

BHARTI AXA GENERAL INSURANCE **COMPANY LIMITED**

TENTH ANNUAL REPORT **FINANCIAL YEAR 2016-17**

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

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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.

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.

Our Purpose

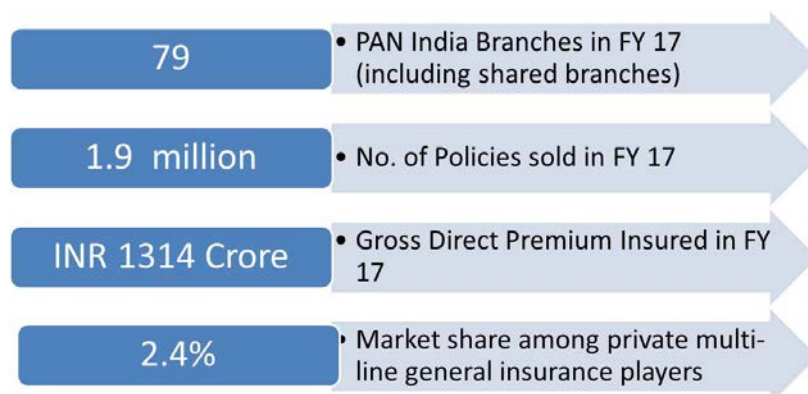
Bharti AXA General Insurance believes that insurance plays an important role in protecting organizations and individual aspirations. Through our comprehensive and innovative insurance solutions, we seek to redefine industry standards by offering unparalleled and empathetic service to every Indian.

BHARTI AXA AT A GLANCE

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 at a Glance in Financial Year 2017

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*

BRIEF PROFILE OF THE DIRECTORS



Rakesh Bharti Mittal (DIN:00042494) is a Non-Independent and Non-Executive Director. He holds a 4 year Post Diploma in Electronics & Controls from the Y.M.C.A. Institute of Engineering, Faridabad. Currently he is the Vice Chairman of Bharti Enterprises, Chairman of

Bharti AXA Life Insurance, Bharti AXA General Insurance and FieldFresh Foods. Rakesh is also on the Board of Bharti Airtel and is Managing Director, Bharti Realty Holdings.

Rakesh is currently the President-designate of the Confederation of Indian Industry (CII) and a member of the CII National Council since 1999. He is a member of India-Pakistan Joint Business Forum (IPJBF), Member, Founders Circle -Brookings India and the Indian Council for Research on International Economic Relations (ICRIER) and Member, Board of Governors at Indian Institute of Corporate Affairs (IICA).

In the past, Rakesh has served as a member of the International Advisory Council of Southern Methodist University (SMU), Dallas, USA and the Executive Council of YMCA University of Science and Technology. Rakesh was also a member of India – Canada CEOs Forum.

Rakesh has been awarded the Honorary Doctor of Civil Law Degree by Newcastle University, UK and is the recipient of the prestigious Horasis – India Business Leader of the Year 2016 (Internalization).

Rakesh is also the Honorary Consul, Republic of Sierra Leone in India.



Akhil Kumar Gupta (DIN:00028728) is a Non-Executive Directors of the Company since 21st 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.

Sanjeev Srinivasan (DIN: 0007644073) is the CEO & Managing Director of the Company w.e.f. 21st December, 2016.

Previously, Mr. Srinivasan served as Chief Commercial Officer of Bharti AXA General Insurance Company Limited since August 9, 2016. He joined the Bharti AXA in August 2016 and served as its Principal Officer.

Mr. Srinivasan comes with over 20 years of experience spanning life and general insurance, manufacturing and logistics. He joined Bharti AXA from ICICI Lombard where he was heading marketing, banc assurance and e-business in his last assignment. He has earlier worked with companies including Fullerton India Credit, ING Life Insurance, Mahindra & Mahindra, Xerox India Limited and DHL Worldwide.



Amélie Marie Breitburd
née

Belge(DIN:06609124) is a Non- Executive (Additional) Director of the Company since 30th 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).

