the Paid up capital
1	Shares in Demat Mode (CDSL)	3	1,571,445,318*	100
2	Shares in Physical Mode	4	4	0.00
	<b>Total</b>	<b>7</b>	<b>1,571,445,322</b>	<b>100</b>

**Note:** Includes 224,000,000 equity shares allotted on 31<sup>st</sup> March, 2016, for which the corporate action has been initiated by the Company.

The address of the Registrar and Transfer Agent (R&T) of Your Company is:  
 BGSE FINANCIALS LTD  
 'STOCK EXCHANGE TOWER', NO.51, 1ST CROSS, J. C. ROAD,  
 BANGALORE 560027  
 PH: 080-41329661

### 7. 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 financial year 2015-16.

Sl. No.	Name of the Director/ KMP	Cessation / Appointment
1.	Mr. Milind Chalisgaonkar	Ceased to be a Director and Interim CEO & MD with effect from 31 <sup>st</sup> July, 2015
2.	Mr. Deepak Iyer	Appointed CEO & MD effective from 28 <sup>th</sup> August, 2015.
3.	Ms. Amelie Marie	Appointed as an Additional Director on 30 <sup>th</sup>

Sl. No.	Name of the Director/ KMP	Cessation / Appointment
	Breitburd nee Belge	July, 2015.
4.	Mr. Rahul Bhatnagar	Appointed as an Additional Director effective 1 <sup>st</sup> September, 2015
5.	Mr. Christophe Stephane Knaub	Ceased to be a Director from 29 <sup>th</sup> May, 2015
6.	Mr. Manoj Kohli	Ceased to be a Director with effect from 31 <sup>st</sup> August, 2015
7.	Mr. Jean Paul Dominique Louis Drouffe	Appointed as an Additional Director effective from 1 <sup>st</sup> January, 2016
8.	Mr. Lalit Ahluwalia	Ceased to be a Director effective 30 <sup>th</sup> November, 2015
9.	Ms. Gaelle Marie Blandine Olivier	Ceased to be a Director with effect from 31 <sup>st</sup> December, 2015
10.	Mr. Sundar Rajan Rajagopalan	Appointed as an Additional Director effective from 12 <sup>th</sup> December, 2015

Further, the following appointment/re-appointment is proposed at the ensuing 09<sup>th</sup> Annual General Meeting (AGM):

Mr. Akhil Gupta and Mr. Jean-Louis Christian M Laurent Josi who are liable to retire at the AGM of Your Company, being eligible for re-appointment, may be re-appointed by the shareholders at the ensuing 09<sup>th</sup> AGM.

Further, Mr. Jean Paul Dominique Louis Drouffe, Mr. Sundar Rajan Rajagopalan, Ms. Amelie Marie Breitburd nee Belge and Mr. Rahul Bhatnagar who were appointed as additional Director(s) to hold the office till the ensuing AGM, is proposed to be appointed as director under section 161 of the Companies Act, 2013 at ensuing 09<sup>th</sup> AGM.

There have been no other changes in the Board of Directors or KMP(s) during the financial year 2015-16.

## **8. BOARD OF DIRECTORS**

The routine affairs of Your Company are managed by the Chief Executive Officer & Managing Director under the supervision of the Board of Directors of Your Company. The Board approves reviews and oversees the action and results of the management to ensure that the long-term objective of maximizing profits and enhancing stakeholders' value is met with.

As on 31<sup>st</sup> March, 2016 Your Company has eleven (11) Directors. The brief profile of Your Company's Board of Directors are provided in the Annual Report.

During the year 2015-16 your Board of Directors met 6 times. The details of the Board and Committee Meetings held during the year ended 31<sup>st</sup> March, 2016 are provided as part of Board's report on Corporate Governance.

## **9. ANNUAL DECLARATION FROM INDEPENDENT DIRECTORS:**



The Company has received the declaration from each of 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 said Act.

The Company has also received declarations from all Directors under Section 164(1) of the Act, confirming that they are not disqualified from being appointed as Directors. Further, all the Directors have confirmed that they comply with the "Fit and proper" criteria laid down under the Corporate Governance guidelines of IRDAI.

### **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 as well as for Managing Director & CEO, where the said remuneration is approved by the Nomination & Remuneration Committee. The remuneration of Managing Director & CEO 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 & Remuneration Committee. A comprehensive policy, as per the requirement of Companies Act, 2013 with regard to remuneration for employees, KMP and Directors would be placed before the Board during the financial year 2015-16, so as to document the process and guidelines laid down by the Nomination & Remuneration Committee of Board. The proposed policy is enclosed as **Annexure 1** to this Report.

The non-executive Directors didn't draw any remuneration from Company during the year under review. The Independent directors and nominee director of GIBA Holdings Private Limited (*only till 30<sup>th</sup> November, 2015*) received a sitting fee of Rs.45,000/- for the board meeting and Rs.15,000/- for the committee meeting attended by them.

Further, 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.

### **11. VIGIL MECHANISM:**

As per the provisions of Companies Act, 2013, your Company doesn't fall under the class of Companies which is required establish a vigil mechanism. However, your Company has implemented a comprehensive vigil mechanism for their employees as well as Directors. The company has implemented a Whistleblower 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

whistleblower complaints. While the company ensures that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment, any abuse of the whistleblower 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 behavior.

## **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 31<sup>st</sup> March, 2016 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. EXTRACT OF ANNUAL RETURN:**

In compliance with Section 92(3) of Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return is enclosed to this Board Report as **Annexure 2**.

## **14. STATUTORY AUDITORS**

M/s B. K. Ramadhyani & Company LLP, Chartered Accountants (Regn No. 002878S/ S200021) and G M Kapadia & Company, Chartered Accountants (Regn No. 104767W), joint Statutory Auditors of the Company were appointed by the Members to hold office till conclusion of 11<sup>th</sup> AGM and 13<sup>th</sup> AGM of the Company respectively.

## BOARD REPORT

While, M/s B. K. Ramadhyani & Company LLP, Chartered Accountants (Regn No. 002878S/ S200021) will seek ratification of their appointment at the ensuing 09<sup>th</sup> AGM, M/s G M Kapadia & Company, Chartered Accountants (Regn No. 104767W) have expressed their inability to continue as Statutory Auditors for the financial year 2016-17 due to their other audit Commitments and hence will not seek ratification to their appointment.

The Board has appointed M/s. M.P. Chitale & Co., Chartered Accountants (Regn. No.101851W) as joint statutory Auditors, who shall seek appointment at the ensuing 09<sup>th</sup> AGM.

Your Company has received a letter from both the Auditors to the effect that their appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013. Accordingly the said Auditors can be appointed /ratified at the ensuing Annual General Meeting.

### 15. SECRETARIAL AUDITOR:

The Board of Directors at their meeting held on 25<sup>th</sup> November, 2015 had appointed M/s Mahadev Thirunagari, Practicing Company Secretary as the Secretarial Auditor under Section 204 of the Companies Act, 2013 to carry out the Secretarial Audit of the Company for the year 2015-16.

### 16. STATUTORY AUDIT REPORT:

The Joint Statutory Auditors M/s B K Ramadhyani & Company LLP, Chartered Accountants and M/s. G M Kapadia & Company, Chartered Accountants have carried out the Audit of the financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2016. 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.

### 17. SECRETARIAL AUDIT Report:

The Secretarial Auditor M/s Mahadev Thirunagari, Practicing Company Secretary has carried out the Secretarial Audit of the Company for the financial year 2015-16 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 M/s Mahadev Thirunagari, Practicing Company Secretary is enclosed to this Board Report as **Annexure-3.**

### 18. 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 Companies Act, 2013 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 Rupees)	
	Current Year	Previous Year
<b>Expenditure in foreign currency</b>	<b>225,834,011</b>	<b>857,093,591</b>
<b>Earnings in foreign currency</b>	<b>1,101,025,481</b>	<b>684,934,929</b>

### B) BOARD EVALUATION AND MEETING OF INDEPENDENT DIRECTORS

Pursuant to the provisions of the Companies Act, 2013, the Directors have carried out an annual performance evaluation of the Board, its Committees, the Chairman of the Board, their self-evaluation and that of the Independent Directors (by Non-Independent Directors). The evaluation of the Board was carried out on the basis of various parameters which include quality and experience of Board members, Board responsibilities, Board processes, role and effectiveness of Non-Executive Chairman, assessment of quality, quantity and timeliness of flow of information, etc. The Board Committees were evaluated based on parameters such as composition of the Committee, terms of reference and Committee's responsibilities, skill and experience of Committee members to fulfill the delegated responsibilities and their promptness and efficacy to report issues requiring Board's attention. The evaluation of individual Directors was assessed on their awareness of the Company's core business, its business plans, statutory duties under the Companies Act, 2013 and the Corporate Governance Guidelines issued by IRDAI, attendance and preparedness for the meetings of Board and its Committees, familiarity and compliance with the Company's code of conduct and other policies and contribution to the deliberations and decisions at the Board / Committee meetings, etc. In addition, the Independent Directors have met on quarterly 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 EMPLOYEE

Pursuant to the provisions of Rule 5 (2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement of particulars of the employees who have been paid remuneration exceeding INR60.00 Lakh per annum or INR5.00 Lakh per month is annexed to

## BOARD REPORT

this Annual Report.

### 19. PUBLIC DEPOSITS

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

### 20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the financial year 2015-16 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.

### 21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

During the financial year 2015-16 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.

### 22. 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.

### 23. 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 consisting of Chief Risk Officer (CRO), Chief Innovation & Marketing Officer (CIMO), CEO, CFO,

functional heads and Appointed Actuary (AA). This committee reports to the Board Risk Management Committee every quarter, where the top risks and controls are reviewed. The company has a dedicated team to review & monitor the following risk and controls:

- Strategic Risk
- Insurance Risk
- Financial Risk
- Operational Risks:
  - Information Security Risk
  - Crisis Management & Business Continuity Risk
- Fraud Risk
- People Risk
- Reputation Risk
- Emerging Risks

The Risk Management Team in the Company works in close coordination with the other functions / business lines. Risks such as financial risk and underwriting risk are reviewed by the CFO and the Underwriting Team respectively, along with constant supervision and guidance of the Board. The company is also ISO 27001:2013 certified for information security. Organisation has Enterprise Risk Management Policy and detailed procedures

#### **24. 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"). Since your Company is not yet profitable, it doesn't meet the CSR spending requirement and it doesn't have a CSR Policy. Since the Company doesn't have a profit during the previous financial year, it has not constituted CSR Committee. Same is in compliance with the new Corporate Governance Guidelines for Insurers in India issued by IRDAI.

However, during the financial year 2015-16, Your Company channelized CSR efforts towards projects focused on Risk Education & Prevention, Climate Risk & Climate Change.

- Your Company participated in the AXA Corporate Responsibility Week ("CR Week") wherein employees contributed their time and skills to collaborate on various initiatives including optimizing carbon foot print and driving the principles of reuse & recycle. Over 87% of the employees participated making CR Week successful.
- Tree Plantation and educating the need to plant more trees
- Approximately 6% of Your Company's employees contributed close to INR4.5 Lakh supporting the Bharti Foundation initiative on providing education to the underprivileged students by adopting village schools. Also a sponsorship campaign for the education of underprivileged girl children was run, wherein 39 employees sponsored the education of 50 students for a year.





## 25. RELATED PARTY TRANSACTIONS:

Transactions / arrangements by the Company in its ordinary course of business with related parties primarily includes 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. Audit 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 Audit Committee at its quarterly meetings for approval / ratification. During the year under review, the Company did not enter into any transaction or arrangement with related parties, which were material or not at arm's length.

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.

## 26. INSURANCE:

Adequate Insurance cover has been taken for properties of Your Company

including Buildings, Computers, Office Equipment, Vehicles, etc.

## **27. ACKNOWLEDGEMENTS:**

Your Directors' wishes to place on record its gratitude to all the stakeholders – policyholders, channel partners, reinsurers and shareholders for their continued support and cooperation. Your Directors' wishes 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 endeavors pursued by the Company. Your Directors also place on record their appreciation for the services rendered by the employees at all levels.

### **Registered Office:**

BHARTI AXA GENERAL INSURANCE COMPANY LTD  
First Floor, Ferns Icon, Survey No. 28  
Next to Akme Ballet, Doddanekundi,  
Off Outer Ring Road  
Bangalore- 560 037

**By Order of the Board of Directors**

**RAKESH BHARTI MITTAL  
(CHAIRMAN)**

**JEAN,PAUL,DOMINIQUE, LOUIS DROUFFE  
(DIRECTOR)**

**DEEPAK IYER  
(CEO & MD)**

**BHARAT SUMANT RAUT  
(INDEPENDENT DIRECTOR)**

Date: 31<sup>st</sup> May, 2016  
Place: Mumbai



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. Developments of the Year

#### New Products

To expand its product portfolio further, Your Company has obtained approval for 14 new products from IRDAI in the financial year 2015-16. The new products includes, 08 products for soliciting and marketed by Point of Sales (POSP), *Weather Insurance Policy*, *Crop Insurance Policy – Yield Based (MNAIS)*, *Motor Trade Internal Risks Policy*, *Motor Trade Road Risk Policy* and *Motor Trade Road Transit Risk Policy*.

#### Digital Growth

Your Company added 3 more web aggregators during the financial year 2015-16 along with Coverfox Insurance Broking Pvt. Ltd. to strengthen its distribution network. Online Channel sales showed approximately 80% growth (quarter-on-quarter for January to March) in the financial year 2015-16.

#### Chennai Floods Settlement

The Chennai floods in Nov-Dec 2015 provided an opportunity for Your Company to provide timely succor to those in financial need. Your Company extended its services relentlessly to acknowledge, adjudicate and settle the claims in record time. The quality of service rendered by Your Company has been gratefully acknowledged by many individual and corporate clients including Airtel and Ensure Services.

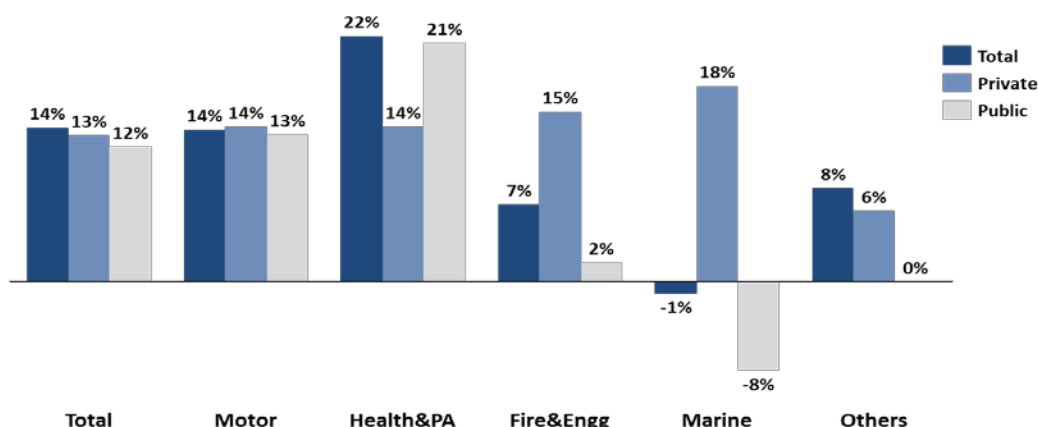
### 2. Industry Overview

#### GDPI Growth

During FY2016, the overall industry clocked a **13.8% year-on-year (yoy) growth** in GDPI. Private sector players reported a 13% yoy growth rate as against 12% yoy growth for the PSU players. Health & PA segment recorded a major 22% growth while Motor segment was a close next with 14%, driving the overall growth of the industry.

While aggressive growth was witnessed in the Health & PA and Motor insurance portfolios for both public and private players.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT



### Segment Wise Growth Comparison of Public and

#### Penetration & Density

The penetration of general insurance as a percentage of GDP remains small in relation to other emerging and developed markets. However, over the last 10 years, the penetration of this sector in the country has been steady in the range of 0.5-0.8%, with FY16 recording a figure of 0.6%. However, its density has gone up from USD 2.4 in 2001 to USD 11.0 in 2016. The challenge before insurers is to find ways of reaching out to the uninsured and under insured in a profitable manner.

### 3. ECONOMIC SCENARIO

India's robust economy is expected to support the growth of insurance premiums to be written in future. Higher personal disposable incomes would result in higher household savings, which will be channeled into different financial savings instruments, like insurance and pension policies. Rising per capita income leads to an increase in spending on medical and healthcare services.

In FY16, Motor and Health constituted 70% of the total non-insurance market as against 68% last year. Both these segments are expected to drive the growth in the insurance industry over the next few years.

Strong growth in the automotive industry over the next decade will be a key driver for motor insurance. Proposed IRDAI draft envisages a 10 to 80 percent rise in premium rates for the erstwhile loss-making third-party motor insurance. In FY2016, a 7% increase in the 4-wheeler sales and a 2% increase in the 2 and 3 wheeler segments drove the overall growth in the automobile industry. The number of passenger vehicles and commercial vehicles and cars in the country were 3.4 million (a 12% growth) and 0.78 Million respectively while the number of 2&3 wheelers were 19.7 Million.

Introduction of health insurance portability expected to boost the orderly growth of the health insurance sector. Increase penetration of health insurance

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

likely to be driven by government-sponsored initiatives, such as RSBY and ESIC. Private insurance coverage is estimated to grow by nearly 15 per cent annually till 2020.

### 4. UNDERWRITING

Health:

During the year under review, it was observed that the Group Health insurance market continued to be soft on pricing, especially with respect to Mid and Large size groups. In view of this, your company has taken a decision to focus on SME groups of up to 300 lives, considering better margins. The company has also been focusing on improving contribution from retail health business with development of new products, appropriate changes in underwriting guidelines and on-line sales. Your company also sees potential in developing personal accident business on a standalone basis and intends to increase revenues from this line in the future by focusing on new partnerships.

Commercial Lines:

Property market continues to be soft and your company is focusing on preferred segment. Revenue for Industrial segment has gone down while SME business has grown by 39%. Reasonable growth of 12% has been recorded in liability business and the Company sees further potential for profitable growth in this segment. Marine business has marginally reduced compared to previous financial year at INR 27 Crore and your company will continue its efforts to improve its market share in this line.

Motor:

Motor business in 2015-16 is INR 1,020 Crore as compared to INR 1,093 Crore in 2014-15, registering an overall decline of 6.7%. This is primarily due to sharp decline in Commercial vehicle Business. This segment was identified as unprofitable business segment.

Private Motor Car segment, comprising private car and two-wheeler, has shown static number. For the financial year the GWP for this segment is at 880 Crore. This is largely due to decrease in new business in private car, which declined from 35% in 2014-15 to 28% in 2015-16 in private car portfolio.

### 5. CLAIM SERVICING

Your 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 resolved 267,354 cases during the year as against an inflow of 264,098, entailing a closing ratio of 101% and a reduction in the number of outstanding claims. Customer complaints showed a

consistently declining trend through the year and in particular complaints relating to delay in claims servicing declined by 33% over the previous year. The overall customer complaints ratio declined to 0.018% of the active customer base, declining by 0.02%, testifying to the quality of service provided. The complaint resolution time of 5.32 days also continued to be significantly better than the industry average of 8.74 days and more than 99% of complaints were resolved within 15 days.

The Chennai floods of late 2015 accorded us an opportunity to provide timely succour to those in financial need and in the process showcase the servicing capability of our claims teams. The team extended themselves beyond the call of duty, working tirelessly to acknowledge, adjudicate and settle the claims in record time. The quality of service rendered by the team has been gratefully acknowledged by many individual and corporate clients including Airtel and Ensure Services. The quality of our service also ensured that we retained 100% of our corporate accounts except for those that we voluntarily refrained from renewing. The Motor Own Damage claims team ensured that increase in repair costs for private cars, which constitute the majority of the portfolio, was contained to within 6% over 2013-14 costs on a like for like basis, when the industry experienced an average inflation of more than 9%. Likewise, the health claims team was successful in maintaining claims costs at the same level as the previous year despite an increase in large accounts with bigger benefits and in the face of industry inflation in excess of 7%. In addition, the claims team effectively negated fraud claims to the tune of nearly INR 10.50 Crore through vigilant handling of claims across all lines of business.

### 6. INVESTMENTS

The Investment portfolio of your company as on 31<sup>st</sup> March, 2016 stood at INR 2,841.20 Crore. The portfolio has earned a return of 8.87 % for the FY2016. Your company does not have any equity exposure within the portfolio and it is primarily a fixed income oriented portfolio. Your company gives paramount importance towards maintaining best credit quality portfolio and has invested in high quality securities, for both long term and short term durations.

Globally, the Central Banks adopted a cautious approach, amid unfavorable market conditions, weaker than expected global growth and an uncertain inflation outlook. Bold stimulus measures have been announced by European Central Bank to boost its economic recovery and combat deflation. UK 's Central Bank kept interest rates unchanged at a record low of 0.5% and maintained the asset purchase programme in light of the global economic slowdown.

In India too bond yields fell across all tenors and securities during the last financial year, helped by change in monetary policy stance and rate cuts by the Reserve Bank of India ("RBI"), softening crude oil prices, and strong foreign portfolio inflows. RBI ensured markets were never short on the liquidity front during the financial year barring few days towards financial year end due to seasonal factors like advance tax outflows and closing of the financial year.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company expects further measures in easing the policy rates during the course of the year. We expect that the RBI would continue to maintain an accommodative monetary policy stance which would help to propel the growth of the economy. The credit environment is also improving as we are witnessing more rating upgrades as compared to downgrades making it more conducive for Indian companies to raise capital by tapping the debt market and equity markets. Your Company has started increasing the portfolio duration in a structured way, keeping in line with interest rate movements and requirement of company's ALM duration. Your Company's investment portfolio has complied with all Investment Regulations presently applicable to it. None of the securities held in the portfolio has become NPA during the financial year.

### 7. INFORMATION TECHNOLOGY & DIGITAL CHANNEL

To improve our efficiency, we built an operating model that enables our distributors to sell and service customers easily. From a customer's standpoint, this entails making our solution available as they need it and when they need it.

In order to achieve the same we have started focusing on the following key areas:-

- a. In order to provide efficient buying and servicing experience to our customers, Your Company has upgraded our key platform in 2015, to provide quotation to conversion of policies on real time basis.
- b. BI/Analytics, Automation of regulatory/business reports: In 2015 Your Company has augmented resource/skill set and also secured infrastructure to build a scalable data repository. This will assist Your Company in running multiple BI/Analytics, Report Automation and CRM initiatives started in 2016.
- c. During 2015 Your Company has hosted Claims Management System through internet, thereby providing greater mobility and enhanced productivity for Claims Staff.
- d. For Customer standpoint Your Company is evaluating the current website navigation and performance. In order to sharply enhance Straight through processing we are revamping our website this year.

Your Company's IT systems help to operate in a 24X7 environment, and be available on a multi-channel platform by standardization, automation and monitoring performance of processes.

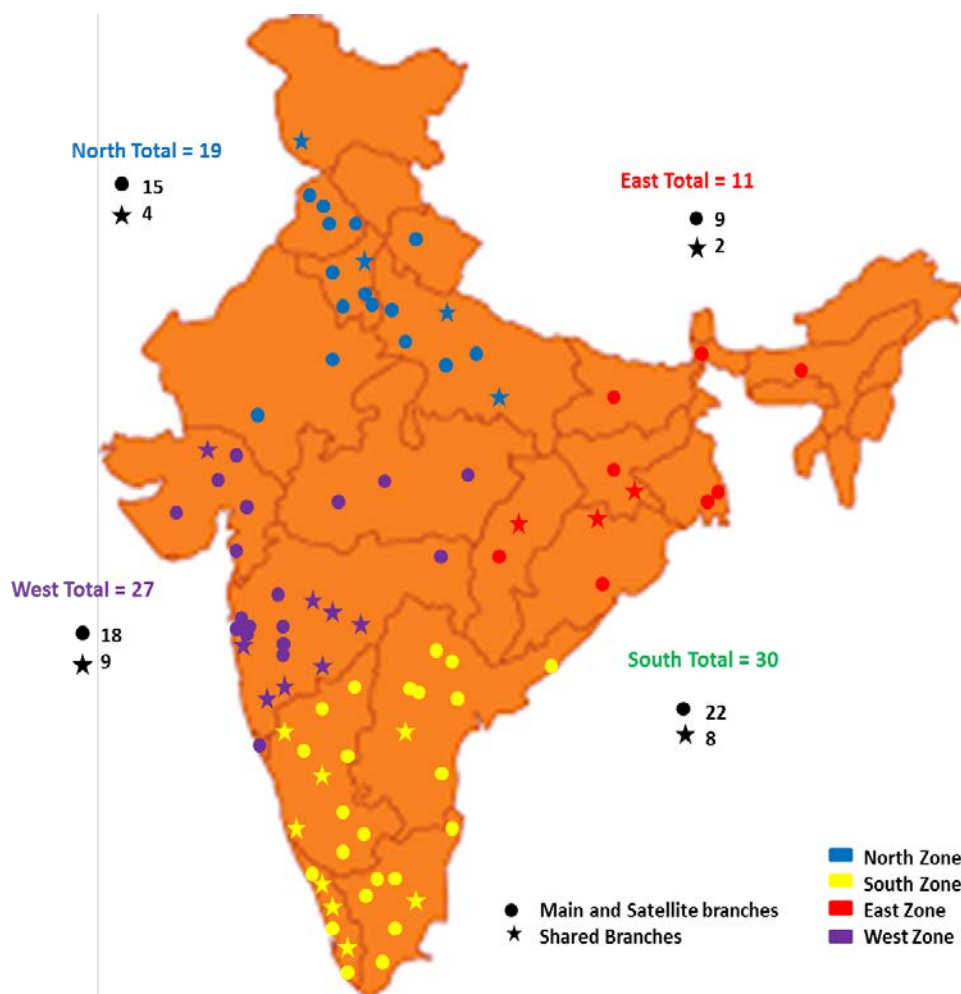
Mobility is the next big focus area, both from a customer's standpoint and from a distributor's standpoint while ensuring required organizational controls are in place.