BRIEF PROFILE OF THE DIRECTORS



Bharat Sumant Raut (DIN:00066080) is an Independent Director of the Company since **12th 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.



Harjeet Singh Kohli (DIN: 0007575784) is a Non-Executive (Additional) Director of the Company w.e.f. 29th August, 2016.

Harjeet has over 20 years of work experience as a business and finance professional and a product specialist across equity, financing and markets space, both as a banker to large corporates as also as an issuer / corporate.

Harjeet serves as a Director on the boards of Bharti Enterprises Limited, Bharti AXA Life Insurance Company Limited, Bharti AXA General Insurance Company Limited, Bharti Realty Limited, Comviva Technologies Limited, Beetel Teletech Limited, Centum Learning Limited, Centum Workskills India Limited, amongst others.

Prior to joining Bharti, Harjeet served as Director of Corporate and Investment Bank Head at Citigroup India.



Mukesh Hassanand Bhavnani (DIN: 03595080) is a Non-Executive Director of the Company w.e.f. 30th June, 2016 till 11th May, 2017.

He has over 39 years of varied experience across multiple industries including mining and oil & gas, insurance, infrastructure, media, and consumer goods. Mukesh has inter alia worked with Vedanta Resources Plc, Essar Group, Sony Entertainment Television, Max New York Life Insurance, Coca-Cola India, Jumbo Group in Dubai, Godrej Soaps.

He is the Group General Counsel of Bharti Enterprises. In his role as the Group General Counsel he is responsible for strategic and high impact legal policy and structuring across all Bharti businesses, litigation related to key matters, M&A and overseeing the group Secretarial function.

Mukesh is a Graduate in Law and Commerce from Bombay University and a qualified Company Secretary.



Jean Louis Christian M Laurent Josi (DIN:07101738) is a Non-Executive Director of the Company since 2nd 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 1st 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).



Uma Ajay Relan (DIN:07087902) is an Independent Director of the Company since 11th 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.



Jitender Balakrishnan (DIN: 00028320) is an Independent Director of the Company since 1st 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.



Soumen Ghosh (DIN: 01262099) is a Non-Executive (Additional) Director of the Company since 11th May, 2017.

He has over more than 35 years of rich global experience in Insurance industry. He is a CEO of Bharti Enterprises Limited.

Prior to joining Bharti group, Soumen Ghosh was with Reliance, where he worked for over 10 years in various senior level positions. He was the CEO for the Reliance Capital Limited (2008 to 2017), Worked with Bajaj Allianz in various Capacities, CEO for Allianz SE Bahrain, Allianz AG India Liaison Office.

He has handled various projects like Integration of the Switzerland Insurance Group into Allianz, Integration of Premium Funding Group, Integration of Club Marine Insurance etc.

CORPORATE INFORMATION

BOARD OF DIRECTORS:

1. Mr. Rakesh Bharti Mittal	Chairman & Director
2. Mr. Sanjeev Srinivasan	CEO & MD
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. Harjeet Kohli	Director
10. Mr. Mukesh Bhavnani	Director (till 11 th May, 2017)
11. Ms. Uma Relan	Independent Director
12. Mr. Soumen Ghosh	Director (Effective 11 th May, 2017)

KEY MANAGERIAL PERSON:

1. Mr. Sanjeev Srinivasan	CEO & MD
2. Mr. Mathieu Verillaud	Chief Financial Officer (Ceased on 30 th July, 2017)
3. Mr. Ashish Sarma	Company Secretary, Head Of Legal & Compliance
4. Mr. Manoj Jaju	Chief Investment Officer
5. Ms. Tania Chakrabarti	Appointed Actuary
6. Mr. Upendra Namburi	Chief Innovation and Marketing Officer
7. Mr. Prince Sethi	Chief Risk Officer (Ceased on 14 th August, 2017)

STATUTORY AUDITORS:

1. B. K. RAMADHYANI & COMPANY LLP, CHARTERED ACCOUNTANTS (REGN NO. 002878S/S200021)
2. M P Chitale & Co., CHARTERED ACCOUNTANTS (REGN NO. **101851W**)

CONCURRENT AUDITOR:

M/S CHANDRAN & RAMAN
CONCURRENT AUDITORS FOR
INVESTMENT OPERATIONS
(For FY 2016-17)

M/s M M Chitale & Co.
CONCURRENT AUDITORS FOR
INVESTMENT OPERATIONS
(FY 2017-18)

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

BOARD REPORT

To
Dear the Members,

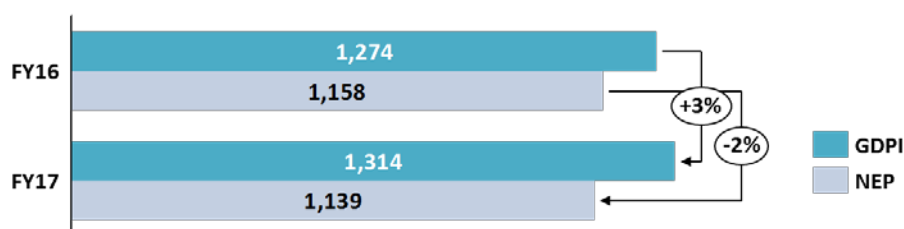
Your Directors present herewith Board Report on the business and operations together with Audited Financial Accounts for the period ended 31st March, 2017.

1. FINANCIAL RESULTS

Particulars	INR Mn	
	31 st March, 2017	31 st March, 2016
Gross Written Premium (Including Pool Retrocessions)	13,260	12,845
Net Written Premium	11,653	10,972
Net Earned Premium	11,388	11,582
Net Incurred Claims	9,889	10,716
Net Commission (Income/Expenses)	381	327
Expenses of Management	4,965	4,894
General Insurance Result	(3,847)	(4,354)
Investment Income- Policyholders	2,504	2316
Investment Income-Shareholders	4	6
Terrorism and Motor Pool Expenses (Net of Investment Income)	(12)	9864
Expenses directly debited to Profit and Loss Account	11	28
Solatium Fund and Premium Deficiency	(42)	(16)
Provision for wealth tax/Fringe Benefit Tax	-	1.2
Profit / (Loss) After taxation	(1,286)	(2,044)

1. COMPANY PERFORMANCE

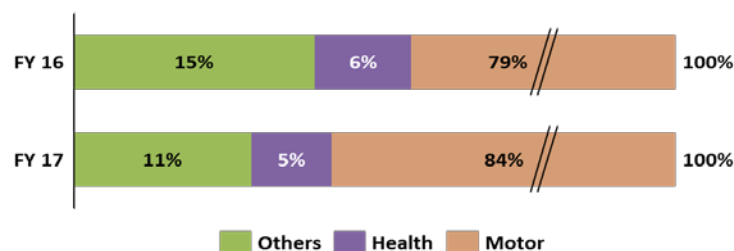
Your Company's market share in Financial Year ("FY") 2016-17, amongst private multi-line general insurance players, was 2.4%. Your Company recorded a Gross Direct Premium of INR 1314 Crore in FY17 as compared to INR 1274 Crore in FY16. However, the Net Earned Premium (INR 1139 Crore) was marginally lower as compared to last year (INR 1158 Crore)



GDP and NEP Comparison for FY16 and FY17
Amounts in INR Cr

BOARD REPORT

Motor Business continued to be the major contributor at 84% of the total business underwritten in FY17, compared to 79% in FY16. Health and other lines contributed to 5% and 11% of the total written business in FY 17.



Segment Contribution for FY16 and FY17

Loss for FY17 was INR 129 Crore as against loss of INR 204 Crore in the previous year. Your Company's operating at loss ratio of 87% as against 93% in the last year.