Your Company expects incremental revenue from these initiatives with expanded presence in the market and get a broader base and distributor base, besides offering more services to the end consumer.

## 8. DISTRIBUTION NETWORK

As on March 31, 2016, Your Company has a PAN India network of 87 branch offices (including satellite and shared offices). Your Company opened 18 new branches during the financial year 2015-16 to further strengthen its distribution capability. Also, Your Company has 3254 agents and works with 277 brokers for distribution of products.

Below is the **PAN India distribution** of Bharti AXA branches –



## 9. OPERATIONS

During financial year 2015-16, your company has issued approximately 1.89 Million policies of which around 76% were issued through the front end system, entailing shorter turnaround time and lower unit cost. The operations team continued to service brokers and key corporates directly. This has helped strengthening the relationship further with our critical partners. With its continued focus on customer centricity, the operations team took numerous initiatives to match the best players in the market, by enhancing customer experience at every touch point and maximizing first touch resolution. A few of



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

the key initiatives implemented are enhancement of the pre-inspection portal and provision of an Offline Policy Issuance Module (OPIUM) for agents, who operate in areas of poor / absent connectivity. Through this intervention, we are hopeful of reducing manual cover note usage to not more than 10% by the 3rd quarter of 2016, which will also address fraud relating to ante-dating of cover. We also envisage that this would result in significant efficiency gains and cost savings in policy issuance and servicing. The focus for the coming year will continue to be on driving cost and process efficiencies and improving overall customer experience in order to differentiate ourselves in the market.

### 10. HUMAN RESOURCE

In the last financial year, the continued focus of the Human Resources function in Your Company was on building organizational capability, improving productivity and strengthening engagement whilst building a foundation of core HR processes across the organization.

In line with the organizational capabilities identified for the business, Your Company has recruited a new CEO and strengthened the functional areas of Underwriting, Product Development, Innovation & Marketing and IT. Your Company recruited 15 leaders at Associate Vice President and above levels to build leadership depth in the organization, across functions, specifically in the areas mentioned above. Your company has also strengthened the leadership hiring process by introducing scientific assessment tools and a robust selection process that enhances the predictability of success especially in the leadership roles. The leadership hiring process now includes assessments through panel interviews and OPQ (Occupational Personality questionnaire – a psychometric tool to assess preferred work styles).

With the objective of ensuring a simple, efficient & a capable organization that is aimed at, Your Company has re-designed and re-organized various functions. As a result the span of control has improved from 1:4.3 to 1:6.1 and the number of layers has been optimized from 8 to 5-6 with significant changes in the distribution organization.

In line with our philosophy of meritocracy, Your Company has continued with a well-established Performance Assessment process that focuses on clearly differentiating performance and building a culture of continuous feedback. As part of Performance and Development Planning for 2016, Your Company has had Team-based Objective Setting sessions earlier this year starting with a session with the Entity Leadership team, which has ensured rigor in cascading of goals across the organization. This year the concept of Development planning for the leadership as well all people managers was initiated the organization. Your Company continues its focus on managing underperformance through the established Performance Improvement Plan framework & guidelines. The total number of employees on PIP in FY 15-16 was 53; 32% of these individuals were seen to have improved performance (or continue to be on PIP as of date).

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In the area of employee learning and development, Your Company facilitated training for over 4909 participants with the average learning hours at 16.60 hrs. per employee covered in over 465 programs. In the last financial year, to drive a culture of self-learning Your Company focused on adoption of the Learning Management System by employees which was achieved by conducting orientation workshops and town hall sessions across branches resulting in the adoption percentage increasing from 42% to 60%.

Your company is an active member of the AXA Asia Diversity & Inclusion council and to reinforce the commitment of Your Company as an equal opportunity employer and to abide by the commitment to create a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. Your Company continues to actively build awareness to new employees and committee members on 'Policy for prevention, prohibition and redressal of sexual harassment at workplace' and sustained an internal complaints committee called Samvedana.

In order to improve efficiency in the HR processes, your company had launched a robust HR system, PACE, with the purpose of creating a platform to manage employee information effectively, build robust online workflows of key employee-life cycle processes, and to enhance the overall employee experience through a user friendly inter-face. The various system modules are being deployed in phases. For the year 2015-16, Your Company introduced the modules of Employee creation, movement; exit, as well as Attendance & Leave. Further developments of additional modules are planned for FY16-17.

Your Company achieved an employee engagement score of 86 points for the year 2015 in the SCOPE survey. Your Company has also continued the momentum on the Paradigm program aimed to align and engage leaders across functions with changing priorities and driving new ways of working. This was also a forum for the top management to share priorities of the company and re-iterate beliefs and expectations which are the corner stone in building the right culture for the organization.

### 11. REINSURANCE

The reinsurance program of Your Company has a set of proportional and non-proportional treaties, which provide reinsurance protection and capacity to underwrite mid to large sized risks as per its' risk appetite. Your company has a multilayer reinsurance program, which seeks to optimize the retention of risk at each policy level, depending on the lines of business. Your Company has structured the reinsurance programme, keeping in mind its philosophy of purchasing adequate cover to protect the value-at-risk. Your Company's exposure to catastrophe risk is mitigated by a separate non-proportional reinsurance treaty, which limits Your Company's exposure to any single covered event. In addition to treaties, Your Company also purchases, where required, on a case-to-case basis, facultative reinsurance for specific policies, where either treaty limits are inadequate or the risk is not covered by the terms of the reinsurance treaties. The reinsurance program of Your Company is led by Scor RE for proportional treaties and various reinsurers such as like Hannover Re,



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Sirius, Swiss RE, Hannover RE, Asia Capital RE, amongst others for non-proportional treaties. A total of 17 reinsurers with high security rating have participated across various proportional and non-proportional treaties in Your Company's Reinsurance Program for financial year 2015-16.

## **BOARD'S REPORT ON CORPORATE GOVERNANCE**

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 recognizes 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.

### **BOARD STRUCTURE**

As on March 31, 2016 out of 12 members of the Board, four are nominated by Bharti, three are nominated by AXA, three are independent Directors and the Managing Director & CEO is the joint nominee of Bharti and AXA. Except the MD & CEO, all other Directors, including the Chairperson of the Board, are non-executive Directors. 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.

### **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
- Investment policy
- The information on recruitment and remuneration of senior officers such as CEO and his direct reports
- 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/annual results and audited annual accounts of Your Company for consideration and adoption in the format specified under Insurance Laws.

## BOARD'S REPORT ON CORPORATE GOVERNANCE

- Delegation of powers to the management
- Transaction pertaining to sale or purchase of material nature of Investments, subsidiaries, assets, which is not in normal course of business.
- Major accounting provisions and write-offs
- Corporate restructuring
- Minutes of meeting of the Audit and other committees of the Board
- Share transfers

### Attendance at meeting of Board of Directors;

Full Name	Date of Board Meeting						Total Meetings attended	Sitting Fee paid
	4-May-15	11-May-15	30-Jul-15	2-Sep-15	25-Nov-15	15-Feb-16		
Rakesh Bharti Mittal	✓	✓	✓	✓	✓	x	5	NA
Jitender Balakrishnan	✓	✓	x	✓	✓	✓	5	2,25,000
Akhil Kumar Gupta	x	x	x	✓	x	x	1	NA
Milind Chalisgaonkar*	x	✓	✓	NA			2	NA
Bharat Sumant Raut	✓	✓	✓	✓	✓	✓	6	2,70,000
Manoj Kumar Kohli%	x	x	x	NA			0	NA
Lalit Ahluwali+	✓	✓	✓	✓	✓	NA	5	2,25,000
Gaelle Marie Blandine Olivierº	✓	✓	x	✓	✓	NA	4	NA
Christophe Stephane Knaub#	x	✓	NA				1	NA
Uma Ajay Relan	✓	✓	✓	✓	✓	✓	6	2,70,000
Jean-Louis Christian M Laurent Josi	x	✓	x	✓	✓	✓	4	NA
Amelie Marie Breitburd Nee Belge^	NA		✓	✓	✓	x	3	NA
Deepak Dharmaraj Iyerº	NA			✓	✓	✓	3	NA
Rahul Bhatnagar&	NA			✓	✓	✓	3	NA
Jean Paul Dominique Louis Drouffe§	NA					x	0	NA
Sundar Rajan Rajagopalan+	NA					✓	1	NA

\* Mr. Milind Chalisgaonkar ceased to be a Director and Interim CEO & MD with effect from 31<sup>st</sup> July, 2015

## BOARD'S REPORT ON CORPORATE GOVERNANCE

<sup>^</sup> Ms. Amelie Marie Breitburd Nee Belge was appointed as an Additional Director on 30<sup>th</sup> July, 2015.

<sup>o</sup> Mr. Deepak Iyer was appointed CEO & MD effective from 28<sup>th</sup> August, 2015.

<sup>&</sup> Mr. Rahul Bhatnagar was appointed as an Additional Director effective 1<sup>st</sup> September, 2015

<sup>#</sup> Mr. Christophe Stephane Knaub ceased to be a Director from 29<sup>th</sup> May, 2015

<sup>%</sup> Mr. Manoj Kohli ceased to be a Director with effect from 31<sup>st</sup> August, 2015

<sup>\$</sup> Mr. Jean Paul Dominique Louis Drouffe was appointed as an Additional Director effective from 1<sup>st</sup> January, 2016

<sup>†</sup> Mr. Lalit Ahluwalia has ceased to be a Director effective 30<sup>th</sup> November, 2015

<sup>o</sup> Ms. Gaelle Marie Blandine Olivier Ceased to be a Director with effect from 31<sup>st</sup> December, 2015

<sup>†</sup> Mr. Sundar Rajan Rajagopalan was appointed as an Additional Director effective from 12<sup>th</sup> December, 2015

The Board has five Committees functioning under their supervision: The Audit Committee, the Risk Management Committee, the Investment Committee, the Policyholder Protection Committee and the Remuneration Committee.

### Attendance at the meeting of the Board level Committees:

The details of the composition of the Committees, meetings of the Committees held during the year ended 31<sup>st</sup> March, 2016 and the attendance of the members at the said meetings are as follows:

#### Audit Committee:

The Composition of Audit Committee (as on 31<sup>st</sup> March, 2016) is 05 (five) members, with independent directors forming majority.

Board Audit Committee	Designation	Dates of Meeting					Sitting Fees Paid
		11-May-15	30-Jul-15	2-Sep-15	25-Nov-15	15-Feb-16	
Bharat Sumant Raut	Chairman	✓	✓	✓	✓	✓	60,000
Gaelle Olivier <sup>†</sup>	Member	✓	NA	✓	✓	NA	NA
Jitender Balakrishnan	Member	✓	x	✓	✓	✓	45,000
Uma Relan	Member	✓	✓	✓	✓	✓	60,000
Manoj Kohli <sup>^</sup>	Member	NA					NA
Rakesh Bharti Mittal <sup>\$</sup>	Member	✓	✓	NA			NA
Amelie Marie Breitburd Nee Belge <sup>*</sup>	Member	NA	✓	NA			NA
Rahul Bhatnagar <sup>%</sup>	Member	NA		✓	✓	✓	NA
Jean Paul Dominique Louis Drouffe <sup>#</sup>	Member	NA				✓	NA

## BOARD'S REPORT ON CORPORATE GOVERNANCE

\*Ms. Amelie Marie Breitburd Nee Belge was attended as an alternate for Ms. Gaelle Olivier on 30<sup>th</sup> July, 2015

<sup>^</sup>Mr. Manoj Kohli ceased to be a member effective from 31<sup>st</sup> August, 2015

<sup>†</sup>Ms. Gaelle Olivier ceased to be a member effective 31<sup>st</sup> December, 2015

<sup>\$</sup> Mr. Rakesh Mittal attended as an alternate for Mr. Manoj Kohli on 11<sup>th</sup> May, 2015 & 30<sup>th</sup> July, 2015

<sup>#</sup> Mr. Jean Paul Dominique Louis Drouffe appointed as a member effective 1<sup>st</sup> January, 2016

<sup>%</sup> Mr. Rahul Bhatnagar was appointed as a member effective 1<sup>st</sup> September, 2015

### Risk Management Committee:

Risk Management Committee	Designation	Dates of Meeting				Sitting Fees Paid
		11-May-15	2-Sep-15	25-Nov-15	15-Feb-16	
Uma Relan	Chairman	✓	✓	✓	✓	55,000
Manoj Kohli <sup>%</sup>	Member	✗	NA			NA
Akhil Gupta	Member	✗	✓	✗	✗	NA
Rakesh Bharti Mittal	Member	✓	NA			NA
Christophe Knaub <sup>#</sup>	Member	✓	NA			NA
Lalit Ahluwalia <sup>†</sup>	Member	✓	✓	✓	NA	40,000
Jean-Louis Laurent Josi	Member	✓	✓	✓	✓	NA
Amelie Marie Breitburd Nee Belge <sup>^</sup>	Member	NA	✓	✓	✗	NA
Rahul Bhatnagar <sup>&amp;</sup>	Member	NA	✓	✓	✓	NA
Sundar Rajan Rajagopalan <sup>+</sup>	Member	NA			✗	NA

<sup>^</sup>Ms. Amelie Marie Breitburd Nee Belge was appointed as member on 30<sup>th</sup> July, 2015.

<sup>&</sup>Mr. Rahul Bhatnagar was appointed as a member effective 2<sup>nd</sup> September, 2015

<sup>%</sup>Mr. Manoj Kohli ceased to be a member with effect from 31<sup>st</sup> August, 2015

<sup>#</sup>Mr. Christophe Stephane Knaub ceased to be a Director from 29<sup>th</sup> May, 2015

<sup>†</sup>Mr. Lalit Ahluwalia has ceased to be a Director effective 30<sup>th</sup> November, 2015

<sup>+</sup>Mr. Sundar Rajan Rajagopalan was appointed as a member effective from 12<sup>th</sup> December, 2015

### Investment Committee:

Board Investment Committee	Designation	Date of Meeting				Sitting Fees Paid
		11-May-15	2-Sep-15	25-Nov-15	15-Feb-16	
Akhil Gupta	Member	NA	✓	✗	✗	NA
Rakesh Bharti Mittal	Member	✓	NA			NA
Christophe Knaub <sup>#</sup>	Member	✓	NA			NA
Jean-Louis Laurent Josi	Member	✓	✓	✓	✓	NA

## BOARD'S REPORT ON CORPORATE GOVERNANCE

Board Investment Committee	Designation	Date of Meeting				Sitting Fees Paid
		11-May-15	2-Sep-15	25-Nov-15	15-Feb-16	
Lalit Ahluwalia <sup>†</sup>	Member	✗	✓	✓	NA	30,000
Uma Relan	Member	✓	✓	✓	✓	60,000
Milind Chalisgaonkar <sup>*</sup>	Interim CEO & MD	✓	NA			NA
Depak Iyer	CEO & MD	NA	✗	✗	✗	NA
Mathieu Verrilaud	CFO	✓	✓	✓	✓	NA
Lakshmi V	Appointed Acctuary	✓	✓	✓	✓	NA
Ajit Banerjee	CIO	✓	✓	✓	✓	NA
Rahul Bhatnagar <sup>&amp;</sup>	Member	NA	✓	✓	✓	NA
Amelie Marie Breitburd <sup>^</sup>	Member	NA	✓	✓	✗	NA
Sundar Rajan Rajagopalan <sup>+</sup>	Member	NA			✓	NA

\* Mr. Milind Chalisgaonkar ceased to be a Director and Interim CEO & MD with effect from 31<sup>st</sup> July, 2015

<sup>^</sup>Ms. Amelie Marie Breitburd Nee Belge was appointed as member on 30<sup>th</sup> July, 2015.

<sup>&</sup>Mr. Rahul Bhatnagar was appointed as a member effective 2<sup>nd</sup> September, 2015

<sup>#</sup>Mr. Christophe Stephane Knaub ceased to be a Director from 29<sup>th</sup> May, 2015

<sup>†</sup>Mr. Lalit Ahluwalia has ceased to be a Director effective 30<sup>th</sup> November, 2015

<sup>+</sup>Mr. Sundar Rajan Rajagopalan was appointed as a member effective from 12<sup>th</sup> December, 2015

### Policyholder Protection Committee:

Policyholders Protection Committee	Designation	Dates of Meeting				Sitting Fees Paid
		11-May-15	2-Sep-15	25-Nov-15	15-Feb-16	
Rakesh Bharti Mittal <sup>\$#</sup>	Chairman	✓	✓	✓	NA	NA
Bharat Sumant Raut	Member	✓	✓	✓	✓	60,000
Manoj Kohli <sup>%</sup>	Member	NA				NA
Gaelle Olivier <sup>†...</sup>	Member	✓	✓	✓	NA	NA
Jitender Balakrishnan	Member	✓	✓	✓	✓	60,000
Jean Paul Dominique Louis Drouffe <sup>^</sup>	Member	NA			✓	NA
Sundar Rajan Rajagopalan <sup>*</sup>	Member	NA			✓	NA

<sup>\$</sup> Mr. Rakesh Mittal attended as an alternate for Mr. Manoj Kohli on 4<sup>th</sup> May, 2015 & 11<sup>th</sup> May, 2015.

<sup>#</sup> Mr. Rakesh Mittal was appointed as Chairman on 2<sup>nd</sup> September, 2015.

<sup>%</sup> Mr. Manoj Kohli ceased to be a member with effect from 31<sup>st</sup> August, 2015

<sup>†</sup>Ms. Gaelle Olivier ceased to be a member effective 31<sup>st</sup> December, 2015

<sup>^</sup> Mr. Jean Paul Dominique Louis Drouffe appointed as member effective 1<sup>st</sup> January, 2016

## BOARD'S REPORT ON CORPORATE GOVERNANCE

\* Mr. Sundar Rajan Rajagopalan attended as an alternate to Mr. Rakesh Bharti Mittal on 15<sup>th</sup> February, 2016

### Nomination & Remuneration Committee:

Board Nomination & Remuneration Committee	Designation	Dates of Meeting					Sitting Fees Paid	
		4-May-15	11-May-15	2-Sep-15	25-Nov-15	15-Feb-16		
Bharat Sumant Raut	Chairman	✓	✓	✓	✓	✓	75,000	
Manoj Kohli%	Member	NA					NA	
Gaelle Olivier†	Member	✓	✓	✓	✓	NA	NA	
Jitender Balakrishnan	Member	✓	✓	✓	✓	✓	75,000	
Rakesh Bharti Mittal\$#	Member	✓	✓	✓	✓	NA	NA	
Jean Paul Dominique Louis Drouffe^	Member	NA					✓	NA
Sundar Rajan Rajagopalan*	Member	NA					✓	NA

<sup>§</sup> Mr. Rakesh Mittal attended as an alternate for Mr. Manoj Kohli on 4-May-15 & 11-May-15.

<sup>#</sup> Mr. Rakesh Mittal was appointed as member on 2-Sep-15.

<sup>%</sup> Mr. Manoj Kohli ceased to be a member with effect from 31st August, 2015

<sup>†</sup> Ms. Gaelle Olivier ceased to be a member effective 31-Dec-15

<sup>^</sup> Mr. Jean Paul Dominique Louis Drouffe appointed as member effective 1-Jan-16

<sup>\*</sup> Mr. Sundar Rajan Rajagopalan attended as an alternate to Mr. Rakesh Bharti Mittal on 15-Feb-16

## **BOARD'S REPORT ON CORPORATE GOVERNANCE**

### **"CERTIFICATION FOR COMPLIANCE OF CORPORATE GOVERNANCE GUIDELINES"**

I, Ashish Sarma, 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.

Ashish Sarma  
Company Secretary



## NOMINATION & REMUNERATION POLICY

### Annexure-1

#### **BHARTI AXA GENERAL INSURANCE COMPANY LIMITED** NOMINATION & REMUNERATION POLICY

#### **OBJECTIVES**

The key objectives of Policy are:

- To set the criteria for identification of persons who are qualified to become Directors, Key Managerial Personnel (Managing Director, CFO & Company Secretary) and other members of the senior management
- To specify the standards for appointment, remuneration and removal of Directors, Key Managerial Personnel and other Senior Management personnel.
- To set out the methodology for carrying out performance evaluation of Directors
- To fix the fee structures and fee levels for Independent Directors and make recommendations to the Board.
- To approve remuneration strategy, policy, budgets for employees of the Company;

#### **DEFINITIONS**

**Director** means Directors of the Company.

**Independent Director** means a director referred to in Section 149(6) of the Act.

**Key Managerial Personnel (KMP)** means a person as defined under section 2(51) of the Companies Act 2013

- Chief Executive Officer
- Chief Financial Officer
- Company Secretary

**Senior Management** means senior executives of the company reporting directly to Chief Executive Officer & Managing Director or such personnel whose appointment is required to be approved by the Board/the Board Nomination & Remuneration Committee (the committee) under any other applicable laws and Regulations.

#### **GUIDELINES**

**Criteria for appointment, removal of Directors, KMPs and Senior Management Personnel, other Employees, their remuneration and performance evaluation of all Directors**

##### **1. Appointment criteria and qualifications:**

###### **1.1 Non-Independent Director, KMP and Senior Management Personnel**

The committee shall identify and ascertain the integrity, qualification, expertise, experience, past performance, past remuneration of the

## **NOMINATION & REMUNERATION POLICY**

person for appointment as *Non-Independent Director, KMP or at Senior Management level* and recommend to the Board his / her appointment.

### **1.2 Due Diligence**

The committee 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's a 'fit and proper declaration' shall be taken from the candidate before appointment.

The candidates shortlisted for the position of Independent directors shall fulfill the criteria laid down by regulatory authorities under the IRDA's Corporate Governance Guidelines and Companies Act 2013

### **1.3 Independent Director**

- a) The Committee shall ascertain the qualification, positive attributes and independence of the person for appointment as Independent Director.
- b) Independent Directors shall be appointed for their professional expertise in their individual capacity as independent professionals.
- c) 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.
- d) The Committee shall consider the criteria mentioned in section 149(6) of the Companies Act, 2013 and Clause 49(II)(B) of the listing agreement as may be amended from time to time, for determining the Independence of Independent Directors.

### **1.4. General**

- a) A person considered for appointment should possess adequate qualification, expertise and experience for the position he / she is considered for appointment.
- b) The Committee shall have discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

## **2. Performance Evaluation:**

2.1 The Committee should consider the following criteria while evaluating the performance of the Directors:

- Attendance of the Board and Committee meetings
- Contribution of the Directors at the Board and Committee meetings
- Quality of interaction at the meetings
- Governance on compliance and risk areas
- Such other criteria as may be decided by the Committee

## **NOMINATION & REMUNERATION POLICY**

2.2 The Committee shall evaluate the performance of directors before considering their reappointment and shall accordingly recommend the Board for their re-appointment.

2.3 The Director whose performance is subject to evaluation and discussion at a particular Committee / Board meeting shall not participate in such meeting.

### **3. Removal / Vacation of office:**

3.1 The Committee shall be taking utmost care and diligence while recommending the appointment of Directors, KMPs and Senior Management personnel, 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 Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2 The Committee at its discretion may also recommend to the Board for removal of Director, KMPs and Senior Management personnel due to misconduct, unsatisfactory performance and for such other reasons as the committee deems fit.

3.3 The Director, KMPs and Senior Management personnel, 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.

### **4. Term and Tenure:**

4.1 The Managing Director / Whole-time Director / Executive Director may be appointed for a term not exceeding five years at a time.

4.2 Independent Directors may be appointed for a term not exceeding five years and may not be re-appointed for more than 2 consecutive terms. The Independent Directors who has completed 2 consecutive terms may be considered for re-appointment after the cooling off period of three years.

4.3 Other Directors, KMPs and Senior Management Personnel may be appointed for such term as the Board may deem fit from time to time.

### **5. Remuneration and Compensation:**

5.1 The remuneration / compensation / commission etc. may also be paid to Non-executive / Independent Directors.

## **NOMINATION & REMUNERATION POLICY**

- 5.2 The remuneration / compensation of other employees shall be governed by the internal policies of the Company.
- 5.3 The remuneration / compensation of other employees may vary for different grades and may be determined by the industry pattern, qualification & experience / merits, performance of each employee from time to time.
- 5.4 The remuneration / compensation / commission etc. of all the Directors, KMPs, Senior Management Personnel and other employees shall be subject to the compliance of the applicable provisions, rules and regulations of the Companies Act, 2013, Articles of Association of the Company; Internal policies of the Company or other applicable laws, if any.
- 5.5 The Committee shall determine their remuneration / compensation / commission etc. keeping in view the following parameters:
- i. The industry benchmark,
  - ii. The relative performance of the Company to the industry performance and review of remuneration packages of managerial personnel of other organizations.
  - iii. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - iv. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - v. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- 5.6 The remuneration / compensation / commission etc. shall be paid as per the terms and conditions of their appointment / employment.
- 5.7 The Directors may be paid sitting fees for attending meetings of Board or Committee thereof as may be recommended by the Committee and approved by the Board from time to time.
- 5.8 The Directors, KMPs, Senior Management Personnel and other employees may be granted stock options under the Employees Stock Options Scheme of the Company subject to the compliance of the applicable laws. In addition to stock options KMP's and Senior Management Personnel may be offered Long term Incentives as part of their remuneration.
- 5.9 The Independent Directors shall not be entitled to any stock option of the Company.

## **NOMINATION & REMUNERATION POLICY**

- 5.10 The main objective of the remuneration policy is to motivate each and every employee and to stimulate excellence in their performance, recognize merits / achievements in order to retain the talent in the Company and to have a long term employer-employee relationship.

### Annexure-2

#### FORM NO. MGT.9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[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	<b>U66030KA2007PLC043362</b>
ii) Registration Date	<b>13<sup>th</sup> July, 2007</b>
iii) Name of the Company	<b>BHARTI AXA GENERAL INSURANCE COMPANY LIMITED</b>
iv) Category / Sub-Category of the Company	<b>Company Limited by shares/ others</b>
v) Address of the Registered office and contact details	<b>First Floor, The Ferns Icon, Survey No. 28, Next to Akme Ballet, Doddanekundi, Off Outer Ring Road, Bangalore- 560 037, Karnataka.</b>
vi) Whether listed company Yes / No	<b>No</b>
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any-	<b>BGSE FINANCIALS LTD, 'STOCK EXCHANGE TOWER', NO.51, 1ST CROSS, J. C. ROAD, BANGALORE 560027 PH: 080-41329661</b>

#### 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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Private Car Insurance	General Insurance (Non-Life) 6512 (sub-class 65120)	11%
2	Commercial Vehicle Insurance	General Insurance (Non-Life) 6512 (sub-class 65120)	59%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – No. Holding Company.

**Nil**

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

##### i. Category-wise Share Holding:

[illegible]



## EXTRACT OF ANNUAL RETURN

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	963,409,144	275,259,390	1,238,668,534	100	1,571,445,318	4	1,571,445,322	100	0.00

### ii. Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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.	Shashwata Banerjee*	1	-	-	1	-	-	-
2.	Uma Raghavendran*	1	-	-	1	-	-	-
3.	Pramod Bisht*	1	-	-	1	-	-	-
4.	Parag Deodhar*	1	-	-	1	-	-	-
5.	M/s Bharti Insurance Holdings Private Limited	495,467,409	40.00	-	207,754,031	13.22	-	-26.78%
6.	M/s GIBA Holdings Private Limited	467,941,735	37.78	-	593,683,080	37.78	-	-
7.	M/s Société Beaujon	275,259,386	22.22	-	770,008,207	49.00	-	26.78%
	Total	1,238,668,534	100.00	-	1,571,445,322	100.00	-	-

\* The shares are beneficially held on behalf of Bharti Insurance Holdings Private Limited

### iii. Change in Promoters' Shareholding (please specify, if there is no change)

	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
Name of Promoter: <b>Bharti Insurance Holdings Private Limited</b>				
At the beginning of the year	495,467,413	40.00%	495,467,413	40.00%
Date-wise Increase/Decrease in shareholding during the year				
30 <sup>th</sup> July, 2015: Shares allotted under rights issue	30,710,715	2.33%	526,178,128	40.00%
30 <sup>th</sup> November, 2015: Transfer of Shares to Société Beaujon	(352,276,257)	-26.78%	173,901,871	13.22%
10 <sup>th</sup> Feb, 2016: Shares allotted under rights	4,238,086	0.31%	178,139,957	13.22%

## EXTRACT OF ANNUAL RETURN

	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
issue				
31st March, 2016: Shares allotted under rights issue	29,614,078	1.88%	207,754,035	13.22%
<b>At the End of the year</b>	-	-	<b>207,754,035</b>	<b>13.22%</b>
Name of Promoter: <b>GIBA Holding Private Limited</b>				
At the beginning of the year	467,941,735	37.78%	467,941,735	37.78%
Date-wise Increase/Decrease in shareholding during the year				
30 <sup>th</sup> July, 2015: Shares allotted under rights issue	29,004,564	2.20%	496,946,299	37.78%
10th Feb, 2016: Shares allotted under rights issue	12,110,859	0.90%	509,057,158	37.78%
31st March, 2016: Shares allotted under rights issue	84,625,922	5.39%	593,683,080	37.78%
<b>At the End of the year</b>	-	-	<b>593,683,080</b>	<b>37.78%</b>
Name of Promoter: <b>SOCIÉTÉ BEAUJON</b>				
At the beginning of the year	275,259,386	22.22%	275,259,386	22.22%
Date-wise Increase/Decrease in shareholding during the year				
30 <sup>th</sup> July, 2015: Shares allotted under rights issue	17,061,509	1.30%	292,320,895	22.22%
30th November, 2015: Transfer of Shares to Société Beaujon	352,276,257	26.78%	644,597,152	49.00%
10th Feb, 2016: Shares allotted under rights issue	15,651,055	1.16%	660,248,207	49.00%
31st March, 2016: Shares allotted under rights issue	109,760,000	6.98%	770,008,207	49.00%
<b>At the End of the year</b>	-	-	<b>770,008,207</b>	<b>49.00%</b>

- iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

**Nil**

- v. Shareholding of Directors and Key Managerial Personnel:

**Nil**

### V. INDEBTEDNESS

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

**Nil**

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

## EXTRACT OF ANNUAL RETURN

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		CEO&MD (1-Apr-15 to 31-Jul-15)	CEO&MD (28-Aug-15 to 31-Mar-16)	
1.	Gross salary (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	8,256,395 - -	20,452,402 - -	
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission - as % of profit - others, specify...	-	-	
5.	Others, please specify (Severance Package)	-	-	
	Total (A)	8,256,395	20,452,402	<b>28,708,797</b>

### B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors			Total Amount
3. Independent Directors	<b>Jitendra Balakrishnan</b>	<b>Bharat Raut</b>	<b>Uma Relan</b>	
• Fee for attending board committee meetings	405,000 -	465,000 -	445,000 -	
• Commission	-	-	-	
• Others, please specify				
Total (1)	<b>405,000</b>	<b>465,000</b>	<b>445,000</b>	<b>1,315,000</b>

Particulars of Remuneration	Name of Directors	Total Amount
4. Other Non-Executive Directors	Lalit Ahluwalia	
• Fee for attending board committee meetings	295,000	
• Commission	-	
• Others, please specify	-	
Total (2)	295,000	295,000
Total (B) = (1 + 2)		<b>1,610,000</b>
Total Managerial Remuneration		
Overall Ceiling as per the Act		

### C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD:

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO Mar-15	Company Secretary	
1.	Gross salary (a) Salary as per provisions contained in	26,766,650	4,821,842	

## EXTRACT OF ANNUAL RETURN

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO Mar-15	Company Secretary	
	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	1,743,535		
2.	Stock Option	1,773,752	-	
3.	Sweat Equity	-	-	
4.	Commission - as % of profit - others, specify...	-	-	
5.	Others, please specify (Severance Package)	-	-	
	Total (A)	30,283,937	4,821,842	35,105,779

### 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	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

Annexure-3

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31 March 2016

*[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

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Bharti AXA General Insurance Company Limited'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31 March 2016 complied with the statutory provisions 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:

I 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 31 March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - **Not Applicable**;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') - **Not Applicable**:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) 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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Insurance Regulatory and Development Authority Act, 1999

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India effective from 1<sup>st</sup> July 2015
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), is not applicable;

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

I further report that

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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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 decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Mahadev Tirunagari**  
**Company Secretary in Practice**

FCS : 6681

CP No. : 7350

Place : Hyderabad

Date : 23 May 2016

## MANAGEMENT REPORT

**In accordance with Part IV of Schedule B of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulation 2002 the Management of Bharti AXA General Insurance 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. During the financial year 2015-16, the Joint venture partner AXA (Société Beaujon) increased its equity holding in the Company from 26% to 49%, after obtaining approval of IRDAI. The transfer of shares and change in the shareholding of the Company resulting from such increase in the equity holding is in accordance with all applicable 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, 2016;
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", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the several items specified under "Other Accounts";
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 Country;
9. The Trend in Average claim settlement time during the preceding year ended March 31, 2016 is included in **Annexure 1**;



10. Investments in Government securities and other debt securities have been considered as 'held to maturity' and have been measured at historical cost subject to amortization. Investments in mutual fund units are accounted at Net Asset Value and the unrealized gain has been credited to the Fair Value Change Account. 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.
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. The Company has carried out periodic review of the investment portfolio. There are no nonperforming assets as at the end of the financial year.
12. The management of Bharti AXA General Insurance Company Limited certifies that:
  - i. in the preparation of financial statements, the applicable accounting standards, principles and policies have been followed. There is no material departure from the said standards;
  - ii. 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 or loss and of the profit or loss of the company for the year;
  - iii. 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 (4 of 1938) / the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
  - iv. the financial statements of the Company have been prepared on a going concern basis;
  - v. the management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.
13. Details of payments to individuals, firms, Companies and organisations in which directors are interested during the year ended March 31, 2016 are reported below on accrual basis:

Sl. No	Name of the Director	Entity in which Director is interested	Particulars of Interest	Expense* Incurred by the Company during the year (Fig in '000)
1	RAKESH BHARTI MITTAL	FieldFresh Foods Private Limited	Director	1,065.98

## MANAGEMENT REPORT

Sl. No	Name of the Director	Entity in which Director is interested	Particulars of Interest	Expense* Incurred by the Company during the year (Fig in '000)
		Bharti Airtel Limited	Director	37,230.82
		INDIAN SCHOOL OF BUSINESS	Director	210.90
		BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
		Indus Towers Limited	Director	292.85
2	AKHIL KUMAR GUPTA	BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
		Indus Towers Limited	Director	292.85
3	JITENDER BALAKRISHNAN	BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
	Bharat Sumant Raut	BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
4	SUNDAR RAJAN RAJAGOPALAN <sup>+</sup>	BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
5	Jean Paul Dominique Louis Drouffe	BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
		AXA Insurance Singapore Pte Ltd	Director	18,721.86
6	UMA AJAY RELAN	BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
7	Jean Louis Christian M Laurent Josi <sup>\$</sup>	BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
		AXA ASIA	Chairman	359,966.15
8	AMELIE MARIE BREITBURD nee BELGE <sup>^</sup>	BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
		BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
		AXA China Region Insurance Company Limited	Director	(2,366.14)
		AXA Financial Services (Singapore) Pte. Ltd.	Director, Chairman & CEO	4,996.20
		AXA Business Services Pvt. Ltd.	Director	172,539.12
9	Rahul Bhatnagar <sup>&amp;</sup>	BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Additional director	10,167.50
		FieldFresh Foods Private Limited	Additional director	1,065.98
		BEETEL TELETECH LIMITED	Additional director	3,176.68
		Comviva Technologies Limited	Additional director	6,000.00
		BHARTI REALTY LIMITED.	Additional director	60.63
10	CHRISTOPHE STEPHANE KNAUB <sup>#</sup>	AXA Asia Regional Office	Director	359,966.15
11	GAELE MARIE BLANDINE OLIVIER <sup>o</sup>	AXA Asia Regional Office	CEO	359,966.15
12	Manoj Kumar Kohli <sup>%</sup>	BEETEL TELETECH LIMITED	Director	3,176.68

Sl. No	Name of the Director	Entity in which Director is interested	Particulars of Interest	Expense* Incurred by the Company during the year (Fig in '000)
		BHARTI AXA LIFE INSURANCE COMPANY LIMITED	Director	10,167.50
		Comviva Technologies Limited	Director	6,000.00

<sup>^</sup>Ms. Amelie Marie Breitburd Nee Belge was appointed as an Additional Director on 30<sup>th</sup> July, 2015.

<sup>&</sup>Mr. Rahul Bhatnagar was appointed as an Additional Director effective 1<sup>st</sup> September, 2015

<sup>#</sup>Mr. Christophe Stephane Knaub ceased to be a Director from 29<sup>th</sup> May, 2015

<sup>%</sup> Mr. Manoj Kohli ceased to be a Director with effect from 31<sup>st</sup> August, 2015

<sup>\$</sup>Mr. Jean Paul Dominique Louis Drouffe was appointed as an Additional Director effective from 1<sup>st</sup> January, 2016

<sup>o</sup>Ms. Gaelle Marie Blandine Olivier Ceased to be a Director with effect from 31<sup>st</sup> December, 2015

<sup>+</sup>Mr. Sundar Rajan Rajagopalan was appointed as an Additional Director effective from 12<sup>th</sup> December, 2015

*Note: Expense includes Applicable Taxes*

### For and on behalf of the Board

**RAKESH BHARTI MITTAL**  
(CHAIRMAN)

**JEAN,PAUL,DOMINIQUE, LOUIS DROUFFE**  
(DIRECTOR)

**DEEPAK IYER**  
(CEO & MD)

**BHARAT SUMANT RAUT**  
(INDEPENDENT DIRECTOR)

**MATHIEU VERILLAUD**  
(CHIEF FINANCIAL OFFICER)

**ASHISH SARMA**  
(COMPANY SECRETARY)

**Mumbai, 31<sup>st</sup> May 2016**

**ANNEXURE-I**
**BHARTI AXA GENERAL INSURANCE CO LTD.**
**DETAILS OF AVERAGE CLAIM SETTLEMENT TIME FOR VARIOUS SEGMENTS AS ON  
31<sup>st</sup> March, 2016.**

Motor OD												
	Less than 30 Days		31 - 90 Days		3 Month - 6 months		6 months - 1 year		1 yr - 5 yrs		Total April 2011 till March 2016	
LOB	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)
Commercial Motor	2,449	37,238	1,576	48,892	784	38,361	435	30,061	197	36,611	5,441	191,163
Private Motor	131,678	2,412,202	27,717	1,653,824	5,697	656,055	1,749	219,418	473	67,333	167,314	5,008,832
Two wheeler	25,541	137,434	16,263	127,294	4,325	59,924	1,840	39,710	714	12,955	48,683	377,317
<b>Total</b>	<b>159,668</b>	<b>2,586,874</b>	<b>45,556</b>	<b>1,830,010</b>	<b>10,806</b>	<b>754,340</b>	<b>4,024</b>	<b>289,189</b>	<b>1,384</b>	<b>116,899</b>	<b>221,438</b>	<b>5,577,312</b>

	31 - 90 Days		3 Month - 6 months		6 months - 1 year		1 yr - 5 yrs		Total April 2011 till March 2016	
LOB	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)
Commercial Motor	17	6,377	45	8,592	106	20,624	292	101,286	1,532	366,859
Private Motor	8	2,428	49	9,884	99	21,039	235	80,655	626	186,429
Two wheeler	10	2,327	22	4,298	67	13,458	107	29,438	167	38,966
<b>Total</b>	<b>35</b>	<b>11,132</b>	<b>116</b>	<b>22,774</b>	<b>272</b>	<b>55,121</b>	<b>634</b>	<b>211,378</b>	<b>2,325</b>	<b>592,253</b>

Non-Motor												
	Less than 30 Days		31 - 90 Days		3 Month - 6 months		6 months - 1 year		1 yr - 5 yrs		Total 2015-16	
LOB	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)
Trade Credit			1	407					1		2	407
Commercial Liability	2	-		1,083	1	-	3	310	4	4	15	1,397
Commercial Property	5	84	5	13	1	13	3	13	9	135	23	258
Construction	23	1,085	46	63,320	23	1,274	31	24,709	16	2,354	139	92,742
Employees' Compensation	9	57	114	8,844	21	168	26	9,106	119	3,174	289	21,348
Engineering	68	8,525	132	25,220	1,385	35,442	61	5,442	114	43,881	1,760	118,510
Industry	335	44,948	405	161,441	272	37,729	196	430,353	298	37,356	1,506	711,827

Non-Motor												
	Less than 30 Days		31 - 90 Days		3 Month - 6 months		6 months - 1 year		1 yr - 5 yrs		Total 2015-16	
LOB	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)
Property												
Marine Cargo	406	16,748	412	54,555	359	13,682	228	54,199	341	34,934	1,746	174,118
Personal Accident - Group	171	6,707	323	20,841	525	18,224	96	15,398	768	43,157	1,883	104,326
Personal Accident - Ind	18	80	34	1,404	57	3,077	7	848,268	57	4,544	173	9,953
Professional Liability	1	6	1	-	1	-	-	-	1	-	4	6
SME Property	74	967	119	36,199	78	7,285	40	6,387	155	283,197	466	334,034
Travel	20	5.92	13	3.79	-	-	-	-	-	-	33	9.71
<b>Total</b>	<b>1132</b>	<b>79,212.92</b>	<b>1,604</b>	<b>36,202.79</b>	<b>2,723</b>	<b>116,894</b>	<b>691</b>	<b>1,394,185</b>	<b>1883</b>	<b>452,736</b>	<b>8,039</b>	<b>1,568,935.71</b>

HEALTH												
	Less than 30 Days		31 - 90 Days		3 Month - 6 months		6 months - 1 year		1 yr - 5 yrs		Total April 2011 till March 2016	
LOB	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)	Nos	Amount ('000)
Retail Health	1,734	55,491	1,240	37,936	84	2,952	14	163	5	500	3,077	97,041
Group health	20,947	621,976	9,419	339,106	687	31,333	321	14,782	77	2,858	31,451	1,010,056
<b>Total</b>	<b>22,681</b>	<b>677,467</b>	<b>10,659</b>	<b>377,042</b>	<b>771</b>	<b>34,285</b>	<b>335</b>	<b>14,945</b>	<b>82</b>	<b>3,358</b>	<b>34,528</b>	<b>1,107,097</b>

## **INDEPENDENT AUDITOR'S REPORT**

**B K Ramadhyani and Co LLP**  
**Chartered Accountants**  
4B, Chitrapur Bhavan  
68, 8th Main, Malleswaram  
Bangalore  
Karnataka-560 055

**G. M. Kapadia & Co.**  
**Chartered Accountants**  
1007, Raheja Chambers  
213 Nariman Point  
Mumbai  
Maharashtra 400021

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF BHARTI AXA GENERAL INSURANCE COMPANY LIMITED**

#### **Report on the Financial Statements**

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, 2016, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including 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 Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDA") in this regard, the Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable. This responsibility also includes maintenance of adequate accounting records, in accordance with the provisions of the Act, for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations, orders / directions issued by the IRDA, the

**B K Ramadhyani and Co LLP**  
**Chartered Accountants**

**G. M. Kapadia & Co.**  
**Chartered Accountants**

accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

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, the IRDA Act, the IRDA Financial Statements Regulations, the orders/directions issued by the IRDA and the Act to the extent applicable 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 the Insurance Companies:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- ii. in the case of the Revenue Accounts, of the operating loss in so far as it relates to the Fire Revenue Account, Marine Revenue Account and the Miscellaneous Revenue Account for the year ended March 31, 2016;
- iii. in the case of the Profit and Loss Account, of the loss for the year ended March 31, 2016; and
- iv. In the case of the Receipts and Payments Account, of the receipts and payments for the year ended March 31, 2016.

### **Other Matters**

1. The estimate of the actuarial liabilities for the premium deficiency reserve and claims Incurred but Not Reported (IBNR) and claims Incurred but Not Enough Reported (IBNER), included under claims outstanding as at March 31, 2016 have been duly certified by the Company's Appointed Actuary. The Appointed Actuary has also certified to the Company that the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDA and the Actuarial Society of India in concurrence with the IRDA. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

## **INDEPENDENT AUDITOR'S REPORT**

**B K Ramadhyani and Co LLP**  
**Chartered Accountants**

**G. M. Kapadia & Co.**  
**Chartered Accountants**

2. The aggregate expenses on management incurred by the Company during the years 2014-15 and 2015-16 respectively exceeded the aggregate limit thereon prescribed by IRDA in terms of section 40C of the Insurance Act, 1938 read with rule 17E of the Insurance Rules, 1939 by Rs 18,31,316 ('000) and Rs 23,41,351 ('000s). Management has informed us that they will be making an application to IRDA to exempt it from the said provisions for the current year and that necessary application has been made for the previous year to General Insurance Council. Approval of IRDA in respect of the year 2014-15 is pending as of date.
3. The financial statements of the Company for the year ended March 31, 2015 were audited by the joint auditors of the Company, i.e. M/s B K Khare & Co, Chartered Accountants the predecessor auditors and B K Ramadhyani and Co LLP, Chartered Accountants, the continuing auditor. The auditors had expressed an unmodified opinion vide their report dated May 11, 2015 on such financial statements.

Our opinion is not modified in respect of these matters.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the IRDA (Preparation of Financial Statements and Auditor's Report Of Insurance Companies) Regulations, 2002, (the "IRDA Financial Statements Regulations") we have issued a separate certificate dated May 30, 2016 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statements Regulations
2. As required by the IRDA Financial Statements Regulations read with section 143 (3) of the Act, we report that:
  - (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 and have found them satisfactory
  - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books.
  - (c) As the Company's financial accounting system is centralized, no returns for the purposes of our audit are prepared at its branches.
  - (d) The Balance Sheet, the Revenue Accounts, 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 accounting policies selected by the Company are appropriate and the same as well as the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 to the extent not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations and orders/directions issued by the IRDA in this behalf.
  - (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 and the IRDA Financial Statements Regulations.



**B K Ramadhyani and Co LLP**  
**Chartered Accountants**

**G. M. Kapadia & Co.**  
**Chartered Accountants**

- (g) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of section 164 (2) of the Act.
- (h) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate report in **Annexure A**. Our report expresses an unqualified opinion on the adequacy and the operating effectiveness of the Company's internal financial controls over financial reporting.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. Management has represented to us that there are no pending litigations as at March 31, 2016 which may have a material impact on its financial position in its financial statements – Refer Note 3.1 of schedule 16 to the financial statements. There are litigations with policy holders regarding quantum of claims, where we understand that estimated probable liability has been recognized in the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The Company was not required to deposit or pay any dues in respect of the Investor Education and Protection Fund during the year.

For B K Ramadhyani and Co LLP  
Chartered Accountants  
Firm Registration No. 002878S/S200021

For G M Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Shyam Ramadhyani  
Partner  
Membership No. 019522

Rajen Ashar  
Partner  
Membership No. 048243

Mumbai  
May 30, 2016

## INDEPENDENT AUDITOR'S REPORT

**B K Ramadhyani and Co LLP**  
Chartered Accountants

**G. M. Kapadia & Co.**  
Chartered Accountants

### Independent Auditors' Certificate

(Referred to in paragraph 1 of our report on other legal and regulatory requirements forming part of the independent audit report date May 30, 2016).

This certificate is issued to **Bharti AXA General Insurance Company Limited** ('the Company') to comply with the provisions of paragraphs 3 and 4 of Schedule C of the IRDA Financial Statements Regulations read with regulation 3 of the IRDA Financial Statements Regulations and may not be suitable for any other purpose.

The Company's management is responsible for complying with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 read with IRDA Act, 1999, IRDA Financial Statements Regulations, Orders/directions issued by 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.

Our responsibility for the purpose of this certificate is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the IRDA Financial Statements Regulations. We conducted our examination in accordance with guidance note on audit reports and certificates for special purposes issued by the Institute of Chartered Accountants of India, which includes the concepts of test checks and materiality.

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 the Company for the year ended 31 March 2016, we certify that:

- (a) We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2016 (initialed by us for purpose of identification) and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements except for data contained in annexure I thereto on details of average claims settlement time for various segments as on March 31, 2016, which could not be verified by us since the same has not been drawn from accounting records.
- (b) Based on Management's representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and taken on record by the Board, we certify that the Company has complied in all material respects with the terms and conditions of registration stipulated by the IRDA;
- (c) We have verified the cash balances to the extent considered necessary and securities relating to the Company's investments as at March 31, 2016, by actual inspection or on the basis of certificates/ confirmations received from its offices/ Custodian and/or Depository Participants appointed by the Company, as the case may be. The Company had no loans.
- (d) According to the information and explanations given to us, the Company is not a trustee of any trust.