Your Company has achieved an Investment Income of INR 251 Crore in FY17 as against INR 232 Crore in previous year. Total capital infused in Your Company as at 31st March, 2017 remains at INR 1795 Crore. Capital infused during the year was INR 50 Crore. The capital solvency ratio is maintained at 1.59.

Your Company met its Rural and Social Sector obligation for the financial year 2016-17. Your Company achieved a rural business of INR 102 Crore more than the regulatory requirement. Your Company covered 61,413 lives in the social sector significantly higher than the regulatory requirement.

2. CAPITAL INJECTION

Your Company has received Capital injection of INR50 Crore vide rights issue from the existing shareholders. A total of 50,000,000 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 31st March, 2017.

5. TRANSFER OF SHARES

During the financial year 2016-17 the following transfer of equity shares took place in the Company:

BOARD REPORT

Transfer of Shares by Bharti Insurance Holdings Private Ltd to GIBA Holdings Private Limited	214,364,320 equity shares of INR10/- each	Effective date of transfer- 30th March, 2017
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Subsequent to above transfer, the total equity holding of GIBA Holdings Private Limited in the Company increased to 51% and it became the holding Company of Bharti AXA General Insurance Company Limited. Further, the Company is in compliance 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 31st March, 2017 100% of our shares are held in dematerialization form, except the four shares which are beneficially held by individuals on behalf of GIBA Holdings Private Limited. The details of the shares in Demat and Physical mode, as on 31st March, 2017 are as below:

Sl. No.	Particulars	No. of Shareholders	No. of Shares	% to the Paid up capital
1	Shares in Demat Mode (CDSL)	3	1621445318	100
2	Shares in Physical Mode	4	4	0.00
	Total	7	1621445322	100

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 2016-17.

Sl. No.	Name of the Director/ KMP	Cessation / Appointment
1.	Mr. Sundar Rajan Rajagopalan	Ceased to be a Director effective 30 th June, 2016
2.	Mr. Mukesh Hassanand Bhavnani	Appointed as a Director effective 30 th June, 2016
3.	Mr. Deepak Iyer	Ceased to be CEO & MD effective from 05 th August, 2016
4.	Mr. Rahul Bhatnagar	Ceased a Director effective 29 th August, 2016

BOARD REPORT

Sl. No.	Name of the Director/ KMP	Cessation / Appointment
5.	Mr. Harjeet Kohli	Appointed as a Director effective 29 th August, 2016
6.	Mr. Sanjeev Srinivasan	Appointed as CEO & MD effective 21 st December, 2016

Further, the following appointment/re-appointment is proposed at the ensuing 10th Annual General Meeting (AGM):

Mr. Rakesh Bharti Mittal and Mr. Jean Paul Dominique Louis Drouffe 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 10th AGM.

Further, Mr. Harjeet Kohli who was 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 10th AGM.

There have been no other changes in the Board of Directors or KMP(s) during the financial year 2016-17.

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 31st March, 2017 Your Company has eleven (11) Directors. The brief profile of Your Company's Board of Directors is provided in the Annual Report.

During the year 2016-17 your Board of Directors met 07 times. The details of the Board and Committee Meetings held during the year ended 31st March, 2017 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.

BOARD REPORT

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

Your Company has a well-defined process for remuneration relating to employees, Key managerial personnel 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 and IRDAI Guidelines on Corporate Governance for Insurers with regard to remuneration for employees, Non-executive Directors, Managing Director/whole-time Director/Executive Director/CEO and KMP(s) been duly approved by the Board. The 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 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:

BOARD REPORT

- (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 31st March, 2017 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 M/s M P Chitale & Company, Chartered Accountants (Regn No. 101851W), joint Statutory Auditors of the Company were appointed by the Members to hold office till conclusion of 11th AGM and 14th AGM of the Company respectively.