**B K Ramadhyani and Co LLP**  
**Chartered Accountants**

**G. M. Kapadia & Co.**  
**Chartered Accountants**

- (e) In our opinion and according to the information and explanations given to us, no part of the assets of the policyholders' funds which have been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the policyholders funds has not come to our notice. The Insurance Regulatory and Development Authority while approving the remuneration of the Chief Executive Officers and Managing Directors had stipulated that remuneration to them beyond a limit are to be paid out of shareholders' funds, not forming part of solvency margin and held in a separate custody account. The shortfall on the said basis as at March 31, 2016 of Rs. 1,405 ('000).

For B K Ramadhyani and Co LLP  
Chartered Accountants  
Firm Registration No. 002878S/S200021

For G M Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Shyam Ramadhyani  
Partner  
Membership No. 019522

Rajen Ashar  
Partner  
Membership No. 048243

Mumbai  
May 30, 2016

## **INDEPENDENT AUDITOR'S REPORT**

**B K Ramadhyani and Co LLP**  
Chartered Accountants

**G. M. Kapadia & Co.**  
Chartered Accountants

### **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BHARTI AXA GENERAL INSURANCE COMPANY LIMITED**

**(Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Bharti Axa General Insurance Company Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

The estimate of claims Incurred But Not Reported ("IBNR") and claims Incurred But Not Enough Reported ("IBNER"), included under Claims Outstanding as at March 31, 2016 has been duly certified by the Company's Appointed Actuary as per the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), and has been relied upon by us, 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, 2016. 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.

#### **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 Act including the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 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") in this regard.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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

**B K Ramadhyani and Co LLP**  
**Chartered Accountants**

**G. M. Kapadia & Co.**  
**Chartered Accountants**

be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the ICAI. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting 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 and to the best of our knowledge and according to the information and explanations furnished to us, the Company has maintained, in all

## **INDEPENDENT AUDITOR'S REPORT**

**B K Ramadhyani and Co LLP**  
**Chartered Accountants**

**G. M. Kapadia & Co.**  
**Chartered Accountants**

material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 ICAI.

For B K Ramadhyani and Co LLP  
Chartered Accountants  
Firm Registration No. 002878S/S200021

For G M Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W

Shyam Ramadhyani  
Partner  
Membership No. 019522

Rajen Ashar  
Partner  
Membership No. 048243

Mumbai  
May 30, 2016

**Form B-RA**  
**BHARTI AXA GENERAL INSURANCE COMPANY LIMITED**  
**IRDA REGISTRATION NUMBER 139 DATED 27-06-2008**

## REVENUE ACCOUNT

### Fire Insurance Business

Particulars	For the Year Ended	
	March 31, 2016 Rs. ('000)	March 31, 2015 Rs. ('000)
Premiums earned-(Net)	93,642	114,270
Profit/(Loss) on sale/redemption of Investments (Net)	170	54
- Amortisation of Discount/(Premium)	209	724
Interest, Dividend & Rent-Gross	29,484	11,138
Other Income	-	-
<b>Total (A)</b>	<b>123,505</b>	<b>126,186</b>
Claims incurred (Net)	222,115	91,550
Commission	(40,138)	(47,790)
Operating Expenses related to Insurance Business	69,915	77,340
Pool Expenses (Net of Pool Investment Income)	7,905	(16,309)
Premium Deficiency	27,488	(52,709)
<b>Total (B)</b>	<b>287,285</b>	<b>52,082</b>
<b>Operating profit/(Loss) from Fire Business (C)=(A)-(B)</b>	<b>(163,780)</b>	<b>74,104</b>
<b>Appropriations</b>		
Transfer to Shareholders' Account	(163,780)	74,104
Transfer to catastrophe Reserve	-	-
Transfer to Other Reserves	-	-
<b>Total (C)</b>	<b>(163,780)</b>	<b>74,104</b>

Vide our report of even date	As Required by section 40C(2) of the Insurance Act, 1938, We hereby confirm that all the expenses of management, incurred by the Company, in respect of General Insurance business have been fully debited in the Revenue Account as Expenses.
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**For B.K.RAMADHYANI & CO. LLP**  
Chartered Accountants  
(Regn No.002878S/S200021)

**G. M. KAPADIA & CO.**  
Chartered Account  
(Regn No.104767W)

**For and on behalf of the Board**

**SHYAM RAMADHYANI**  
(Partner)  
Membership No. 019522

**RAJEN ASHAR**  
(Partner)  
Membership No. 048243

**RAKESH BHARTI MITTAL**  
(Chairman)

**JEAN, PAUL, DOMINIQUE,**  
**LOUIS DROUFFE**  
(Director)

**DEEPAK DHARMARAJAN IYER**  
(Chief Executive Officer & MD)

**BHARAT SUMANT RAUT**  
(Director)

**ASHISH SARMA**  
(Company Secretary)

**MATHIEU VERILLAUD**  
(Chief Financial Officer)

Date:30th May, 2016  
Place: Mumbai

# FINANCIAL STATEMENT



Form B-RA  
BHARTI AXA GENERAL INSURANCE COMPANY LIMITED  
IRDA REGISTRATION NUMBER 139 DATED 27-06-2008

## REVENUE ACCOUNT

### Marine Insurance Business

Particulars	For the Year Ended	
	March 31, 2016 Rs. ('000)	March 31, 2015 Rs. ('000)
Premiums earned-(Net)	118,101	80,832
Profit/(Loss) on sale/redemption of Investments (Net)	406	62
- Amortisation of Discount/(Premium)	501	844
Interest, Dividend & Rent-Gross	31,724	12,984
Other Income	-	-
<b>Total (A)</b>	<b>150,732</b>	<b>94,722</b>
Claims incurred (Net)	123,737	78,314
Commission	11,701	(24,011)
Operating Expenses related to Insurance Business	72,559	43,768
Premium Deficiency	-	-
<b>Total (B)</b>	<b>207,997</b>	<b>98,071</b>
<b>Operating profit/(Loss) from Fire Business (C)=(A)-(B)</b>	<b>(57,265)</b>	<b>(3,349)</b>
<b>Appropriations</b>		
Transfer to Shareholders' Account	(163,780)	74,104
Transfer to catastrophe Reserve	-	-
Transfer to Other Reserves	-	-
<b>Total (C)</b>	<b>(163,780)</b>	<b>74,104</b>

Vide our report of even date	As Required by section 40C(2) of the Insurance Act, 1938, We hereby confirm that all the expenses of management, incurred by the Company, in respect of General Insurance business have been fully debited in the Revenue Account as Expenses.
------------------------------	--

**For B.K.RAMADHYANI & CO. LLP**  
Chartered Accountants  
(Regn No.002878S/S200021)

**G. M. KAPADIA & CO.**  
Chartered Account  
(Regn No.104767W)

**For and on behalf of the Board**

**SHYAM RAMADHYANI**  
(Partner)  
Membership No. 019522

**RAJEN ASHAR**  
(Partner)  
Membership No. 048243

**RAKESH BHARTI MITTAL**  
(Chairman)

**JEAN, PAUL, DOMINIQUE,**  
**LOUIS DROUFFE**  
(Director)

**DEEPAK DHARMARAJAN IYER**  
(Chief Executive Officer & MD)

**BHARAT SUMANT RAUT**  
(Director)

**ASHISH SARMA**  
(Company Secretary)

**MATHIEU VERILLAUD**  
(Chief Financial Officer)

Date: 30th May, 2016  
Place:Mumbai



**Form B-RA**  
**BHARTI AXA GENERAL INSURANCE COMPANY LIMITED**  
**IRDA REGISTRATION NUMBER 139 DATED 27-06-2008**

## REVENUE ACCOUNT

### Miscellaneous Insurance Business

Particulars	For the Year Ended	
	March 31, 2016 Rs. ('000)	March 31, 2015 Rs. ('000)
Premiums earned-(Net)	11,370,407	11,843,300
Profit/(Loss) on sale/redemption of Investments (Net)	28,025	9,269
- Amortisation of Discount/(Premium)	34,509	125,657
Interest, Dividend & Rent-Gross	2,190,698	1,994,566
Other Income	13,106	7,603
<b>Total (A)</b>	<b>13,636,745</b>	<b>13,980,395</b>
Claims incurred (Net)	10,370,215	10,139,252
Commission	355,368	370,072
Operating Expenses related to Insurance Business	4,751,061	4,616,390
Premium Deficiency	(46,416)	75,951
Pool Expenses (Net of Pool Investment Income)	1,959	(1,878)
Contribution to Solatium Fund	3,203	3,407
<b>Total (B)</b>	<b>15,435,390</b>	<b>15,203,194</b>
<b>Operating profit/(Loss) from Fire Business (C)=(A)-(B)</b>	<b>(1,798,645)</b>	<b>(1,222,799)</b>
<b>Appropriations</b>		
Transfer to Shareholders' Account	(1,798,645)	(1,222,799)
Transfer to catastrophe Reserve	-	-
Transfer to Other Reserves	-	-
<b>Total (C)</b>	<b>(1,798,645)</b>	<b>(1,222,799)</b>

Vide our report of even date

As Required by section 40C(2) of the Insurance Act, 1938, We hereby confirm that all the expenses of management, incurred by the Company, in respect of General Insurance business have been fully debited in the Revenue Account as Expenses.

**For B.K.RAMADHYANI & CO. LLP**  
Chartered Accountants  
(Regn No.002878S/S200021)

**G. M. KAPADIA & CO.**  
Chartered Account  
(Regn No.104767W)

**For and on behalf of the Board**

**SHYAM RAMADHYANI**  
(Partner)  
Membership No. 019522

**RAJEN ASHAR**  
(Partner)  
Membership No. 048243

**RAKESH BHARTI MITTAL**  
(Chairman)

**JEAN, PAUL, DOMINIQUE,**  
**LOUIS DROUFFE**  
(Director)

**DEEPAK DHARMARAJAN IYER**  
(Chief Executive Officer & MD)

**BHARAT SUMANT RAUT**  
(Director)

**ASHISH SARMA**  
(Company Secretary)

**MATHIEU VERILLAUD**  
(Chief Financial Officer)

Date: 30th May, 2016  
Place: Mumbai

# FINANCIAL STATEMENT

Form B-PL  
BHARTI AXA GENERAL INSURANCE COMPANY LIMITED  
IRDA REGISTRATION NUMBER 139 DATED 27-06-2008

## PROFIT AND LOSS ACCOUNT

Particulars	Schedule Ref.	For the Year Ended	
		March 31, 2016 Rs. ('000)	March 31, 2015 Rs. ('000)
<b>OPERATING PROFIT/(LOSS)</b>			
(a) Fire Insurance		(163,780)	74,104
(b) Marine Insurance		(57,265)	(3,349)
(c) Miscellaneous Insurance		(1,798,645)	(1,222,799)
<b>INCOME FROM INVESTMENTS</b>			
(a) Interest, Dividends and Rent -Gross		4,408	2,931
(b) Profit on sale/redemption of investments		1,235	5,618
Less: (Loss) on sale/redemption of investments		-	-
(C) Amortisation of Discount/(Premium)		-	-
<b>OTHER INCOME</b>		-	-
<b>TOTAL (A)</b>		<b>(2,014,047)</b>	<b>(1,143,495)</b>
<b>PROVISIONS (OTHER THAN TAXATION)</b>			
(a) For diminution in the value of investments		-	-
(b) For doubtful debts		-	-
(c) Others		-	-
<b>Other Expenses</b>			
(a) Expenses other than those related to the insurance business		258	1,296
(b) Bad debts written off		-	-
(c) Others			
- Managerial Remuneration		28,073	37,077
- Capital Work in Progress Written Off		-	-
- CSR Expenses		-	-
<b>Total (B)</b>		<b>28,331</b>	<b>38,373</b>
<b>Profit/(Loss) before tax</b>		<b>(2,042,378)</b>	<b>(1,181,868)</b>
Provision for Taxation			
- Wealth Tax		-	683
-Fringe Benefit Tax Asset written off		1,200	-
<b>Profit/(Loss) after tax</b>		<b>(2,043,578)</b>	<b>(1,182,551)</b>
Balance of Profit/(Loss) brought forward from last year		(8,500,688)	(7,318,137)
<b>Appropriations</b>			
(a) Interim dividends paid during the period		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution on tax		-	-
(d) Transfer to reserve/other accounts		-	-
(e) Impact of carrying values as per requirements of Companies Act 2013		-	-
<b>Balance carried to Balance Sheet</b>		<b>(10,544,266)</b>	<b>(8,500,688)</b>
Earning Per Share (Basic and Diluted) (in Rs.) (Face Value Rs.10 per share)		(1.58)	(1.09)

Vide our report of even date	As Required by section 40C(2) of the Insurance Act, 1938, We hereby confirm that all the expenses of management, incurred by the Company, in respect of General Insurance business have been fully debited in the Revenue Account as Expenses.
------------------------------	--

**For B.K.RAMADHYANI & CO. LLP**  
Chartered Accountants  
(Regn No.002878S/S200021)

**G. M. KAPADIA & CO.**  
Chartered Account  
(Regn No.104767W)

**For and on behalf of the Board**

**SHYAM RAMADHYANI**  
(Partner)  
Membership No. 019522

**RAJEN ASHAR**  
(Partner)  
Membership No. 048243

**RAKESH BHARTI MITTAL**  
(Chairman)

**JEAN, PAUL, DOMINIQUE, LOUIS DROUFFE**  
(Director)

**DEEPAK DHARMARAJAN IYER**  
(Chief Executive Officer & MD)

**BHARAT SUMANT RAUT**  
(Director)

Date: 30th May, 2016  
Place: Mumbai

**ASHISH SARMA**  
(Company Secretary)

**MATHIEU VERILLAUD**  
(Chief Financial Officer)

Form B-BS  
**BHARTI AXA GENERAL INSURANCE COMPANY LIMITED**  
IRDA REGISTRATION NUMBER 139 DATED 27-06-2008

## BALANCE SHEET

Particulars	Sched- ule Ref.	For the Year Ended	
		March 31, 2016 Rs. ('000)	March 31, 2015 Rs. ('000)
<b>SOURCES OF FUNDS</b>			
Share Capital	5	15,714,453	12,386,685
Reserves and Surplus	6	1,720,185	1,702,953
Fair Value Change		9,166	1,343
Borrowings	7	-	-
<b>Total</b>		<b>17,443,804</b>	<b>14,090,981</b>
<b>APPLICATION OF FUNDS</b>			
Investments	8	28,412,013	24,642,420
Loans	9	-	-
Fixed Assets	10	146,598	172,870
<b>Current Assets</b>			
Cash and Bank Balances	11	424,980	476,459
Advances And Other Assets	12	2,628,450	2,493,366
<b>Sub Total (A)</b>		<b>3,053,430</b>	<b>2,969,825</b>
Current Liabilities	13	19,068,229	15,893,448
Provisions	14	5,644,274	6,301,374
<b>Sub Total (B)</b>		<b>24,712,503</b>	<b>22,194,822</b>
<b>Net Current Assets (C) = (A - B)</b>		<b>(21,659,073)</b>	<b>(19,224,997)</b>
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit And Loss Account		10,544,266	8,500,688
<b>Total</b>		<b>17,443,804</b>	<b>14,090,981</b>

Vide our report of even date

**For B.K.RAMADHYANI & CO. LLP**  
Chartered Accountants  
(Regn No.002878S/S200021)

**G. M. KAPADIA & CO.**  
Chartered Account  
(Regn No.104767W)

**For and on behalf of the Board**

**SHYAM RAMADHYANI**  
(Partner)  
Membership No. 019522

**RAJEN ASHAR**  
(Partner)  
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(Director)

**DEEPAK DHARMARAJAN IYER**  
(Chief Executive Officer & MD)

**BHARAT SUMANT RAUT**  
(Director)

Date:30th May, 2016  
Place:Mumbai

**ASHISH SARMA**  
(Company Secretary)

**MATHIEU VERILLAUD**  
(Chief Financial Officer)

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

**SCHEDULE-1A PREMIUM EARNED (NET)**

Year Ending March 31, 2016

Particulars	Fire	Marine			Motor	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	(Rs. '000)	
		Cargo	Others	Total									Misc Total	Total
Premium from Direct Business Written :	623,566	259,166	-	259,166	10,199,119	68,017	189,546	252,241	-	161,880	831,848	158,812	11,861,463	12,744,195
Add : Premium on Reinsurance Accepted	70,299	12,674	-	12,674	793	-	4,143	13,110	-	-	3	3	18,052	101,025
Less : Premium on Reinsurance Ceded	596,419	116,482	-	116,482	618,761	4,352	88,744	226,230	-	12,074	95,970	114,488	1,160,619	1,873,520
<b>Net Premium</b>	<b>97,446</b>	<b>155,358</b>	<b>-</b>	<b>155,358</b>	<b>9,581,151</b>	<b>63,665</b>	<b>104,945</b>	<b>39,121</b>	<b>-</b>	<b>149,806</b>	<b>735,881</b>	<b>44,327</b>	<b>10,718,896</b>	<b>10,971,700</b>
<b>Adjustment for change in Reserve for Unexpired Risk</b>	<b>(3,804)</b>	<b>(37,257)</b>		<b>(37,257)</b>	<b>492,409</b>	<b>8,505</b>	<b>(9,699)</b>	<b>19,083</b>	<b>-</b>	<b>20,807</b>	<b>92,242</b>	<b>28,164</b>	<b>651,511</b>	<b>610,450</b>
<b>Total Premium Earned (Net)</b>	<b>93,642</b>	<b>118,101</b>	<b>-</b>	<b>118,101</b>	<b>10,073,560</b>	<b>72,170</b>	<b>95,246</b>	<b>58,204</b>	<b>-</b>	<b>170,613</b>	<b>828,123</b>	<b>72,491</b>	<b>11,370,407</b>	<b>11,582,150</b>

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

**SCHEDULE-2A CLAIMS INCURRED (NET)**

Year Ending March 31, 2016

(Rs. '000)

Particulars	Fire	Marine			Motor	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	(Rs. '000)	
		Cargo	Others	Total									Misc Total	Total
<b>Claims Paid</b>														
Direct	812,444	205,004	-	205,004	7,035,590	23,191	1,315	484,580	-	112,391	990,706	175,842	8,823,615	9,841,063
Add : Reinsurance Accepted	18	-	-	-	-	-	-	188	-	-	-	-	188	206
Less : Reinsurance Ceded	688,579	125,632	-	125,632	872,494	1,304	324	439,719	-	12,871	87,286	73,298	1,487,296	2,301,507
<b>Net Claims Paid</b>	<b>123,883</b>	<b>79,372</b>	<b>-</b>	<b>79,372</b>	<b>6,163,096</b>	<b>21,887</b>	<b>991</b>	<b>45,049</b>	<b>-</b>	<b>99,520</b>	<b>903,420</b>	<b>102,544</b>	<b>7,336,507</b>	<b>7,539,762</b>
<b>Claims Outstanding (including IBNR &amp; IBNER)</b>														
Add : Claims Outstanding at the close of the period (net of Re-insurance)	246,815	114,294	-	114,294	12,379,293	30,348	105,712	52,789	-	73,035	207,792	146,607	12,995,576	13,356,685
Less: Claims Outstanding at the beginning of the period (net of Re-insurance)	148,583	69,929	-	69,929	9,326,177	29,996	38,432	94,660	-	88,466	342,232	41,905	9,961,868	10,180,380
<b>Total Claims Incurred</b>	<b>222,115</b>	<b>123,737</b>	<b>-</b>	<b>123,737</b>	<b>9,216,212</b>	<b>22,239</b>	<b>68,271</b>	<b>3,178</b>	<b>-</b>	<b>84,089</b>	<b>768,980</b>	<b>207,246</b>	<b>10,370,215</b>	<b>10,716,067</b>

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

**SCHEDULE - 3A COMMISSION**

Year Ending March 31, 2016

(Rs. '000)

Particulars	Fire	Marine			Motor	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	(Rs. '000)	
		Cargo	Others	Total									Misc Total	Total
Commission paid direct	32,666	22,854	-	22,854	349,918	4,389	19,725	11,737	-	17,489	97,388	11,395	512,041	567,561
Total (A)														
Add: Commission on Re-insurance Accepted	3,305	1,220	-	1,220	5	-	669	381	-	-	-	1	1,056	5,581
Less: Commission on Re-insurance Ceded	76,109	12,373	-	12,373	74,813	578	13,002	37,228	-	1,506	13,607	16,995	157,729	246,211
<b>Net Commission</b>	<b>(40,138)</b>	<b>11,701</b>	<b>-</b>	<b>11,701</b>	<b>275,110</b>	<b>3,811</b>	<b>7,392</b>	<b>(25,110)</b>	<b>-</b>	<b>15,983</b>	<b>83,781</b>	<b>(5,599)</b>	<b>355,368</b>	<b>326,931</b>
<b>Break-up of the commission (Gross) incurred to procure business furnished as per details below:</b>														
Agents	3,591	2,465	-	2,465	154,530	1,865	526	2,063	-	3,141	8,658	3,177	173,960	180,016
Brokers	31,668	21,609	-	21,609	194,455	2,524	19,867	10,055	-	13,925	88,427	8,067	337,320	390,597
Corporate Agency	712	-	-	-	939	-	-	-	-	423	302	152	1,816	2,528
Referral	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	1	-	-	1	1
<b>Total (B)</b>	<b>35,971</b>	<b>24,074</b>	<b>-</b>	<b>24,074</b>	<b>349,924</b>	<b>4,389</b>	<b>20,393</b>	<b>12,118</b>	<b>-</b>	<b>17,490</b>	<b>97,387</b>	<b>11,396</b>	<b>513,097</b>	<b>573,142</b>

**BHARTI AXA GENERAL INSURANCE COMPANY LIMITED**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**SCHEDULE-1A PREMIUM EARNED (NET)**

(Rs. '000)

Particulars	Fire	Marine			Motor	Workmen's Compensation	Year Ending March 31, 2015				Personal Accident	Health Insurance	Others	Misc	Total
		Cargo	Others	Total			Public Liability	Engineering	Aviation	Total					
Premium from Direct Business Written :	779,273	320,597	-	320,597	10,935,249	78,980	147,915	318,395	-	216,831	1,545,497	227,924	13,470,792	14,570,662	
Add : Premium on Reinsurance Accepted	107,264	10,720	-	10,720	689	-	7,864	12,136	-	770	31,368	38	52,866	170,850	
Less : Premium on Reinsurance Ceded	791,141	250,473	-	250,473	906,356	5,532	83,791	267,892	-	16,721	76,146	145,301	1,501,738	2,543,352	
Net Premium	95,396	80,844	-	80,844	10,029,582	73,448	71,988	62,639	-	200,880	1,500,720	82,661	12,021,919	12,198,160	
Adjustment for change in Reserve for Unexpired Risk	18,874	(12)	-	(12)	(362,720)	(3,661)	(20,302)	8,549	-	3,926	206,154	(10,565)	(178,620)	(159,758)	
Total Premium Earned (Net)	114,270	80,832	-	80,832	9,666,862	69,787	51,686	71,188	-	204,806	1,706,873	72,096	11,843,300	12,038,402	

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

**SCHEDULE-2A CLAIMS INCURRED (NET)**

(Rs. '000)

Particulars	Fire	Marine			Motor	Workmen's Compensation	Year Ending March 31, 2015							Misc Total	Total
		Cargo	Others	Total			Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others			
Claims Paid															
Direct	709,514	202,827	-	202,827	5,901,803	14,815	142	285,384	-	163,349	1,844,871	130,948	8,341,311	9,253,652	
Add : Reinsurance Accepted	12	-	-	-	-	-	-	247	-	-	-	-	247	259	
Less : Reinsurance Ceded	592,692	155,532	-	155,532	911,079	1,133	43	254,919	-	32,774	124,288	66,602	1,390,837	2,139,061	
Net Claims Paid	116,834	47,295	-	47,295	4,990,724	13,682	99	30,712	-	130,575	1,720,583	64,346	6,950,721	7,114,850	
Claims Outstanding (including IBNR & IBNER)															
Add : Claims Outstanding at the close of the period (net of Re-insurance)	148,583	69,929	-	69,929	9,326,177	29,996	38,432	94,660	-	88,466	342,232	41,905	9,961,868	10,180,380	
Less: Claims Outstanding at the beginning of the period (net of Re-insurance)	173,867	38,910	-	38,910	6,216,890	24,195	22,573	55,504	-	86,902	331,369	35,904	6,773,337	6,986,113	
Total Claims Incurred	91,550	78,314	-	78,314	8,100,011	19,483	15,958	69,868	-	132,139	1,731,446	70,346	10,139,251	10,309,116	

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

**SCHEDULE - 3A COMMISSION**

(Rs. '000)

Particulars	Fire	Marine			Motor	Workmen's Compensation	Year Ending March 31, 2015				Personal Accident	Health Insurance	Others	Misc	Total
		Cargo	Others	Total			Public Liability	Engineering	Aviation	Total					
Commission paid direct	44,652	19,132	-	19,132	312,481	3,694	14,770	15,801	-	21,059	164,063	12,996	544,864	608,649	
Total (A)	44,652	19,132	-	19,132	312,481	3,694	14,770	15,801	-	21,059	164,063	12,996	544,864	608,649	
Add: Commission on Re-insurance Accepted	8,455	816	-	816	8	-	1,373	584	-	-	3,221	2	5,188	14,460	
Less: Commission on Re-insurance Ceded	100,897	43,959	-	43,959	76,841	713	13,584	53,523	-	2,062	8,186	25,070	179,980	324,836	
													-	-	
Net Commission	(47,790)	(24,011)	-	(24,011)	235,648	2,981	2,559	(37,138)	-	18,997	159,098	(12,072)	370,072	298,272	
Break-up of the commission (Gross) incurred to procure business furnished as per details below:															
Agents	2,802	1,205	-	1,205	150,838	1,258	272	1,954	-	2,838	8,148	3,018	168,326	172,333	
Brokers	50,202	18,743	-	18,743	161,498	2,436	15,872	14,404	-	18,214	159,130	9,912	381,465	450,410	
Corporate Agency	104	-	-	-	152	0	-	27	-	7	6	69	261	365	
Referral	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total (B)	53,108	19,948	-	19,948	312,490	3,694	16,144	16,385	-	21,059	167,283	12,998	550,052	623,108	

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

**SCHEDULE-4A OPERATING EXPENSES RELATED TO INSURANCE BUSINESS**

(Rs. '000)

Particulars	Year Ending March 31, 2016													Total
	Fire	Marine Cargo	Marine - Others	Marine Total	Motor	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	Miscellaneous Total	
Employees' remuneration and welfare benefits	14,077	32,433	-	32,433	831,937	9,757	23,928	5,901	-	32,917	157,044	7,633	1,069,117	1,115,627
Travel, conveyance and vehicle running expenses	1,378	3,281	-	3,281	72,528	987	2,470	591	-	2,965	15,265	642	95,448	100,107
Training Expenses	25,759	9,883	-	9,883	1,234,827	5,025	3,660	12,171	-	7,320	17,449	10,060	1,290,512	1,326,154
Rents, rates and taxes	1,804	2,855	-	2,855	178,277	1,173	1,928	721	-	2,853	13,538	830	199,320	203,979
Repairs Maintenance ( including Electricity)	533	850	-	850	52,399	348	574	214	-	819	4,024	242	58,620	60,003
Printing and stationery	200	188	-	188	25,452	94	121	59	-	819	975	151	27,671	28,059
Communication Expenses	1,844	2,939	-	2,939	181,287	1,204	1,985	740	-	2,834	13,922	839	202,811	207,594
Legal and professional charges	1,500	1,915	-	1,915	202,854	844	1,272	523	-	4,185	9,379	905	219,962	223,377
Auditor's fees expenses etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	22	35	-	35	2,183	15	24	9	-	34	168	10	2,443	2,500
(b) as advisor or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	3	4	-	4	253	2	3	1	-	4	19	1	283	290
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Certification Fee	3	5	-	5	306	2	3	1	-	5	23	1	341	349
(c ) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Audit Out of Pocket expenses	3	5	-	5	325	2	4	1	-	5	25	2	364	372
Advertisement and Publicity	2,730	2,159	-	2,159	177,145	953	1,247	1,224	-	1,927	8,164	1,125	191,785	196,674
Interest and Bank Charges	131	209	-	209	12,895	86	141	53	-	202	990	60	14,427	14,767
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Information technology	4,470	7,126	-	7,126	439,546	2,920	4,814	1,795	-	6,872	33,756	2,033	491,736	503,332
Marketing Expenses	13,329	4,949	-	4,949	632,089	2,537	1,767	6,307	-	3,617	8,092	5,197	659,606	677,884
Exchange (gain) /loss	94	150	-	150	9,265	62	101	38	-	145	712	43	10,366	10,610
Miscellaneous Expenses	210	336	-	336	20,695	137	227	84	-	324	1,589	96	23,152	23,698
Support Services	993	1,911	-	1,911	86,840	663	1,340	405	-	2,304	9,504	579	101,635	104,539
ST on Exempted Services	5	7	-	7	457	3	5	2	-	7	35	2	511	523
Profit/ Loss on Sale of Assets	(25)	(40)	-	(40)	(2,498)	(17)	(27)	(10)	-	(39)	(192)	(12)	(2,795)	(2,860)
Depreciation	852	1,359	-	1,359	83,796	557	918	342	-	1,310	6,435	388	93,746	95,957
	<b>69,915</b>	<b>72,559</b>	<b>-</b>	<b>72,559</b>	<b>4,242,858</b>	<b>27,354</b>	<b>46,505</b>	<b>31,172</b>	<b>-</b>	<b>71,429</b>	<b>300,916</b>	<b>30,827</b>	<b>4,751,061</b>	<b>4,893,536</b>

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

**SCHEDULE-4A OPERATING EXPENSES RELATED TO INSURANCE BUSINESS**

Year Ending March 31, 2015

(Rs. '000)

Particulars	Fire	Marine Cargo	Marine - Others	Marine Total	Motor	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	Miscellaneous Total	Total
Employees' remuneration and welfare benefits	11,185	11,161	-	11,161	714,714	7,670	11,119	6,821	-	30,607	259,371	14,513	1,044,815	1,067,161
Travel, conveyance and vehicle running expenses	1,101	1,073	-	1,073	67,568	790	1,134	696	-	2,774	23,980	1,280	98,222	100,396
Training Expenses	33,550	14,362	-	14,362	1,264,519	6,116	2,783	17,043	-	11,212	33,980	13,990	1,349,643	1,397,555
Rents, rates and taxes	1,532	1,285	-	1,285	161,457	1,168	1,142	997	-	3,360	23,804	1,323	193,251	196,068
Repairs Maintenance ( including Electricity)	435	369	-	369	45,730	335	328	286	-	916	6,843	377	54,815	55,619
Printing and stationery	187	93	-	93	21,845	89	70	77	-	1,073	1,480	139	24,773	25,053
Communication Expenses	1,317	1,116	-	1,116	138,493	1,014	994	865	-	2,774	20,723	1,141	166,004	168,437
Legal and professional charges	1,341	902	-	902	181,779	835	755	715	-	5,279	15,827	1,080	206,270	208,513
Auditor's fees expenses etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	16	13	-	13	1,644	12	12	10	-	33	246	14	1,971	2,000
(b) as advisor or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	2	2	-	2	238	2	2	1	-	5	36	2	286	290
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Certification Fee	2	1	-	1	181	1	1	1	-	4	27	1	216	219
(c ) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Audit Out of Pocket expenses	2	1	-	1	162	1	1	1	-	3	24	1	193	196
Advertisement and Publicity	3,934	1,815	-	1,815	169,341	901	536	2,045	-	1,868	8,582	1,781	185,054	190,803
Interest and Bank Charges	80	68	-	68	8,385	61	60	52	-	168	1,255	69	10,050	10,198
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Information technology	2,895	2,453	-	2,453	304,318	2,229	2,184	1,901	-	6,095	45,535	2,508	364,770	370,118
Marketing Expenses	18,291	7,809	-	7,809	685,976	3,305	1,483	9,284	-	6,023	17,785	7,604	731,460	757,560
Exchange (gain) /loss	46	39	-	39	4,820	35	35	30	-	97	721	40	5,778	5,863
Miscellaneous Expenses	(56)	(47)	-	(47)	(5,840)	(43)	(42)	(36)	-	(117)	(874)	(48)	(7,000)	(7,103)
Support Services	791	669	-	669	80,744	549	574	490	-	2,395	13,376	836	98,964	100,424
ST on Exempted Services	10	9	-	9	1,085	8	8	7	-	22	162	9	1,301	1,320
Profit/ Loss on Sale of Assets	5	4	-	4	490	4	4	3	-	10	73	4	588	597
Depreciation	674	571	-	571	70,885	519	509	443	-	1,420	10,606	584	84,966	86,211
	<b>77,340</b>	<b>43,768</b>	<b>-</b>	<b>43,768</b>	<b>3,918,534</b>	<b>25,601</b>	<b>23,692</b>	<b>41,732</b>	<b>-</b>	<b>76,021</b>	<b>483,562</b>	<b>47,248</b>	<b>4,616,390</b>	<b>4,737,498</b>

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

**SCHEDULE -5 SHARE CAPITAL**

Particulars	As at March 31, 2016 (Rs. '000)	As at March 31, 2015 (Rs. '000)
<b>Authorised Capital</b> [2,000,000,000 (As at March 31, 2015 1,500,000,000) Equity shares of Rs. 10 each]	20,000,000	15,000,000
<b>Issued Capital</b> [1,571,445,322 (As at March 31, 2015- 1,238,668,534 Equity shares of Rs. 10 each)]	15,714,453	12,386,685
<b>Subscribed Capital</b> [1,571,445,322 (As at March 31, 2015- 1,238,668,534 Equity shares of Rs. 10 each)]	15,714,453	12,386,685
<b>Called-up Capital</b>  Equity shares of Rs. 10 each	15,714,453	12,386,685
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	-	-
<b>Total</b>	<b>15,714,453</b>	<b>12,386,685</b>

**SCHEDULE-5A SHARE CAPITAL**

**PATTERN OF SHAREHOLDING (As certified by the Management)**

Shareholder	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters (Refer Note No.3.23 of Schedule 16)				
- Indian	801,437,115	51.00	963,409,148	77.78
- Foreign	770,008,207	49.00	275,259,386	22.22
Others	-	-	-	-
<b>Total</b>	<b>1,571,445,322</b>	<b>100</b>	<b>1,238,668,534</b>	<b>100</b>



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

**SCHEDULE-6 RESERVES AND SURPLUS**

Particulars	As at March 31, 2016	As at March 31, 2015
	(Rs. '000)	(Rs. '000)
Capital Reserve	-	-
Capital Redemption Reserve	-	-
Securities Premium	-	-
Opening Balance	1,702,953	1,644,122
Additions during the year	17,232	58,831
Deletions during the year	-	-
<b>Closing Balance</b>	<b>1,720,185</b>	<b>1,702,953</b>
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	-	-
<b>Total</b>	<b>1,720,185</b>	<b>1,702,953</b>

**SCHEDULE - 7 BORROWINGS**

Particulars	As at March 31, 2016	As at March 31, 2015
	(Rs. '000)	(Rs. '000)
Debentures/Bonds	-	-
Banks	-	-
Financial Institutions	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

**SCHEDULE 8 INVESTMENTS - SHAREHOLDERS**

Particulars	As at March 31, 2016 (Rs. '000)	As at March 31, 2015 (Rs. '000)
<b>LONG TERM INVESTMENTS</b>		
Government securities and Government guaranteed bonds including Treasury Bills	-	-
Other Approved Securities	-	-
Other Investments	-	-
(a) Shares -	-	-
(aa) Equity Shares	-	-
(bb) Preference Shares	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debenture/Bonds	-	-
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	-	-
Other than Approved Securities	-	-
<b>Short Term Investments</b>		
Government securities and Government guaranteed bonds including Treasury Bills	-	-
Other Approved Securities - (Fixed Deposits with Banks and Certificate of Deposit)	-	-
Other Investments	-	-
(a) Shares	-	-
(aa) Equity Shares	-	-
(bb) Preference Shares	-	-
(b) Mutual Funds	48,503	32,600
(c) Derivative Instruments	-	-
(d) Debenture/Bonds	-	-
(e) Other securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	-	-
Other than Approved Securities	-	-
<b>Total</b>	<b>48,503</b>	<b>32,600</b>

1) All the Investments are free of any encumbrances .

2) All the above investments are Performing assets.

3) Value of Contracts in relation to Investments where deliveries are pending Nil ( previous year Nil) and in respect of sale of investments where payments are overdue Rupees Nil ( Previous Year Rupees Nil).

4) Investments Other than Equities and Derivative Instruments:

Aggregate Value of Investments as at 31st March 2016 Rupees 48,503 thousand ( previous year Rupees 32,600 thousand).

Market Value as at 31st March 2016, Rupees 48,503 thousand ( previous year Rupees 32,600 thousand).

5) Invesments maturing within next 12 months are Rupees 48,503 thousand ( Previous year 32,600 thousand).

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

**SCHEDULE 8A INVESTMENTS - POLICYHOLDERS**

Particulars	As at March 31, 2016	As at March 31, 2015
	(Rs. '000)	(Rs. '000)
<b>LONG TERM INVESTMENTS</b>		
Government securities and Government guaranteed bonds including Treasury Bills	8,416,519	7,173,255
Other Approved Securities	9,886,389	8,761,462
Other Investments		
(a) Shares -		
(aa) Equity Shares		
(bb) Preference Shares		
(b) Mutual Funds		
(c) Derivative Instruments		
(d) Debenture/Bonds		-
(e) Other Securities		
(f) Subsidiaries		
(g) Investment Properties-Real Estate		
Investments in Infrastructure and Social Sector	3,699,497	3,551,438
Other than Approved Securities		
<b>Short Term Investments</b>		
Government securities and Government guaranteed bonds including Treasury Bills	450,902	576,689
Other Approved Securities - (Fixed Deposits with Banks and Certificate of Deposit)	4,476,578	4,073,036
Other Investments		
(a) Shares		
(aa) Equity Shares		
(bb) Preference Shares		
(b) Mutual Funds	151,020	75,498
(c) Derivative Instruments		
(d) Debenture/Bonds	-	-
(e) Other securities		
(f) Subsidiaries		
(g) Investment Properties-Real Estate		
Investments in Infrastructure and Social Sector	450,028	299,243
Other than Approved Securities	832,577	99,199
<b>Total</b>	<b>28,363,510</b>	<b>24,609,820</b>

1) All the Investments are free of any encumbrances other than investments under Section 7 of the Insurance Act, 1938, which are held in Government of India Bonds aggregating Nil (previous Year Rupees 1,18,052 thousand) deposited with Standard Chartered Bank (Custodian)

2) All the above investments are Performing assets.

3) Value of Contracts in relation to Investments where deliveries pending are Nil (previous year Rs. NIL) and in respect of sale of investments where payments overdue are Rupees Nil (Previous Year Rupees Nil).

4) Investments Other than Equities and Derivative Instruments:

Aggregate Value of Investments as at 31st March 2016 Rupees 28,363,510 thousand (previous year Rupees 24,609,821 thousand)

Market Value as at 31st March 2016 Rupees 28,664,792 thousand (previous year Rs 25,069,129).

5) Investments maturing within next 12 months are Rupees 6,361,105 thousand (Previous year 5,123,666) thousand).

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

**SCHEDULE-9 LOANS**

Particulars	As at March 31, 2016	As at March 31, 2015
	(Rs. '000)	(Rs. '000)
<b>SECURITY-WISE CLASSIFICATION</b>		
<b>Secured</b>		
a) On Mortgage of Property		
(aa) In India	-	-
(bb) Outside India	-	-
b) On Shares, Bonds, Govt. Securities	-	-
c) Loans against policies	-	-
d) Others	-	-
<b>Unsecured</b>	-	-
<b>Total</b>	-	-

**BORROWER-WISE CLASSIFICATION**

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

**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	-	-
<b>Total</b>	-	-

**MATURITY-WISE CLASSIFICATION**

a) Short Term		
b) Long Term	-	-
<b>Total</b>	-	-

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

**SCHEDULE 10 FIXED ASSETS**

Particulars	Gross Block			Depreciation				Net Block		
	As at April 1, 2015	Additions/ Adjustments during the year	Deductions/A djustments during the year	As at March 31, 2016	As at April 1, 2015	For the year *	On Sales/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles-Computer softwares and License fees	172,819	27,698	-	200,517	128,553	28,088	-	156,641	43,876	44,266
Leasehold Improvements	122,829	3,865	-	126,694	110,166	7,724	-	117,890	8,804	12,663
Furniture, Fixtures & Equipments	39,778	3,495	155	43,118	34,432	3,857	155	38,134	4,984	5,346
Information Technology Equipment	225,291	40,836	37,012	229,115	166,875	39,322	36,898	169,299	59,816	58,416
Vehicles	79,466	-	21,779	57,687	49,017	14,139	16,747	46,409	11,278	30,449
Office Equipment	54,150	4,080	1,274	56,956	46,868	2,827	543	49,152	7,804	7,282
<b>Total</b>	<b>694,333</b>	<b>79,974</b>	<b>60,220</b>	<b>714,087</b>	<b>535,911</b>	<b>95,957</b>	<b>54,343</b>	<b>577,525</b>	<b>136,562</b>	<b>158,422</b>
Work-in-progress	14,447	62,835	67,246	10,036	-	-	-	-	10,036	14,447
<b>Grand Total</b>	<b>708,780</b>	<b>142,809</b>	<b>127,466</b>	<b>724,123</b>	<b>535,911</b>	<b>95,957</b>	<b>54,343</b>	<b>577,525</b>	<b>146,598</b>	<b>172,869</b>
<b>Previous year</b>	<b>669,490</b>	<b>119,006</b>	<b>79,716</b>	<b>708,780</b>	<b>450,647</b>	<b>101,198</b>	<b>15,934</b>	<b>535,911</b>	<b>172,869</b>	<b>218,843</b>

\* Depreciation for the year includes an amount of Rs. 5,531 ('000) pertaining to prior years

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**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

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**SCHEDULE-11 CASH AND BANK BALANCES**

Particulars	As at March 31, <u>2016</u> (Rs. '000)	As at March 31, <u>2015</u> (Rs. '000)
Cash (including cheques, drafts and Remittance in transit)	87,501	112,023
<b>Bank Balances</b>		
(a) Deposit Accounts		
(aa) Short Term (due within 12 months)	153,623	140,648
(bb) Others	-	-
(b) Current Accounts	183,856	223,788
(c) Others	-	-
<b>Money at Call and Short Notice</b>		
(a) With Banks	-	-
(b) With other Institutions	-	-
<b>Others</b>	-	-
<b>Total</b>	<u><u>424,980</u></u>	<u><u>476,459</u></u>

Balances with non-scheduled banks included in 2 and 3 above

**CASH & BANK BALANCES**

1. In India	424,980	476,459
2. Outside India	-	-
<b>Total</b>	<u><u>424,980</u></u>	<u><u>476,459</u></u>

## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

### SCHEDULE-12 ADVANCES AND OTHER ASSETS

Particulars	As at March 31, 2016 <u>(Rs. '000)</u>	As at March 31, 2015 <u>(Rs. '000)</u>
<b>Advances</b>		
Reserve Deposits with Ceding Companies	-	-
Application money for Investments	-	-
Prepayments	37,752	14,273
Advances to Directors / Officers	-	-
Advance Tax Paid and Taxes Deducted at Source (Net of Provision for Tax)	-	1,298
Others	-	-
- Advance to employees	653	205
- Advances recoverable in cash or in kind	21,746	110,400
Less : Provision for doubtful advances	-	-
<b>Total (A)</b>	<u><b>60,151</b></u>	<u><b>126,176</b></u>
<b>Other Assets</b>		
Income accrued on investments	1,185,353	952,674
- Unutilised service tax carried forward	117,299	48,707
Outstanding Premium	93,088	85,978
Agents' Balances	-	-
Foreign Agencies Balances	-	-
Due from other entities carrying on insurance business (including reinsurers)	852,209	292,586
Due from Subsidiary/Holding Companies	-	-
Deposit with Reserve Bank of India (Pursuant to Section 7 of Insurance Act, 1938)	-	-
Others	-	-
- Receivable from Terrorism Pool	227,022	177,467
- Receivable from Motor Pool & Declined Pool	-	719,897
Deposits	-	-
- Rental	78,098	76,031
- Others	15,230	13,850
<b>Total (B)</b>	<u><b>2,568,299</b></u>	<u><b>2,367,190</b></u>
<b>Total (C) = (A) + (B)</b>	<u><b>2,628,450</b></u>	<u><b>2,493,366</b></u>

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**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

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**SCHEDULE-13 CURRENT LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2016 (Rs. '000)</b>	<b>As at March 31, 2015 (Rs. '000)</b>
Agents' Balances	28,929	26,825
Balances due to other insurance companies	540,454	318,885
Deposit held on reinsurance ceded	-	-
Premium Received in Advance	42,829	50,310
Unallocated Premium	312,435	335,024
Unclaimed Amount of Policy Holders	188,024	87,109
Sundry creditors	425,547	324,873
Due to subsidiaries/holding company	-	-
Claims outstanding	13,356,684	10,180,380
Claims Outstanding - Motor Pool	1,592,128	2,729,658
Due to Officers/Directors	-	-
Others	-	-
- Cash Call Advances Received	1,279,441	664,944
- Service Tax payable	3,060	-
- Statutory Dues	102,944	67,162
- Rent Equilisation Reserve	35,161	45,527
- Expenses Payable	478,622	324,960
- Stale Cheques	14,369	12,566
- Employee related	47,746	153,928
- Claims approved but not paid	85,487	71,666
- Solatium Fund	14,731	11,528
- Motor Pool	-	-
- Declined Pool	519,638	488,103
<b>Total</b>	<b><u>19,068,229</u></b>	<b><u>15,893,448</u></b>



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

**SCHEDULE-14 PROVISIONS**

Particulars	As at March 31, <u>2016</u> (Rs. '000)	As at March 31, <u>2015</u> (Rs. '000)
Reserve for Unexpired Risk	5,524,324	6,134,774
For taxation	-	-
(Less advance tax paid and taxes deducted at source)	-	-
For proposed dividends	-	-
For dividend distribution tax	-	-
Others	-	-
- Premium Deficiency	57,913	76,842
- Employee Benefits	62,037	89,758
<b>Total</b>	<u><u>5,644,274</u></u>	<u><u>6,301,374</u></u>

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

Particulars	As at March 31, <u>2016</u> (Rs. '000)	As at March 31, <u>2015</u> (Rs. '000)
Discount allowed in issue of shares/debentures	-	-
Others	-	-
<b>Total</b>	<u><u>-</u></u>	<u><u>-</u></u>

### SCHEDULE 16

#### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS FOR PERIOD ENDED MARCH 31, 2016

##### 1. Background

Bharti AXA General Insurance Company Limited ('the Company') was incorporated under the provisions of the Companies Act, 1956 on July 13, 2007 to undertake and carry on the business of General Insurance. The Company obtained regulatory approval from the Insurance Regulatory and Development Authority "IRDA" on June 27, 2008 to undertake General Insurance business.

The Insurance Laws (Amendment) Act, 2015 has amended Section 3A, thereby dispensing the process to seek annual renewal of the Certificate of Registration issued to Insurers under Section 3 of the Insurance Act, 1938, subject to the payment of annual fee as prescribed under the Regulations. Accordingly, Company's Certificate of Registration to sell general insurance products in India renewed for the financial year 2015-2016 shall continue to be valid from April 1, 2015.

##### 2. Significant accounting policies

###### 2.1. Basis of Preparation of financial statements

The financial statements are prepared under the historical cost convention 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 (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('The Regulations') and orders and directions issued by the IRDA 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 read with paragraph 7 of Companies (Accounts) Rules, 2014 and current practices prevailing in the Insurance industry in India.

###### 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 of 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. 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**

Premium (net of service tax), including reinstatement premium, on direct business and reinsurance accepted, is recognized as income over the period of risk 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 recognized in the year of cancellation.

#### **Income from reinsurance business**

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

#### **Premium received in advance**

Premium received in advance during the year, where the risk commences subsequent to the balance sheet date, is shown separately under the head 'Current Liabilities' in the financial statements.

Income earned On investments

#### **Interest**

Interest income is recognized on an accrual basis.

#### **Realized gains or losses**

Realized gain or loss in respect of securities, is the difference between the sale consideration and the amortized cost (determined on weighted average basis) in the books of the Company on the date of sale. In case of listed equity shares/mutual funds, the profit or loss on sale includes accumulated changes in the fair value previously recognized under the head Fair Value Change Account (FVCA) and the same is carried to the Profit and Loss Account on actual sale of those listed equity shares/mutual funds.

#### **Unrealized gains or losses**

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

#### **Dividend income**

Dividend income is recognized when the right to receive the dividend is established.

#### **Premium / discount on purchase of investments**

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

## FINANCIAL STATEMENT

### Allocation of income from investments and other income

Income earned from investments and fixed deposits with banks and other income relatable to policyholders and shareholders investments are credited to Revenue Accounts and Profit & Loss account respectively. Further, income from investments related to policyholder investments is allocated to the lines of business in proportion of their respective Net Written Premium.

#### 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.

#### 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 and brokerage. These costs are expensed in the year in which they are incurred.

#### 2.7. Reserve for unexpired risk

Reserve for unexpired risk is recognized net of reinsurance ceded as the amount representing that part of the premium written which is attributable to, and to be allocated to the succeeding accounting years for subsequent risks to be borne by the Company under contractual obligations either on contract year basis or risk year basis, whichever is appropriate, subject to norms as stipulated by IRDA..

#### 2.8. Premium deficiency

Premium Deficiency is recognized if the ultimate amount of expected net claim costs, related expenses and maintenance costs exceed the related reserve for unexpired risks. Premium deficiency is calculated on line of business.

#### 2.9. Claims incurred

Claims are recognized as and when reported. Claims incurred include specific claim settlement costs such as survey/legal fees and other directly attributable costs. Further, where salvage is retained by the Company, the recoveries from sale of salvage are recognized at the time of sale.

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 and modified for changes, as appropriate. Such liability is made for estimated value, net of reinsurance/co-insurance and other recoveries.

### **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 prior to the end of the current reporting year 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 IRDA.

### **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 the correlation these bear to the level of activity, of the segment as determined by the management.
- Other expenses which are not directly identifiable are apportioned on the basis of NWP.

### **2.12. Fixed assets and depreciation/amortization**

#### **(A) Tangible assets**

Fixed assets are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use, net of CENVAT recoverable. Subsequent expenditure related to fixed assets that increases the future benefits from the existing and beyond its previously assessed standard of performance is capitalized.

#### **(B) Intangible assets**

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

#### **(C) Depreciation**

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

## FINANCIAL STATEMENT

Asset category	Life to be followed
Intangibles	4
Leasehold Improvements	
a. Temporary structures	Lower of Primary Lease period or 3 Years
b. Electrical Equipments	Lower of Primary Lease period or 6 Years
Furniture, Fixtures & Equipments	6
Information Technology Equipment	
a. Servers and networks	4
b. End user devices	3
Project Management Fees	4
Vehicles	4
Office Equipment	5

Depreciation is provided on pro rata basis from/to the day in which the asset is acquired or put to use/disposed off.

Assets costing less than 5000 rupees is fully depreciated in the year of addition.

### 2.13. Impairment of assets

The Company assesses at each reporting 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 settlement date at cost and do not include brokerage, transfer charges, transaction taxes as applicable and exclude pre-acquisition interest, if any.

### **Short term investments**

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

### **Long term investments**

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

Valuation:

### **Equity shares**

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 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.

### **Mutual fund units**

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

## **2.16. Retirement and other employee benefits**

### **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 rates and are charged to the Profit and Loss Account and Revenue Account.

### **ii) 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 reporting date and is recognized in the Profit and Loss Account and Revenue Account.

The Company has taken a policy administered by Life Insurance Corporation of India through approved gratuity trust fund.

**iii) 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 reporting date. Short term compensated absences are provided for based on management estimates.

iv) Actuarial gains/losses are immediately taken to Revenue Account.

v) Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at the reporting date on Government bonds of estimated term of the obligations.

**vi) 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 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. The value of such incentive is based on the Company performance measured on specified key performance indicators.

**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 items 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 and third party insurance pool****i) Terrorism pool**

In accordance with the directions of the IRDA, 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 the last statement received from GIC. Fifty per cent of amount of reinsurance accepted is carried forward to the subsequent accounting year as 'Unexpired Risk Reserve' for subsequent risks, if any, to be borne by the Company.

**ii) The Indian Motor Third Party Insurance Pool (IMTPIP)**

Till March 31, 2012, in accordance with the directions of the IRDA, the Company, together with other direct general insurance companies, participated in the Indian Motor Third Party Insurance Pool (IMTPIP), which was adminis-



tered by the General Insurance Corporation of India (GIC). The IMTPIP covers reinsurance of the entire third party risks of specified commercial motor vehicles (specified risks).

Amounts collected as premium in respect of specified risks were ceded at 100% of such premium, to the IMTPIP. The terms of the IMTPIP were covered by the provisions of a multi-lateral reinsurance arrangement, executed by all direct insurers licensed to carry on motor insurance business with effect from April 1, 2007.

As per the directions of the IRDA and the terms of the agreement between participant companies:

- a) GIC participated in the pooled business at such percentage of the motor business that is ceded to it by all insurers as statutory reinsurance cessions under Section 101A of the Insurance Act, 1938.
- b) The business remaining after such cession to GIC was shared among all general insurers writing motor insurance business in the proportion that their gross direct general insurance premium in India from all classes of general insurance underwritten by them in that financial bears to the aggregate gross direct general insurance premium from all classes of general insurance business written by all participant companies. Such share of business was computed by GIC and was applicable to all insurance companies, who were members of the IMTPIP.

The Company's share of premium, claims, reinsurance commissions and expenses of the pool was 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.

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

- a) The IRDA 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.

## FINANCIAL STATEMENT

- 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.

### 2.20. Solatium fund

In accordance with the requirements of the IRDA circular dated March 18, 2003 and based on recommendations made at the General Insurance Council meeting held on February 4, 2005, the Company provides 0.01% 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, deferred tax and wealth tax.

#### Current tax and wealth tax

Current income tax and wealth tax are measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961 and Wealth Tax Act, 1957 respectively.

#### Deferred tax

Deferred income 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. Service tax

Service tax collected is considered as a liability against which service tax paid for eligible input services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilized credits, if any, are carried forward for adjustments in subsequent years. Service tax paid for eligible input services not recoverable by way of credits is recognized in the Revenue Account(s) or Profit & Loss Account, wherever applicable.

### 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 basic earnings per share is computed by dividing the profit/(loss) after tax in the Profit and Loss account by weighted average number of equity shares outstanding during the year.

## 3 Notes to accounts

### 3.1. Contingent liabilities

Particulars	As at March 31, 2016 (Rs. '000)	As at March 31, 2015 (Rs. '000)
Partly paid up investments	Nil	Nil
Underwriting commitments Outstanding	Nil	Nil
Claims other than those under policies not acknowledged as debts	Nil	Nil
Guarantees given by or on behalf of the Company	Nil	Nil
Statutory demands/liabilities in dispute, not provided for	Nil	Nil
Reinsurance obligations to the extent not provided for in accounts	Nil	Nil

## FINANCIAL STATEMENT

Others(excluding interest and penalty if any)	Nil	Nil
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### 3.2. Encumbrances on assets

The assets of the Company are free from all encumbrances [As at March 31, 2015 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, 2016 is Rs.4,903 ('000) net of advances [as at March 31, 2015 Rs. ('000) ].

### 3.4. Claims

All Claims net of reinsurance are incurred in India.

Claims net of salvage, paid to claimants in / outside India:

Particulars	Year ended March 31, 2016 (Rs. '000)	Year Ended March 31, 2015 (Rs. '000)
In India	9,835,948	9,246,388
Outside India	5,115	7,264
<b>Total</b>	<b>9,841,063</b>	<b>9,253,652</b>

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

Particulars	As at March 31, 2016 (Rs. '000)	As at March 31, 2015 (Rs. '000)
Outstanding for Less than Six Months	5,912,505	2,771,552
Outstanding for more than Six Months	8,091,827	7,118,953
<b>Total</b>	<b>14,004,332</b>	<b>9,890,505</b>

The above details does not include the claims outstanding /IBNR pertaining to Indian Motor Third Party Insurance Motor (IMTPIP) Pool Rs. ('000)23,26,373 [as at March 31, 2016 Rs. ('000) 25,80,856], declined pool claims retained in books as at March 31, 2016 Rs ('000) NIL [as at March 31, 2015 Rs. ('000) NIL ] and IBNR/IBNER for all lines of business Rs. ('000) 64,20,629 [as at March 31, 2015 Rs. ('000) 49,35,304].

The amount recoverable from reinsurers against claims outstanding amounts to Rs. ('000) 78,07,917 [As at March 31, 2015 Rs. ('000) 5,220,924].

There are no claims that have been settled and remaining unpaid for a period of more than six months as at March 31, 2016.

### 3.5. Premium

Premium net of reinsurance is written and received in India.

### 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 regulations and the guidelines issued by the Institute of Actuaries of India.

Premium Deficiency Reserve has been calculated using the Ultimate Net Loss Ratios projected by Line of Business.

Depending upon the Line of Business, a suitable actuarial method like Chain Ladder Method, Average Cost per Claim Method, Bornhuetter Ferguson Method, Ultimate Loss Ratio Method, Payment Per Claim Finalized Method and Modified Case Reserves Method or a mixture of these have been used for IBNR calculations. Ultimate Loss Ratio method was chosen in earlier years in view of the constraint of data both in time and volume.

#### 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).

**Year ended march 31, 2016**

Line of Business	Ceded Ratio (%)	Retained Ratio (%)
Fire	82	18
Cargo	34	66
Motor	5	95
Workmen compensation	5	95
Public Liability	45	55
Engineering	78	22
Personal Accident	5	95
Health Insurance	12	88
Others	59	41
<b>Total</b>	<b>13</b>	<b>87</b>

## FINANCIAL STATEMENT

Year ended march 31, 2015

Line of Business	Ceded Ratio (%)	Retained Ratio (%)
Fire	85	15
Cargo	74	26
Motor	7	93
Workmen compensation	5	95
Public Liability	53	47
Engineering	71	29
Personal Accident	5	95
Health Insurance	7	93
Others	45	55
<b>Total</b>	<b>15</b>	<b>85</b>

### 3.8. Investments

There are no contracts outstanding in relation to purchases where deliveries were pending and sales where payments are overdue at the end of the reporting year.

All Investments are made in accordance with the Insurance Act, 1938 and Insurance Regulatory and Development Authority (Investment) Regulations, 2000.

The historical cost of Investments in Mutual Fund which are valued on fair value basis is Rs.1,032,100 ('000) [as at March 31, 2015 Rs. ('000) 205,954].

Investments under section 7 of the Insurance Act, 1938 are as follows:

Description of Security	(Rs. in '000)	
	As at March 31, 2016	As at March 31, 2015
7.83% GOI Bonds	NA	98,791
8.07% GOI Bonds	NA	19,711
<b>Total</b>		<b>118,502</b>

The Insurance laws (Amendment) Act, 2015 has dispensed with the requirement of maintaining deposit under Section 7 of Insurance Act, 1938. Subsequent to that IRDA vide its circular ref no IRDAI/F&I/CIR/INV/093/04/2015 dated 30th April 2015, has directed that the Insurers can withdraw the lien marked securities, held in CSGI Account for the purpose of Section 7 deposit. The company has accordingly transferred the securities previously held under Section 7 of Insurance Act to its Policy Holders Investment Custody Account

### 3.9. Participation in Repo/Reverse Repo transactions in Corporate Debt Securities and/or government securities

Particulars	Minimum Outstanding during the year	Maximum Outstanding during the year	Daily Average Outstanding during the year	Outstanding as on March 31, 2016
Securities Sold under repo	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
I Government Securities				
II Corporate Debt Securities				
Securities Purchased under reverse repo	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
I Government Securities				
II Corporate Debt Securities				

Amounts in brackets represent previous figures.

### 3.10. Investment property

The Company does not have any investment property at the reporting date.

### 3.11. Sectorwise business [based On gross direct written premium (GWP)]

Business Sector	For the Year ended March 31, 2016 [Rs. ('000)]	
	GWP	% of GWP
Rural	787,626	6.18
Urban	11,956,569	93.82
<b>Total</b>	<b>12,744,195</b>	<b>100</b>

Numbers of lives covered in Social Sector are 42,110 for the year ended March 31, 2016.

Business Sector	For the Year ended March 31, 2015 [Rs. ('000)]	
	GWP	% of GWP
Rural	936,456	6
Urban	13,634,206	94
<b>Total</b>	<b>14,570,662</b>	<b>100</b>

Numbers of lives covered in Social Sector are 572,073 for the year ended March 31, 2015.

### 3.12. Fixed assets and depreciation

## FINANCIAL STATEMENT

The estimated useful life of the assets used is as under:

Nature of asset	Useful lives as per Schedule II to the Companies Act, 2013	(In years)
		Estimated useful life as per revised policy
Intangibles-Computer Software	NA	4
Leasehold Improvements (Electrical Works)	10	Lower of Primary Lease Period or 6 Years
Leasehold Improvements (Other than Electrical Works)	3	Lower of Primary Lease Period or 3 Years
Furniture, Fixtures & Equipments	10	6
Information Technology Equipment (servers and networks)	6	4
Information Technology Equipment (End user Devices)	3	3
Information Technology Equipment (Project Management Fee)	4	4
Vehicles	8	4
Office Equipment	5	5

The company does not have any assets in its books where in the useful life of the component is different than the useful life of the principal asset and the company depreciates the entire asset under one uniform rate considering single effective life.

### 3.13. Computation of managerial remuneration

Details of Payment	For the Year ended March 31, 2016 (Rs. in '000)	For the Year ended March 31, 2015 (Rs. in '000)
Salary and allowances	18,679	13,919
Provident fund	1,084	756
Bonus and Long Term Incentive Paid	12,614	8,141
Perquisites	1,570	1,133
Severance Package	-	22,628
AXA performance shares	2,978	
<b>Total</b>	<b>36,925</b>	<b>46,577</b>

In addition, Mr Deepak Iyer is eligible to 7500 AXA Performance Shares as detailed in Note 3.23 (e)

In terms of aforementioned IRDAI approvals, Rs. ('000) 8,852 [Previous period Rs. ('000) 9,500] is charged to revenue account and remaining Rs. ('000) 28,073 [Previous period Rs. ('000) 37,707] is charged to Profit and Loss account.

For this purpose, bonus and long term incentives are being reckoned on payment basis and not that relating to the current year.

### 3.14. Segment reporting



The Company's primary reportable segments are business segments, which have been identified in accordance with the IRDA Regulations. Segment revenue and results have been disclosed in the financial statements. Due to inherent complexities, segment assets and liabilities have been identified to the extent possible and given 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.

### 3.15. Related party disclosure

Related party disclosures have been set out in **Annexure II**.

### 3.16. Outsourcing, business development and marketing support expenses:

Particulars	For the year ended March 31, 2016 (Rs. in '000)	For the year ended March 31, 2015 (Rs. in '000)
Outsourcing costs	393,173	378,711
Business Development and marketing support expenses	96,169	36,702
<b>Total</b>	<b>489,342</b>	<b>415,413</b>

### 3.17. Provision on bad and doubtful receivables

All outstanding perceived by management to be non-collectible after expiry of reasonable time frame will be considered for provisioning for bad and doubtful debts. This would include receivable on account of Co Insurance Inward premium and claim receivable and Re Insurance premium and claim receivable. Provision for bad and doubtful debts is created only for commercial lines of business.

The Policy for creating provision for Bad and doubtful debts is as follows :-

Provide 25 % for all receivables outstanding for more than 5 years  
Provide 50 % for all receivables outstanding for more than 7 years  
Provide 75 % for all receivables outstanding for more than 10 years  
Provide 100 % for all receivables outstanding for more than 15 years.

### B. Provision Written Back

During the year, the reversal of excess provision for expenses amounting to Rs. ('000) 18,738 [Previous year Rs. ('000) 24,465] have been netted under miscellaneous expenses in Schedule 4.

## FINANCIAL STATEMENT

### 3.18. Accounting ratios

Sr.No	Performance Ratio	Total	Fire	Marine	Misc
1	<b>Gross Direct Premium Growth Rate (Segment wise)</b>	-13%	-20%	-19%	-12%
	Gross direct premium for the current year/				
	Gross direct premium for the previous year				
2	<b>Gross Direct Premium to Net Worth Ratio</b>	1.85			
	Gross direct premium for the current year /				
	Paid Up Capital and free reserves				
3	<b>Growth rate of Net Worth</b>	23%			
	Net Worth as at the Current Balance Sheet date /				
	Net Worth as at the previous Balance sheet date				
4	<b>Net Retention Ratio (Segment wise)</b>	85%	14%	57%	90%
	Net written premium / Gross direct premium+RI Acceptance				
5	<b>Net Commission Ratio (Segment wise)</b>	3%	-41%	8%	3%
	Gross Commission Paid net of reinsurance commission /				
	Net written premium				
6	<b>Expense of Management to Gross Direct Premium Ratio</b>	43%	17%	37%	44%
	Expenses of Management plus direct commissions paid/				
	Gross direct premium				
7	<b>Expense of Management to Net Written Premium Ratio</b>	50%	109%	62%	49%
	Expenses of Management plus direct commissions paid/				
	Net Written Premium				
8	<b>Net Incurred Claims to Net Earned Premium</b>	93%	237%	105%	91%
	Net Incurred Claims / Net Earned Premium				
9	<b>Combined Ratio</b>	140%	268%	159%	139%
	(Net Incurred Claims/NEP)+(Expenses of Management incl net commission/NWP)				
10	<b>Technical Reserves to net premium ratio</b>	1.86	3.71	1.24	1.86

Sr.No	Performance Ratio	Total	Fire	Marine	Misc
	(URR + Reserve for Premium Deficiency + Reserve for outstanding claims including IBNR and IBNER)/				
	Net Written Premium				
11	<b>Underwriting balance ratio</b>	(0.38)	(1.69)	(0.76)	(0.36)
	Underwriting profit/ loss / Net earned premium				
12	<b>Operating profit ratio</b>	-18%	-185%	-48%	-16%
	Underwriting profit/ loss plus investment income / net earned premium				
13	<b>Liquid Assets to liabilities ratio</b>	0.33	-	-	
	Liquid Assets of the Insurer / Policy Holders Liabilities				
14	<b>Net earnings ratio</b>	-18%	-	-	
	Profit after tax/ net premium				
15	<b>Return on net worth ratio</b>	-30%			
	Profit after tax/ networkth				
16	<b>Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio</b>	1.59			
17	<b>NPA ratio</b>	NA			

## FINANCIAL STATEMENT

S. No.	Performance Ratio	Ratios for the year ended March 31, 2015 (in %)			
		Fire	Marine	Misc.	Total
1	Gross Direct Premium Growth Rate	(3%)	(4%)	3%	2%
	Gross Direct Premium for Current Year/ Gross Direct Premium for Previous Year				
2	Gross Direct Premium to Net Worth Ratio	-	-	-	2.61
	Gross Direct Premium for Current Year/(Paid up Capital plus Free Re- serves)				
3	Growth rate of Net worth	-	-	-	36%
	Net worth as the current balance sheet date/ Net worth at the previous balance sheet date				
4	Net Retention Ratio	11%	24%	89%	83%
	Net Written Premium/ Gross Direct Premium				
5	Net Commission Ratio	(50%)	(30%)	3%	2%
	Gross Commission Paid net of Reinsur- ance/ Net Written Premium				
6	Expense of Management to Gross di- rect premium ratio	11%	17%	39%	37%
	Expenses of Management + Direct Commission Paid /Gross Direct Premi- um				
7	Expense of Management to Net Writ- ten Premium Ratio	88%	67%	43%	44%
	Expenses of Management plus direct commissions paid/Net Written Premium				
8	Net Incurred Claims to Net Earned Premium	80%	97%	86%	86%
	Net Incurred Claims / Net Earned Pre- mium				
9	Combined Ratio	72%	111%	127%	127%
	(Net Incurred Claims/NEP)+(Expenses of Management incl. net commis- sion/NWP)				
10	Technical Reserves to net premium ra- tio	1.88	1.36	1.56	1.56
	(URR + Reserve for Premium Deficiency + Reserve for outstanding claims in- cluding IBNR and IBNER)/Net Written Premium				
11	Underwriting balance ratio	0.27	(0.11)	(0.28)	(0.27)

	Underwriting profit/ loss / Net earned premium				
12	Operating profit ratio	-10%	102%	7%	-11%
	Underwriting profit/ loss plus investment income / net earned premium				
13	Liquid Assets to liabilities ratio	-	-	-	0.29
	Liquid Assets of the Insurer / Policy Holders Liabilities				
14	Net earnings ratio	-	-	-	(10)%
	Profit after tax/ net premium				
15	Return on net worth ratio	-	-	-	(21)%
	Profit after tax/ net worth				
16	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	-	-	-	1.57
17	NPA ratio	-	-	-	NA

1. t Premium represents Gross Direct Premium less reinsurance ceded.
2. Expenses of Management represent Operating expenses related to Insurance business only in case of each line of business.
3. Underwriting Profit represents Segmental Profit / (Loss) excluding Investment Income.
4. Liquid Assets represent Cash, Cash Equivalents and Short Term Investments.

### 3.19. Leases

#### i) Operating lease commitments

##### Office and residential premises

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, 2016 (Rs. in '000)	As at March 31, 2015 (Rs. in '000)
Payable not later than one year	141,175	134,795
Payable later than one but not later than five years	199,722	301,988
Payable later than five years	2,946	13,966

## FINANCIAL STATEMENT

An amount of Rs. ('000) 152,132 [Previous year Rs. ('000) 139,923] 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, 2016 (Rs. in '000)	As at March 31, 2015 (Rs. in '000)
Payable not later than one year	2,673	1,674
Payable later than one but not later than five years	5,010	3,480

The aggregate operating lease rental, charged to the Revenue Account in the current period is Rs. ('000) 2,368 [Previous year Rs. ('000) 8,821]. 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.

### 3.20. Earnings per share

Particulars		Year ended March 31, 2016	Year ended March 31, 2015
Profit/(Loss) attributable to the Equity Shareholders [A]	Rs. ( '000)	(2,043,578)	(1,182,551)
Number of Equity Shares at the beginning of the reporting year (par value of Rs 10 each)	No's	1,238,668,534	976,551,494
Shares issued during the reporting year	No's	332,776,788	262,117,040
Total number of equity shares outstanding at the end of the reporting year	No's	1,571,445,322	1,238,668,534
Weighted average number of equity shares outstanding during the end of the reporting year [B]	No's	1,295,060,562	1,083,260,667
Nominal Value of equity shares	Rs.	10	10
<b>Basic and Diluted Earnings per share [C= A/B]</b>	<b>Rs.</b>	<b>(1.58)</b>	<b>(1.09)</b>

#### Note:

No Money is lying under share Application which is pending for Allotment as on Mar 31, 2016. [PY,NIL '.]

**3.21.** 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, 2016 (Rs. '000)	As at March 31, 2015 (Rs. '000)
i)	Principal amount due and remaining unpaid to any Supplier as at the end of reporting year	79	726
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

### 3.22. Deferred tax

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

### 3.23. Retirement and other employee benefits

#### (a) Defined contribution plan

The Company has recognized Rs. ('000) 49,447 [Previous year Rs. ('000) 42,803] as Provident Fund contribution towards defined contribution plan as an expense in the Revenue and Profit and Loss Account.

#### (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

## FINANCIAL STATEMENT

Particulars	Current Year	Previous Year
	Rs. ('000)	Rs. ('000)
Present value of obligations as at the beginning of the reporting year (A)	41,498	39,964
Current service cost (B)	8,064	3,099
Interest cost (C)	2,552	3,258
Actuarial loss/(gain) on obligation (D)	574	7,548
Benefits paid (E)	(12,205)	(12,371)
Present value of obligations as at the end of the reporting year (F=A+B+C+D+E)	40,484	41,498

### Fair value of plan asset

Particulars	Current year	Previous Year
	Rs. ('000)	Rs. ('000)
Plans assets at period beginning, at fair value (A)	21,937	32,228
Actuarial Adjustment (B)	-	(242)
Expected Return on Plan Assets (C)	2,116	2,157
Actuarial Gain /(Loss) (D)	(408)	165
Contributions (E)	26,942	Nil
Benefits Settled (F)	(12,205)	(12,371)
Balance with Bank Accounts (G)	Not Ascer- tained	Not Ascer- tained
Plan Assets at Period End, at fair value [G=A+B+C+D+E+F+G]*	38,382	21,937

\*Gratuity fund is managed by Life Insurance Corporation of India (LIC). Individual investment wise details of the plan assets are not being provided by LIC.

### Fair Value of assets and obligations

Particulars	Current Year	Previous Year
	Rs. ('000)	Rs. ('000)
Fair Value of Plan Assets (A)	38,381	21,937
Present value of Obligations (B)	40,484	41,498
Net Asset / (Liability) recognized in Balance Sheet (C = B - A)	(2102)	(19,561)

### Net cost for the reporting year

Particulars	Current Year	Previous Year
	Rs. ('000)	Rs. ('000)
Current Service Cost (A)	8,064	3,099
Interest Cost (B)	2,552	3,258
Actuarial loss/(gain) on obligation (C)	574	7,548
Actuarial (loss)/gain on plan assets (D)	408	(165)
Expected Return on Plan Assets (E)	(2116)	(2,157)
Actuarial Adjustment (F)	-	242
Expenses recognized in Profit & Loss Account (G) =(A+B+C+D+E+F)	9,482	11,825



### b. Compensated absences

#### Defined benefit obligation

Particulars	Current Year	Previous Year
	Rs. ('000)	Rs. ('000)
Present value of obligations as at the beginning of the reporting year (A)	44,499	29,373
Current service cost (B)	9,214	17,299
Interest cost (C)	2,351	2,955
Actuarial loss/(gain) on obligation (D)	9,946	6,606
Benefits paid (E)	(23,790)	(11,734)
Present value of obligations as at the end of the reporting year (F=A+B+C+D+E)	42,220	44,499

#### Net cost for the reporting year

Particulars	Current Year	Previous Year
	Rs. ('000)	Rs. ('000)
Current Service Cost (A)	9,214	17,299
Interest Cost (B)	2,351	2,955
Actuarial loss/(gain) on obligation (c)	9,946	6,606
Expenses recognized in Profit & Loss Account D=(A+B+C)	21,511	26,860

### i) Principal actuarial assumptions used in determining gratuity and compensated leaves absences-employment benefits.

	For the year ended 31-Mar-16	For the year ended 31-Mar-15	For the year ended 31-Mar-14	For the year ended 31-Mar-13	For the year ended 31-Mar-12
Discount Rate	7.21%	7.82%	8.80%	8.25%	8.50%
Salary increase	11.00%	11.00%	11.00%	11.75%	13.00%
Mortality rate	Mortality Rate Indian Assured Lives (2006-08) Ultimate Mortality Table				
Estimated rate of return on plan assets	7.21%	8.00%	8.00%	Not Ascertained	NA
Retirement Age	58	58	58	58	58
Attrition rate	35.50%	33%	29.70%	34.47%	58.00%

- (c) The Company has a Long Term Incentive Plan ('LTIP') for select 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 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) AXA Miles refers to 50 shares that were granted free of charge, by AXA SA Paris, to each of the employees of the Company who were on the rolls as on March 16 2012 with certain conditions. These shares were in lock-in until 16th March 2016, post which they were made available to the eligible employees with rights for alienation including sale. BAGI was not charged by AXA Paris for these shares and therefore no provision was recognized in the books.

## FINANCIAL STATEMENT

- (e) CEO & MD and CFO are eligible for AXA Performance Shares . AXA Performance Shares refer to the right to acquire and sell a certain number of Shares of AXA SA Paris as detailed in table below, on a specific settlement date based on certain performance conditions being met during the performance period of 3 years period and the shares are vested in the 4th year. The Company will be cross charged by AXA SA Paris for these shares and therefore the applicable estimated provisioning based on the assumption that stipulated condition performance conditions will be met has been recognized in the books in Schedule 4 Operating Expenses details as given below.

SI No	Name	Designation	No of Shares eligible	Fair value granted (as advised by AXA SA Paris)	
				EURO	INR ( "000)
1	Deepak Dharmarajan Iyer	CEO & MD	7,500	39,513	2,978
2	Mathieu Verillaud	CFO	3,325	17,518	1,320

- 3.24.** Pursuant to an amendment to the FDI policy the shareholders of the Company sought IRDAI and FIPB's approval to increase AXA's shareholding from 26% to 49%. Post the receipt of the said approvals of IRDAI and FIPB Bharti Insurance Holdings Pvt Ltd. effected transfer of 352276257 shares in favor of Societe Beaujon (AXA) taking the AXA shareholding to 49%. As on 31<sup>st</sup> March 2016 the Company is Indian Owned and Controlled with a total foreign shareholding of 49%.

### **3.25. Marketing expenses allocation and regrouping**

Various expenses carried out by the Company have traditionally been classified as "Marketing expenses" and allocated on the basis of GWP to the different lines of business. They are incurred for the purpose of market development and include campaigns for creating marketing awareness of the Company's products specifically and insurance in general, display and distribution of marketing material and other promotional materials and training activities for product awareness.

These expenses are for the purpose of increasing the insurance penetration in the country as well as that of keeping the brand name visible to the customer in order to make an impact in a highly competitive business environment. These efforts are put in to ensure that the Company not only grows in bigger cities but also increases the awareness and coverage of general insurance in smaller towns and rural areas which we believe is in line with Insurance Regulator's philosophy of development of insurance in the Country.

These related expenses were essentially targeted to augment business expansion and accordingly Management had earlier classified them under marketing expenses (which is broad description of the services availed). However, the nature of services so availed being disparate and based on market development and practice and more importantly in order to support the Company's efforts to review and optimize its spend, Management has decided to regroup the marketing expenses under various heads based on their nature.

- 3.26.** 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 hereunder:

S.No	Particulars	2015-16 (Rs. '000)	2014-15 (Rs. '000)	2013-14 (Rs. '000)	2012-13 (Rs. '000)	2011-12 (Rs. '000)	2010-11 (Rs. '000)
		<b>OPERATING RESULTS</b>					
1	<b>Gross Written Premium *</b>	<b>12,845,220</b>	<b>14,741,511</b>	<b>14,333,860</b>	<b>12,638,565</b>	<b>9,809,712</b>	<b>6,204,313</b>
2	Net Premium Income	10,971,700	12,198,159	11,841,605	10,027,561	7,172,764	4,346,766
3	Income from Investments (net)	2,315,726	2,155,298	1,540,510	1,163,126	557,601	238,418
4	Other Income	13,106	7,603	2,196	-	-	-
5	<b>Total Income</b>	<b>13,300,532</b>	<b>14,361,060</b>	<b>13,384,311</b>	<b>11,190,687</b>	<b>7,730,365</b>	<b>4,585,184</b>
6	Commission (net)	326,931	298,272	349,044	217,955	42,632	(39,451)
7	Operating Expenses	4,893,535	4,737,498	3,992,396	3,560,960	2,895,964	2,448,519
8	Claims, Increase in Unexpired Risk Reserve and other outflows	10,128,087	10,515,710	9,698,265	8,813,470	6,309,500	3,936,695
9	<b>Operating Profit / (Loss)</b>	<b>(2,048,021)</b>	<b>(1,190,420)</b>	<b>(655,394)</b>	<b>(1,401,698)</b>	<b>(1,517,731)</b>	<b>(1,760,579)</b>
		<b>NON-OPERATING RESULTS</b>					
10	Total Income under shareholders account (net)	5,643	8,549	27,029	(37,625)	123,235	57,590
11	Profit / (Loss) before tax	(2,042,378)	(1,181,868)	(628,365)	(1,439,323)	(1,394,497)	(1,702,989)
12	Provision for tax	1,200	683	751	525	475	465
13	Profit / (Loss) after tax	(2,043,578)	(1,182,551)	(629,116)	(1,439,848)	(1,394,972)	(1,703,454)
	<b>MISCELLANEOUS</b>						
14	Policyholder's Account						
	Total Funds	6,887,760	5,581,554	4,278,127	3,232,430	3,093,642	1,432,329
	Total Investments	28,363,510	24,609,821	19,574,845	14,127,776	9,978,700	4,996,639
	Yield on Investments	8.87%	9.15%	9.01%	8.91%	8.45%	6.95%
15	Shareholder's Account						
	Total Funds	11,778	7,394	28,363	163,170	241,773	317,680
	Total Investments	48,503	32,600	129,776	713,164	779,852	1,108,217
	Yield on Investments	3.04%	8.36%	8.53%	7.07%	9.14%	6.25%
16	Paid up equity capital	15,714,453	12,386,685	9,765,515	8,454,930	7,034,930	4,222,717
17	Net worth	6,899,538	5,588,949	4,306,490	3,395,602	3,335,418	1,750,009
18	Total Assets	31,612,041	27,785,111	22,262,297	16,685,263	13,136,638	7,397,332
19	Yield on Total Investments	8.51%	9.15%	9.00%	8.81%	8.74%	6.25%
20	Earnings Per Share - (INR Rs.)	(1.58)	(1.09)	(0.70)	(1.96)	(2.77)	(5.94)
21	Book Value Per Share - (INR Rs.)	4.39	4.51	4.41	4.02	4.74	4.14
22	Total Dividend	-	-	-	-	-	-
23	Dividend per Share	-	-	-	-	-	-

## FINANCIAL STATEMENT

Gross written premium includes Reinsurance inwards premium and retrocession premium of Motor pool, Declined pool and Terrorism Pool.

**3.27.** There were no forward or derivative contracts outstanding as at March 31, 2016 and March 31, 2015. Foreign currency exposure as at March 31, 2016 and March 31, 2015 that has not been hedged by any derivative instrument or otherwise is estimated as follows:

Particulars	Foreign Currency	As at March 31, 2016 (Foreign currency)	As at March 31, 2016 Rs. '(000)	As at March 31, 2015 (Foreign currency)	As at March 31, 2015 Rs. '(000)
Liabilities	SGD	NIL	NIL	110,000	4,996
Liabilities	EUR	83,334	6,277	33,259	2,237
Liabilities	USD	6,386,025	4,24,186	5,256,935	319,654

**3.28. Disclosures on penal actions taken against the Company for the period April 1, 2015 to March 31, 2016**

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	None (None)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3.	Income Tax Authorities	None (None)	Nil (Nil)	Nil (Nil)	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)

**3.29. Indian motor third party declined risk insurance pool**

The Company has received the Audited Accounts up to 3<sup>rd</sup> quarter of financial year 2015-2016. As per the said statement the company has met its

declined pool quota obligation up to December 31, 2015 and is not expected to accept any retrocession for the Quarter ending March 16.

### 3.30. 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, 2015

#### (b) Solatium fund

The IRDA 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 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. ('000) 3,203 [Previous year Rs. ('000) 3,406] on an accrual basis (see accounting policy in paragraph 2(u) above) and disclosed under Current Liabilities.

#### (c) Contributions to environment relief fund

During the year, an amount of Rs. 659 ('000) [Previous year Rs. ('000) 910] was collected towards Environment Relief Fund for public liability policies and an amount of Rs.569 ('000) [Previous year Rs. ('000) 896] 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.90 ('000) [Previous year Rs. ('000) 14] is included under Sundry Creditors in Schedule 13.

### 3.31. Solvency

The actual solvency ratio of the Company as at March 31, 2016 is 1.59 [Previous Year Ratio 1.57], against the required solvency ratio of 1.50.

### 3.32. 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:

Authority	[Amount in Rs. ('000)]						
	Total amount	1-6 months	7-12 months	13-18 months	19-24 months	25-30 months	Beyond 30 months
Claims settled but not	-	-	-	-	-	-	-

## FINANCIAL STATEMENT

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.	92,986 (17,595)	10,103 (583)	28,863 (768)	18,567 (1,059)	8,784 (1,345)	5,027 (1,150)	21,643 (12,689)
Cheques issued but not encashed by the policyholders/insured*	95,037 (69,514)	20,335 (14,753)	17,090 (11,117)	7,453 (7,518)	8,163 (5,483)	6,964 (6,684)	35,033 (23,959)

Amounts in brackets represent previous figures.

Does not include Cheques issued to policy holders and appearing in bank reconciliation as on March 31, 2016

- 3.33.** The Income Tax Act, 1961 contains provisions for determination of arm's length price for international transactions between the Company and its associated enterprises as well as in respect of certain specified domestic transactions. The regulations envisage taxation of transactions which are not in consonance with the arms-length price so determined, maintenance of prescribed documents and information including furnishing of a report from an accountant before the due date for filing the return of income. For the year ended March 31, 2015, the Company has complied with the said regulations. Documentations for the current year are in progress. Management believes that such transactions have been concluded on an arm's length basis and there would be no additional tax liability for the financial year ended March 31, 2016 as a result of such transactions.

- 3.34.** Previous year figures have been regrouped wherever necessary in conformity with the presentation followed in the current financial year.

Particulars	Amount Regrouped ('000)	Reasons
In Schedule 2, claims outstanding at the close and beginning of the financial year 2014 15 have been regrouped to the extent of motor pool shown separately in schedule 13	2,729,658	Reinsurance recovery of claims settled upto 31 <sup>st</sup> march 2016 have been adjusted against the motor pool liability
Marketing Expenses shown in Schedule 4 was regrouped into training , advertisement and publicity and marketing expenses as given below		Refer to Note 3.26

- Training expenses	1,385,157	
- Advertisement and publicity	149,580	
- Marketing expenses	(1,534,737)	
In schedule 13, sundry creditors re-grouped under cash call advances received	664,944	Cash call received from AXA corporate solutions had earlier been shown under sundry creditors

### For and on behalf of the Board

**RAKESH BHARTI MITTAL**  
(CHAIRMAN)

**JEAN, PAUL, DOMINIQUE, LOUIS DROUFFE**  
(DIRECTOR)

**DEEPAK DHARMARAJAN IYER**  
(CHIEF EXECUTIVE OFFICER & MD)

**BHARAT SUMANT RAUT**  
(INDEPENDENT DIRECTOR)

**ASHISH SARMA**  
(COMPANY SECRETARY)

**MATHIEU VERILLAUD**  
(CHIEF FINANCIAL OFFICER)

## **FINANCIAL STATEMENT**

**ANNEXURES TO SCHEDULE 16 - SIGNIFICANT ACCOUNTING POLICIES AND NOTES  
TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR  
ENDED MARCH 31, 2016**

**ANNEXURE I (Refer Note 3.15)**

**Segment report**



Bharti AXA General Insurance Company Limited

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31 , 2016

Rs '000'																					
Particulars	Fire	Marine			Miscellaneous																Total
		Cargo	Others	Total	Motor	OD	Motor	TP	IMTPIP	DECLINED POOL	Total	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	LBU	Miscellaneous Total	
Premium Earned (Net)	93,642	118,101	-	118,101	6,945,070		3,128,490	-			10,073,560	72,169	95,246	58,204	-	170,613	828,123	71,387	1,105	1,296,847	11,582,150
Profit on Sale of Investments	170	406	-	406	17,298		7,771	-			25,069	167	275	84	-	392	1,923	112	4	2,957	28,602
Interest and Dividend	29,484	31,724	-	31,724	1,349,971		606,499	-			1,956,470	13,000	21,430	10,056	-	30,590	150,101	8,770	282	234,229	2,251,907
Amortisation	209	501	-	501	21,299		9,569	-			30,868	205	338	103	-	483	2,368	139	4	3,640	35,218
Other Income					8,089		3,634	-			11,723	78	128	39	-	183	899	52	2	1,381	13,104
Total Segmental Revenue	123,505	150,732	-	150,732	8,341,727		3,755,963	-	-	-	12,097,690	85,619	117,417	68,486	-	202,261	983,414	80,460	1,397	1,539,054	13,910,981
Claims Incurred (Net)	222,116	123,736	-	123,736	5,205,847		4,010,365	-			9,216,212	22,238	68,272	3,178	-	84,089	768,980	206,714	531	1,154,002	10,716,066
Commission Paid (Net)	(40,138)	11,701	-	11,701	285,722		(10,612)	-			275,110	3,811	7,391	(25,110)	-	15,983	83,780	(3,842)	(1,757)	80,256	326,929
Operating Expenses related to Insur	77,819	72,560		72,560	2,927,761		1,318,553	-			4,246,314	27,354	46,505	32,875	-	71,432	300,919	30,098	729	509,912	4,906,605
Premium Deficiency	27,488	-	-	-							-	-	-	(11,041)	-	-	(43,099)	7,724	-	(46,416)	(18,928)
Total Segmental Expenditure	287,285	207,997	-	207,997	8,419,330		5,318,306	-	-	-	13,737,636	53,403	122,168	(98)	-	171,504	1,110,580	240,693	(496)	1,697,754	15,930,672
Segmental Profit	(163,780)	(57,265)	-	(57,265)	(77,603)		(1,562,343)	-	-	-	(1,639,946)	32,216	(4,751)	68,584	-	30,757	(127,166)	(160,233)	1,893	(158,700)	(2,019,691)

**Bharti AXA General Insurance Company Limited**

**SEGMENTAL BREAK-UP OF THE BALANCE SHEET AS AT MARCH 31, 2016**

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

Rs '000'														
Particulars	Fire	Marine			Motor	Workmen's Compensation	Public Liability	Engineeri	Aviation	Personal Accident	Health Insurance	Others	Misc Total	Total
		Cargo	Others	Total										
Claims Outstanding	246,815	114,294	-	114,294	12,379,293	30,348	105,712	52,789		73,035	207,792	146,607	12,995,575	13,356,684
Reserve for Unexpired Risk	87,197	77,679	-	77,679	4,892,666	23,977	46,653	31,804	-	61,921	280,492	21,936	5,359,449	5,524,324

Bharti AXA General Insurance Company Limited

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31 , 2015

Rs '000'

Particulars	Fire	Marine			Miscellaneous																	Total
		Cargo	Others	Total	Motor	OD	Motor	TP	IMTPIP	DECLINED POOL	Total	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	LBU	Miscellaneous Total		
Premium Earned (Net)	114,270	80,832	-	80,832	6,925,386		2,741,476	-	-	9,666,862	69,787	51,686	71,187	-	204,807	1,706,874	70,885	1,211	2,176,437	12,038,401		
Profit on Sale of Investments	53	62	-	62	5,442		2,296	-	-	7,738	57	55	44	-	155	1,156	63	1	1,531	9,385		
Interest and Dividend	11,138	12,984	-	12,984	1,134,237		478,629	62,551	-	1,675,418	11,796	11,562	9,231	-	32,262	241,022	13,068	208	319,148	2,018,688		
Amortisation	724	844	-	844	73,770		31,130	-	-	104,899	767	752	600	-	2,098	15,676	849	14	20,757	127,225		
Other Income	-	-	-	-	6,347		4,464	-	-	6,347	46	45	36	-	127	949	51	1	1,256	7,603		
Total Segmental Revenue	126,185	94,722	-	94,722	8,145,182		3,257,995	62,551	-	11,461,264	82,453	64,101	81,099	-	239,449	1,965,677	84,916	1,435	2,519,130	14,201,303		
Claims Incurred (Net)	91,550	78,314	-	78,314	4,533,407		3,566,604	-	-	8,100,011	19,483	15,958	69,868	-	132,139	1,731,445	70,252	96	2,039,242	10,309,116		
Commission Paid (Net)	(47,790)	(24,011)	-	(24,011)	248,529		(12,881)	-	-	235,648	2,981	2,559	(37,138)	-	18,997	159,097	(9,594)	(2,477)	134,425	298,272		
Operating Expenses related to Insur	61,029	43,768	-	43,768	2,755,682		1,165,283	968	-	3,921,934	25,601	23,692	39,854	-	76,021	483,569	46,624	624	695,985	4,722,716		
Premium Deficiency	(52,709)	-	-	-	-		-	-	-	-	-	-	11,041	-	-	43,099	21,811	-	75,951	23,243		
Total Segmental Expenditure	52,080	98,070	-	98,071	7,537,618		4,719,007	968	-	12,257,593	48,065	42,209	83,625	-	227,156	2,417,210	129,094	(1,757)	2,945,603	15,353,347		
Segmental Profit	74,105	(3,348)	-	(3,349)	607,564		(1,461,012)	61,583	-	(796,329)	34,388	21,892	(2,526)	-	12,293	(451,534)	(44,178)	3,192	(426,473)	(1,152,046)		

**Bharti AXA General Insurance Company Limited**

**SEGMENTAL BREAK-UP OF THE BALANCE SHEET AS AT MARCH 31, 2015**

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

Particulars	Fire	Marine			Motor	Workmen's Compensation	Public Liability	Engineeri	Aviation	Personal Accident	Health Insurance	Others	Misc Total	Total
		Cargo	Others	Total										
Claims Outstanding	148,583	69,929	-	69,929	9,326,177	29,996	38,432	94,660		88,466	342,232	41,905	9,961,868	10,180,380
Reserve for Unexpired Risk	83,393	40,422	-	40,422	5,385,075	32,482	36,954	50,887	-	82,728	372,734	50,100	6,010,960	6,134,774

### Annexure II - (Refer Note 3.16)

**Related party disclosures as per the accounting standard (AS)-18 notified by Central government for the year ended March 31, 2016**

Relationship	Name of The Company
Enterprise under the common control of ultimate holding companies of joint venture partners	Airtel Bangladesh
	AIRTEL M COMMERCE SERVICES LTD
	Atrium Restaurants India Private Limited
	Axa Affin General Insurance Berhard
	AXA Asia Regional Centre Pte Limited
	AXA Asia Regional Office Hong Kong
	AXA Assistance India Private Limited
	AXA Business Services Private Limited
	AXA China Region Insurance Co Ltd
	AXA Corporate Solution Reassurance
	AXA Financial Services (Singapore)
	AXA General Insurance Hong Kong Limited
	AXA General Insurance Singapore
	AXA Group Solutions Private Limited
	AXA Group Solutions Spain
	AXA Insurance Public Co. Ltd
	AXA Insurance Singapore Pte Ltd.
	AXA LIFE INSURANCE
	AXA Technologies Shared Services Private Limited
	Beetel Teletech Limited
	Bharti (RBM) Holding Private Limited
	Bharti (RM) Holding Private Limited
	Bharti (SBM) Holding Private Limited
	Bharti Airtel Hong Kong Limited
	Bharti Airtel Lanka Private Limited
	Bharti Airtel Limited
	Bharti Airtel Services Limited
	Bharti Airtel Singapore Private Limited
	Bharti Airtel USA Limited
	Bharti AXA Life Insurance Company Limited
	Bharti Comtel Limited
	Bharti Enterprises (Holding) Pvt Ltd
	Bharti Enterprises Limited
	Bharti Foundation
	Bharti Hexacom Limited
	Bharti Infotel Private Limited
	Bharti Infratel Limited
	Bharti Land Limited
	Bharti Overseas Private Limited
	Bharti Realty Holding Limited
	Bharti Realty Limited
	Bharti Retail Limited
	Bharti Telemedia Limited
	Bharti Telesoft Limited
	Bharti Teletech Limited
	Bharti Tele Ventures Limited
	Bharti Ventures Limited
	Bharti Walmart Private Limited
	BOI Axa Investment Managers Private Limited

## FINANCIAL STATEMENT

Relationship	Name of The Company
	Bulldog Media and Entertainment Private Limited
	Cedar Support Services Ltd
	Centum Learning Limited
	Centum Workskills Pvt Ltd
	Comviva Technologies Limited
	DM Build well Private Limited
	Field Fresh Foods Private Limited
	GIBA Holdings Private Limited
	GIE AXA
	Gourmet Investments Private Limited
	Infrasoft Technologies Limited
	Indian School of Business
	Indus Towers Limited
Joint venture partners	Bharti Ventures Limited
	GIBA Holdings Private Limited
	Société Beaujon
Key managerial personnel	Mr. Deepak Iyer (Chief Executive Officer and Managing Director effective 28th August, 2016)
	Mr. Milind Chalisgaonkar (Interim Chief Executive Officer and Managing Director Upto 31st July, 2016)
Person exercising significant influence	
	Mr. Rakesh Bharti Mittal

## Rs.('000)

Particulars	Enterprise under the common control of ultimate holding companies of Joint Venture Partners		Joint Venture Partners		Key Management Personnel		Person exercising significant influence		Total	
	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015
<b>A.Transactions during the year</b>										
<b>Insurance Premium Received</b>	<b>109,844</b>	<b>37,169</b>	-	-	-	-	151	-	109,995	37,169
Bharti Airtel Limited	27,615	10,197	-	-	-	-	-	-	27,615	10,197
AXA Business Services Private Limited	44,140	10,167	-	-	-	-	-	-	44,140	10,167
Bharti Retail Ltd	9,353	441	-	-	-	-	-	-	9,353	441
Mr. Rakesh Bharti Mittal	-	-	-	-	-	-	151	-	151	-
Others	28,736	16,364	-	-	-	-	-	-	28,736	16,364
Bharti AXA Life Insurance Company Limited	302	2,713	-	-	-	-	-	-	302	2,713
Bulldog Media and Entertainment Private Limited	-	12	-	-	-	-	-	-	-	12
Bharti Airtel Services Limited	2,267	1,562	-	-	-	-	-	-	2,267	1,562
Bharti Infratel Limited	811	76	-	-	-	-	-	-	811	76
AXA Group Solutions Private Limited	-	-	-	-	-	-	-	-	-	-
AXA Technology Shared Services Private Limited	900	550	-	-	-	-	-	-	900	550
Bharti Airtel Singapore Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Airtel USA Limited	-	-	-	-	-	-	-	-	-	-
AXA Assistance India Private Limited	759	358	-	-	-	-	-	-	759	358
Field Fresh Foods Private Limited	(19)	1,592	-	-	-	-	-	-	(19)	1,592
Bharti Enterprises Limited	401	167	-	-	-	-	-	-	401	167
Bharti Foundation	391	26	-	-	-	-	-	-	391	26
Bharti Hexacom Limited	198	-	-	-	-	-	-	-	198	-
Bharti Infotel Private Limited	-	-	-	-	-	-	-	-	-	-
	76	-	-	-	-	-	-	-	76	-
Bharti Realty Limited	3,708	1,273	-	-	-	-	-	-	3,708	1,273
Bharti Telemedia Limited	315	-	-	-	-	-	-	-	315	-
Bharti Telesoft Limited	-	-	-	-	-	-	-	-	-	-
Beetel Teletech Limited	13,295	3,158	-	-	-	-	-	-	13,295	3,158
Bharti Ventures Limited	156	69	-	-	-	-	-	-	156	69
Bharti Walmart Private Limited	15	1,099	-	-	-	-	-	-	15	1,099
Bharti Realty Holdings Ltd	2,672	2,633	-	-	-	-	-	-	2,672	2,633
Bharti SBM Holdings Private Limited	145	19	-	-	-	-	-	-	145	19
Bharti Teletech Ltd	-	-	-	-	-	-	-	-	-	-
Bharti Enterprises Holding Pvt Ltd	3	3	-	-	-	-	-	-	3	3
Bharti Airtel Hongkong Limited	-	-	-	-	-	-	-	-	-	-
Bharti (RM) Holding Private Limited	383	171	-	-	-	-	-	-	383	171
Bharti (RBM) Holding Private Limited	572	79	-	-	-	-	-	-	572	79
Bharti Airtel Lanka Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti TeleVentures Limited	-	-	-	-	-	-	-	-	-	-
BHARTI COMTEL LTD	1	1	-	-	-	-	-	-	1	1
Airtel Bangladesh	-	-	-	-	-	-	-	-	-	-
BOI Axa Investment Managers Private Limited	154	136	-	-	-	-	-	-	154	136
Comviva Technologies Limited	762	-	-	-	-	-	-	-	762	-
Cedar Support Services Ltd	65	65	-	-	-	-	-	-	65	65
Centum Learning Limited	-	-	-	-	-	-	-	-	-	-
Centum Workskills Pvt Ltd	-	-	-	-	-	-	-	-	-	-
DM Buildwell Private Limited	209	17	-	-	-	-	-	-	209	17
Gourmet Investment Pvt Ltd	94	-	-	-	-	-	-	-	94	-
Atrium Restruants Pvt ltd	6	-	-	-	-	-	-	-	6	-
AIRTEL M COMMERCE SERVICES LTD	95	0	-	-	-	-	-	-	95	0
Indian School of Business	-	21	-	-	-	-	-	-	-	21
Indus Towers Limited	-	564	-	-	-	-	-	-	-	564
<b>Insurance Claims Paid</b>	<b>21,824</b>	<b>28,536</b>	-	-	-	-	-	-	21,824	28,536
Bharti Airtel Limited	5,388	7,362	-	-	-	-	-	-	5,388	7,362
Bharti Airtel Services Limited	2,833	3,105	-	-	-	-	-	-	2,833	3,105
AXA Insurance Public Co. Ltd	-	-	-	-	-	-	-	-	-	-

Rs.('000)

Particulars	Enterprise under the common control of ultimate holding companies of Joint Venture Partners		Joint Venture Partners		Key Management Personnel		Person exercising significant influence		Total	
	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015
Bharti Foundation	438	877	-	-	-	-	-	-	438	877
Bharti Infratel Limited	-	594	-	-	-	-	-	-	-	594
Beetel Teletech Limited	3,177	10,502	-	-	-	-	-	-	3,177	10,502
Bharti Retail Limited	1,590	938	-	-	-	-	-	-	1,590	938
Mr. Rakesh Bharti Mittal	-	-	-	-	-	-	-	-	-	-
Others	8,398	5,158	-	-	-	-	-	-	8,398	5,158
AXA Business Services Private Limited	484	247	-	-	-	-	-	-	484	247
AXA Technology Shared Services Private Limited	51	11	-	-	-	-	-	-	51	11
Field Fresh Foods Private Limited	1,066	2,454	-	-	-	-	-	-	1,066	2,454
Bharti AXA Life Insurance Company Limited	443	938	-	-	-	-	-	-	443	938
AXA Group Solutions Private Limited	-	-	-	-	-	-	-	-	-	-
BOI Axa Investment Managers Private Limited	-	3	-	-	-	-	-	-	-	3
Bharti Enterprises Limited	-	-	-	-	-	-	-	-	-	-
Bharti Walmart Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
Bharti Realty Limited	61	-	-	-	-	-	-	-	61	-
Bharti Hexacom Limited	-	-	-	-	-	-	-	-	-	-
Bharti Enterprises Holding Pvt Ltd	-	-	-	-	-	-	-	-	-	-
Bharti Teletech Ltd	-	-	-	-	-	-	-	-	-	-
Bharti Telemedia Limited	-	-	-	-	-	-	-	-	-	-
Bharti Realty Holding Limited	-	-	-	-	-	-	-	-	-	-
Comviva Technologies Limited	6,000	-	-	-	-	-	-	-	6,000	-
Indus Towers Limited	293	1,505	-	-	-	-	-	-	293	1,505
<b>Rent paid</b>	<b>10,248</b>	<b>8,042</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,248</b>	<b>8,042</b>
Bharti AXA Life Insurance Company Limited	8,809	6,782	-	-	-	-	-	-	8,809	6,782
Bharti Airtel Limited	-	-	-	-	-	-	-	-	-	-
Bharti Retail Limited	-	-	-	-	-	-	-	-	-	-
AXA Business Services Pvt Ltd	1,439	1,260	-	-	-	-	-	-	1,439	1,260
Others	-	-	-	-	-	-	-	-	-	-
AXA Technology Shared Services Private Limited	-	-	-	-	-	-	-	-	-	-
<b>Rent received</b>	<b>-</b>	<b>-</b>	<b>31</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31</b>	<b>27</b>
BOI AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
Private Limited	-	-	-	-	-	-	-	-	-	-
Private Limited	-	-	31	27	-	-	-	-	31	27
<b>Informational Support Services Received</b>	<b>422,780</b>	<b>352,739</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>422,780</b>	<b>352,739</b>
AXA Technologies Shared Services Private Limited	115,375	84,185	-	-	-	-	-	-	115,375	84,185
Bharti AXA Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-
AXA Asia Regional Office Hong Kong	307,405	268,554	-	-	-	-	-	-	307,405	268,554
<b>Management Support Charges</b>	<b>52,561</b>	<b>51,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,561</b>	<b>51,100</b>
AXA Asia Regional Office Hong Kong	52,561	51,100	-	-	-	-	-	-	52,561	51,100
<b>Professional Services Received</b>	<b>90,642</b>	<b>60,747</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,642</b>	<b>60,747</b>
Bharti Enterprises Limited	-	-	-	-	-	-	-	-	-	-
AXA Business Services Private Limited	85,334	56,635	-	-	-	-	-	-	85,334	56,635
Others	5,308	4,112	-	-	-	-	-	-	5,308	4,112
AXA Asia Regional Centre Pte Limited	-	-	-	-	-	-	-	-	-	-
BOI AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti AXA Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-
GIE AXA	-	-	-	-	-	-	-	-	-	-
AXA Assistance India Private Limited	5,308	4,112	-	-	-	-	-	-	5,308	4,112
<b>Reinsurance (Reinsurance Premium)</b>	<b>231,978</b>	<b>212,838</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>231,978</b>	<b>212,838</b>



	Enterprise under the common control of ultimate holding companies of Joint Venture Partners		Joint Venture Partners		Key Management Personnel		Person exercising significant influence		Total		Rs.('000)
Particulars	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015	
AXA CHINA REGION INSURANCE Com	(2,366)	-	-	-	-	-	-	-	(2,366)	-	
AXA INSURANCE SINGAPORE PTE LT	18,722	-	-	-	-	-	-	-	18,722	-	
AXA Corporate Solution Reassurance	215,622	212,838	-	-	-	-	-	-	215,622	212,838	
<b>Reinsurance (Reinsurance Claims)</b>	<b>358,777</b>	<b>198,316</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>358,777</b>	<b>198,316</b>	
AXA CHINA REGION INSURANCE Com	-	-	-	-	-	-	-	-	-	-	
AXA INSURANCE SINGAPORE PTE LT	-	-	-	-	-	-	-	-	-	-	
AXA Corporate Solution Reassurance	358,777	198,316	-	-	-	-	-	-	358,777	198,316	
<b>Reinsurance (Reinsurance Commission)</b>	<b>25,218</b>	<b>23,711</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,218</b>	<b>23,711</b>	
AXA CHINA REGION INSURANCE Com	(118)	-	-	-	-	-	-	-	(118)	-	
AXA INSURANCE SINGAPORE PTE LT	1,475	-	-	-	-	-	-	-	1,475	-	
AXA Corporate Solution Reassurance	23,861	23,711	-	-	-	-	-	-	23,861	23,711	
<b>Reinsurance (Claims Advance Received)</b>	<b>1,279,441</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
AXA Corporate Solution Reassurance	1,279,441	-	-	-	-	-	-	-	-	-	
<b>Donations paid</b>	<b>222</b>	<b>371</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>222</b>	<b>371</b>	
Bharti Foundation	222	371	-	-	-	-	-	-	222	371	
<b>Telephone Expenses Paid</b>	<b>113,067</b>	<b>106,783</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113,067</b>	<b>106,783</b>	
AXA Business Services Private Limited	84,204	74,217	-	-	-	-	-	-	84,204	74,217	
Bharti Airtel Limited	28,417	30,893	-	-	-	-	-	-	28,417	30,893	
Bharti Airtel Services Limited	-	-	-	-	-	-	-	-	-	-	
AXA Technologies Shared Services Private Limited	-	-	-	-	-	-	-	-	-	-	
Bharti AXA Life Insurance Company Limited	446	1,673	-	-	-	-	-	-	446	1,673	
Others	-	-	-	-	-	-	-	-	-	-	
AXA Group Solutions Private Limited	-	-	-	-	-	-	-	-	-	-	
Beetel Teletech Ltd	-	-	-	-	-	-	-	-	-	-	
<b>Training Charges</b>	<b>5,207</b>	<b>574</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,207</b>	<b>574</b>	
AXA Financial Services (Singapore)	4,996	574	-	-	-	-	-	-	4,996	574	
AXA Asia Regional Centre Pte Limited	-	-	-	-	-	-	-	-	-	-	
Indian School Of Business	211	-	-	-	-	-	-	-	211	-	
<b>Other Services Availed</b>	<b>4,974</b>	<b>4,070</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,974</b>	<b>4,070</b>	
AXA Technology Shared Services Private Limited	-	-	-	-	-	-	-	-	-	-	
AXA Business Services Private Limited	1,078	-	-	-	-	-	-	-	1,078	-	
Bharti Airtel Limited	3,426	2,359	-	-	-	-	-	-	3,426	2,359	
Bharti AXA Life Insurance Company Limited	470	-	-	-	-	-	-	-	470	-	
AXA Asia Regional Office Hong Kong	-	60	-	-	-	-	-	-	-	60	
Beetel Teletech Ltd	-	-	-	-	-	-	-	-	-	-	
BOI AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-	
Axa Affin General Insurance Berhard	-	1,542	-	-	-	-	-	-	-	1,542	
AXA Financial Services (Singapore)	-	109	-	-	-	-	-	-	-	109	
Bharti Airtel Services Limited	-	-	-	-	-	-	-	-	-	-	
<b>Other Services Rendered</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Bharti AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-	
<b>Provision Written off</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	
Bharti Ventures Ltd	3	-	-	-	-	-	-	-	3	-	

Rs.('000)

Particulars	Enterprise under the common control of ultimate holding companies of Joint Venture Partners		Joint Venture Partners		Key Management Personnel		Person exercising significant influence		Total	
	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015
<b>Provision Write - Back</b>	<b>136</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>136</b>	<b>-</b>
BOI AXA Investment Managers	71	-	-	-	-	-	-	-	71	-
Bharti Airtel Limited	65	-	-	-	-	-	-	-	65	-
<b>Remuneration Paid</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,925</b>	<b>46,577</b>	<b>-</b>	<b>-</b>	<b>36,925</b>	<b>46,577</b>
Dr. Amarnath Ananthanarayanan	-	-	-	-	-	40,713	-	-	-	40,713
Deepak Iyer	-	-	-	-	29,227	-	-	-	29,227	-
Milind Chalisgaonkar	-	-	-	-	7,698	5,864	-	-	7,698	5,864
<b>Issue of Share Capital *</b>	<b>-</b>	<b>-</b>	<b>3,345,000</b>	<b>2,680,001</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,345,000</b>	<b>2,680,001</b>
GIBA Holdings Private Limited	-	-	1,257,413	990,220	-	-	-	-	1,257,413	990,220
Societe Beaujon	-	-	1,441,958	641,313	-	-	-	-	1,441,958	641,313
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
Bharti Insurance Holdings Private Limited	-	-	645,629	1,048,468	-	-	-	-	645,629	1,048,468
<b>Share Allotment Money Pending *</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
GIBA Holdings Private Limited	-	-	-	-	-	-	-	-	-	-
Societe Beaujon	-	-	-	-	-	-	-	-	-	-
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
Bharti Insurance Holdings Private Limited	-	-	-	-	-	-	-	-	-	-
<b>Purchase of Fixed Assets</b>	<b>2,004</b>	<b>6,771</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,004</b>	<b>6,771</b>
AXA Technologies Shared Services Private Limited	921	6,771	-	-	-	-	-	-	921	6,771
AXA Asia Regional Centre Pte Limited	-	-	-	-	-	-	-	-	-	-
AXA Business Services Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Airtel Services Ltd	1,083	-	-	-	-	-	-	-	1,083	-
BOI AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
<b>Security Deposit Refunded</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Bharti AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
<b>Deposit Paid (Training Advance)</b>	<b>-</b>	<b>4,423</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,423</b>
AXA Financial Services (Singapore)	-	4,423	-	-	-	-	-	-	-	4,423
<b>Reimbursement of Expenditure (Incurred by BAGI)</b>	<b>-</b>	<b>207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>207</b>
BOI AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti AXA Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-
AXA Asia Regional Centre Pte Limited	-	37	-	-	-	-	-	-	-	37
GIBA Holdings Private Limited	-	-	-	-	-	-	-	-	-	-
AXA General Insurance Singapore	-	-	-	-	-	-	-	-	-	-
AXA Business Services Private Limited	-	-	-	-	-	-	-	-	-	-
AXA Technologies Shared Services Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Airtel Limited	-	-	-	-	-	-	-	-	-	-
AXA China Region Insurance Co Ltd	-	-	-	-	-	-	-	-	-	-
AXA LIFE INSURANCE	-	170	-	-	-	-	-	-	-	170
AXA Assistance India Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
<b>Investment Details (Sale of Securities)</b>	<b>33,391</b>	<b>69,334</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,391</b>	<b>69,334</b>
Bharti AXA Life Insurance Company Limited	-	50,184	-	-	-	-	-	-	-	50,184
BOI AXA Investment Managers Private Limited	33,391	19,150	-	-	-	-	-	-	33,391	19,150
<b>Investment Details (Purchase of Securities)</b>	<b>46,000</b>	<b>50,644</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,000</b>	<b>50,644</b>

	Enterprise under the common control of ultimate holding companies of Joint Venture Partners		Joint Venture Partners		Key Management Personnel		Person exercising significant influence		Total		Rs. ('000)
Particulars	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015	Mar, 2016	Mar, 2015	
Bharti AXA Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-
BOI AXA Investment Managers Private Limited	46,000	50,644	-	-	-	-	-	-	46,000	50,644	-
	-	-	-	-	-	-	-	-	-	-	-
<b>B. Outstanding balances at the year end</b>											
<b>Balance Payable</b>	<b>521,055</b>	<b>335,517</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>521,055</b>	<b>335,592</b>	
AXA Asia Regional Office Hong Kong	419,319	287,652	-	-	-	-	-	-	419,319	287,652	
AXA Business Services Private Limited	1,057	20,898	-	-	-	-	-	-	1,057	20,898	
AXA INSURANCE SINGAPORE PTE LTD	10,314	-	-	-	-	-	-	-	10,314	-	
AXA Corporate Solutions Assurance	83,738	-	-	-	-	-	-	-	83,738	-	
AXA China Region Insurance Company Limited	37	-	-	-	-	-	-	-	37	-	
Bharti Retail Limited	935	11,330	-	-	-	-	-	-	935	11,330	
Bharti Enterprises Limited	51	50	-	-	-	-	-	-	51	50	
Bharti Enterprises (Holding) Pvt Ltd	-	-	-	-	-	-	-	-	-	-	
Others	5,604	15,587	-	-	-	75	-	-	5,604	15,662	
AXA Technology Shared Services Private Limited	41	263	-	-	-	-	-	-	41	263	
AXA Group Solutions Private Limited	-	-	-	-	-	-	-	-	-	-	
AXA Affin General Insurance Berhard	-	-	-	-	-	-	-	-	-	-	
Bharti AXA Life Insurance Company Limited	852	5,328	-	-	-	-	-	-	852	5,328	
Bharti Airtel Limited	1,491	1,855	-	-	-	-	-	-	1,491	1,855	
Bharti Airtel Services Limited	6	25	-	-	-	-	-	-	6	25	
Bharti Realty Limited	18	451	-	-	-	-	-	-	18	451	
Bharti ventures Limited	-	0	-	-	-	-	-	-	-	0	
Bharti Televentures Limited	-	-	-	-	-	-	-	-	-	-	
Bharti Foundation	334	322	-	-	-	-	-	-	334	322	
Bharti Infratel Limited	57	-	-	-	-	-	-	-	57	-	
Bharti Overseas Private Limited	-	0	-	-	-	-	-	-	0	-	
Bharti Telemedia Limited	326	297	-	-	-	-	-	-	326	297	
Bharti Teletech Limited	1	1	-	-	-	-	-	-	1	1	
Bharti Hexacom Ltd	6	1	-	-	-	-	-	-	6	1	
Bharti Walmart Private Limited	47	47	-	-	-	-	-	-	47	47	
Beetel Teletech Limited	479	353	-	-	-	-	-	-	479	353	
Bharti Airtel USA Limited	-	-	-	-	-	-	-	-	-	-	
Field Fresh Foods Private Limited	169	78	-	-	-	-	-	-	169	78	
Infrasoft Technologies Ltd	-	-	-	-	-	-	-	-	-	-	- Bharti Airtel
Singapore Private Limited	-	-	-	-	-	-	-	-	-	-	- BOI AXA
Investment Managers Private Limited	71	143	-	-	-	-	-	-	71	143	
DM Buildwell Private Limited	-	0	-	-	-	-	-	-	-	0	
AXA Assistance India Private Limited	1,075	806	-	-	-	-	-	-	1,075	806	
BHARTI REALTY Holding LIMITED	2	18	-	-	-	-	-	-	2	18	
Bharti Telesoft Limited	-	-	-	-	-	-	-	-	-	-	
Axa Affin General Insurance Berhard	0	-	-	-	-	-	-	-	0	-	
AXA Financial Services (Singap	-	4,996	-	-	-	-	-	-	-	4,996	
BHARTI (RM) HOLDING PVT LTD	-	-	-	-	-	-	-	-	-	-	
BHARTI (RBM) HOLDING PVT. LTD.	21	-	-	-	-	-	-	-	21	-	
BHARTI (SBM) HOLDINGS PVT LTD	1	-	-	-	-	-	-	-	1	-	
Cedar Support Services Ltd	20	33	-	-	-	-	-	-	20	33	
Centum Learning Limited	-	0	-	-	-	-	-	-	-	0	
Centum Workskills Pvt Ltd	-	0	-	-	-	-	-	-	-	0	
Comviva Technologies Limited	448	414	-	-	-	-	-	-	448	414	
Rakesh Bharti Mittal	-	-	-	-	-	75	-	-	-	75	
Nyna Mittal & Mr. Sunil Bharti Mittal	1	1	-	-	-	-	-	-	1	1	
Indian School of Business	-	0	-	-	-	-	-	-	-	0	
Indus Towers Limited	119	155	-	-	-	-	-	-	119	155	
Atrium Restaurants India Pvt Ltd	2	-	-	-	-	-	-	-	2	-	
Gourmet Investment Pvt Ltd	1	-	-	-	-	-	-	-	1	-	
AIRTEL M COMMERCE SERVICES LTD	16	-	-	-	-	-	-	-	16	-	

Rs.('000)

Particulars	Enterprise under the common control of ultimate holding companies of Joint Venture Partners		Joint Venture Partners		Key Management Personnel		Person exercising significant influence		Total	
	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015	Mar. 2016	Mar. 2015
<b>Balance Receivable</b>	<b>6,638</b>	<b>2,802</b>	<b>25</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,663</b>	<b>2,815</b>
Bharti Enterprises Limited	-	-	-	-	-	-	-	-	-	-
AXA Business Services Private Limited	1,446	-	-	-	-	-	-	-	1,446	-
BOI AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
AXA General Insurance Singapore	-	-	-	-	-	-	-	-	-	-
Axa Affin General Insurance Berhard	-	-	-	-	-	-	-	-	-	-
AXA China Region Insurance Co Ltd	2,141	2,141	-	-	-	-	-	-	2,141	2,141
Others	<b>3,051</b>	<b>661</b>	<b>25</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,076</b>	<b>674</b>
AXA General Insurance Hongkong Limited	-	-	-	-	-	-	-	-	-	-
Bharti Airtel Limited	-	-	-	-	-	-	-	-	-	-
AXA Technology Shared Services Private Limited	2,881	488	-	-	-	-	-	-	2,881	488
Bharti Hexacom Limited	-	-	-	-	-	-	-	-	-	-
AXA Assistance India Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Realty Limited	-	-	-	-	-	-	-	-	-	-
GIBA Holdings Private Limited	-	-	25	13	-	-	-	-	25	13
AXA LIFE INSURANCE	170	170	-	-	-	-	-	-	170	170
AXA Group Solutions Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Ventures Limited	-	3	-	-	-	-	-	-	-	3
<b>Share Capital **</b>	<b>-</b>	<b>-</b>	<b>17,434,638</b>	<b>14,089,638</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,434,638</b>	<b>14,089,638</b>
GIBA Holdings Private Limited	-	-	6,941,257	5,683,844	-	-	-	-	6,941,257	5,683,844
Societe Beujon	-	-	4,873,637	3,431,679	-	-	-	-	4,873,637	3,431,679
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
Bharti Insurance Holdings Private Limited	-	-	5,619,744	4,974,115	-	-	-	-	5,619,744	4,974,115

\*\*\* Above mentioned transactions are Inclusive of Service Tax

\*\*Share capital as on Mar 31, 2016 includes premium (Rs. in '000) amounting Rs. 1,720,185 ( Rs. 1,702,953 for 2014-15 as on Mar15)

\* Issue of Share capital for FY 2015-16 includes premium (Rs. in '000) amounting Rs. 17,232 ( Rs. 58,831 for 2014-15)

## CASH FLOW STATEMENT

### FORM NL-20-RECEIPT AND PAYMENTS SCHEDULE

#### Receipts and Payments A/c - on direct basis

Particulars	Year Ended March 31, 2016 (Rs in '000's)	Year Ended March 31, 2015 (Rs in '000's)
<b>A. Cash Flows from the operating activities:</b>		
1 Premium received from policyholders, including advance receipts	14,799,360	16,013,112
2 Other receipts - Motor pool/Declined Pool (Net)	31,282	434,352
3 Payments to the re-insurers, net of commissions and claims	(792,361)	(27,416)
4 Payments to co-insurers, net of claims recovery	75,663	29,955
5 Payments of claims	(9,562,701)	(8,904,929)
6 Payments of commission and brokerage	(903,820)	(833,497)
7 Payments of other operating expenses	(3,638,449)	(4,746,026)
8 Preliminary and other pre-operative expenses	-	-
9 Deposits, advances and staff loans	(29,951)	(53,224)
10 Taxes paid (TDS & Wealth Tax)	(617,615)	(378,203)
11 Service tax paid	(1,066,363)	(1,261,266)
12 Other payments		
13 Cash flows before extraordinary items	<b>(1,704,955)</b>	<b>272,858</b>
14 Cash flow from extraordinary operations		
15 Net cash flow from operating activities	<b>(1,704,955)</b>	<b>272,858</b>
<b>B Cash flows from investing activities:</b>		
1 Purchase of fixed assets	(77,940)	(83,890)
2 Proceeds from sale of fixed assets	3,304	10,068
3 Purchases of investments	(8,778,661)	(22,715,932)
4 Loans disbursed	-	-
5 Sales of investments	5,871,639	18,918,515
6 Repayments received	-	-
7 Rents/Interests/ Dividends received	2,076,231	1,177,369
8 Investments in money market instruments and in liquid mutual funds (Net)*	(789,802)	(247,485)
9 Expenses related to investments	3,706	(1,384)
10 Net cash flow from investing activities	<b>(1,691,523)</b>	<b>(2,942,739)</b>
<b>C Cash flows from financing activities:</b>		
1 Proceeds from issuance of share capital	3,345,000	2,480,001
2 Proceeds from borrowing		
3 Repayments of borrowing		
4 Interest/dividends paid		
5 Net cash flow from financing activities	<b>3,345,000</b>	<b>2,480,001</b>
<b>D Effect of foreign exchange rates on cash and cash equivalents, net</b>		
<b>E Net increase in cash and cash equivalents:</b>	<b>(51,478)</b>	<b>(189,880)</b>
1 Cash and cash equivalents at the beginning of the year	476,458	666,340
2 Cash and cash equivalents at the end of the year	424,980	476,459

Vide our report of even date

As Required by section 40C(2) of the Insurance Act, 1938, We hereby confirm that all the expenses of management, incurred by the Company, in respect of General Insurance business have been fully debited in the Revenue Account as Expenses.

**For B.K.RAMADHYANI & CO. LLP**  
Chartered Accountants  
(Regn No.002878S/S200021)

**G. M. KAPADIA & CO.**  
Chartered Account  
(Regn No.104767W)

**For and on behalf of the Board**

**SHYAM RAMADHYANI**  
(Partner)  
Membership No. 019522

**RAJEN ASHAR**  
(Partner)  
Membership No. 048243

**RAKESH BHARTI MITTAL**  
(Chairman)

**JEAN, PAUL, DOMINIQUE, LOUIS DROUFFE**  
(Director)

**DEEPAK DHARMARAJAN IYER**  
(Chief Executive Officer & MD)

**BHARAT SUMANT RAUT**  
(Director)

**Date: 30th May, 2016**  
**Place: Mumbai**

**ASHISH SARMA**  
(Company Secretary)

**MATHIEU VERILLAUD**  
(Chief Financial Officer)