While, M/s M P Chitale & Company, Chartered Accountants (Regn No. 101851W) will seek ratification of their appointment at the ensuing 10th AGM, M/s B. K. Ramadhyani & Company LLP, Chartered Accountants (Regn No. 002878S/ S200021) have expressed their inability to continue as Statutory Auditors for the financial year 2017-18 due to their other audit Commitments and hence will not seek ratification to their appointment. The Board has appointed M/s Singhi & Co., Chartered Accountants, (Regn. No. 302049E) as joint statutory Auditors, who shall seek appointment at the ensuing 10th 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.

BOARD REPORT

15. SECRETARIAL AUDITOR:

The Board of Directors at their meeting held on 22nd November, 2016 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 2016-17.

16. STATUTORY AUDIT REPORT:

The Joint Statutory Auditors M/s B K Ramadhyani & Company LLP, Chartered Accountants and M/s. M P Chitale & Company, Chartered Accountants have carried out the Audit of the financial statements of the Company for the financial year ended 31st March, 2017. 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 2016-17 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
Expenditure in foreign currency	697,586,485	225,834,011
Earnings in foreign currency	2,621,225,536	1,101,025,481

B) BOARD EVALUATION AND MEETING OF INDEPENDENT DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and IRDAI Corporate Governance Guidelines for Insurers in India, 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. 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, systems & processes in the Company 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 half-yearly basis, without the presence of executive Director, Non-executive Directors and Management personnel, to discuss their issues and concerns, if any. Further, the Independent Directors placed their recommendations and discussion points arising out of their independent meeting before the Board and Management.

C) PARTICULARS OF 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 top ten employees in terms of remuneration drawn and name of every employee who have been paid remuneration exceeding INR1.02 Crore per annum or INR8.50 Lakh per month is annexed to 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 2016-17 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.

BOARD REPORT

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

During the financial year 2016-17 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. IRDAI has issued final orders for the onsite inspection and focused inspection carried by the Regulator during year 2012 and 2014 respectively. The Company has complied with the said orders. The details for same are part of the Notes to account, which are part of this Board report.

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. PREPAREDNESS FOR IMPLEMENTATION of INDIAN ACCOUNTING STANDARD (Ind-AS):

As per IRDAI circular on implementation of Indian Accounting Standard (Ind-AS) in Insurance sector, Insurance Companies are required to comply with Ind AS for financial statements for accounting period beginning 01st April, 2008 onwards and in preparedness for same your Company has submitted proforma Ind AS financial statement for the quarter ended 31st December, 2016. The Company along with other players of the industry have represented the key challenges to IRDAI through GI Council.

24. 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,

BOARD REPORT

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
 - Process related 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.

25. 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, as per the provisions under IRDAI Guidelines on Corporate Governance for Insurers in India, the compliances with respect to CSR is not applicable to it.

However, during the financial year 2016-17, Your Company channelized CSR efforts towards projects focused on Risk Prevention – Financial, Climate & Health.

- Your Company participated in the AXA Corporate Responsibility Week ("CR Week 2017") wherein employees contributed their time and skills to collaborate on various initiatives including Blood donation drive, water-aid, Walkathon, paper bag making etc. Over 1100 on-roll and off-role employees participated making CR Week to make it a success.
- Your Company's employees contributed close to INR 3.4 Lakh supporting the Bharti Foundation initiative on providing education to the underprivileged students by adopting village schools.
- Your Company participated in the CARE workshop planned by the organization as it is looking to take up a few initiatives suggested by them.



26. RELATED PARTY TRANSACTIONS:

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

Transactions / arrangements by the Company in its ordinary course of business with related parties primarily 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.

27. COMPANY POLICIES

Whistle Blower Policy

The Company has in place Whistle blower Policy to encourage employees to report matters without the risk of subsequent victimisation, discrimination or disadvantage. As per the Policy, employees can raise concerns related to breach of any law, statute or regulation, issues related to accounting policies and procedures, acts resulting in financial loss or loss of reputation, misuse of

BOARD REPORT

office, suspected/actual fraud and criminal offences, non-compliance to anti-bribery & anti-corruption policy by the Company or its employees to the Board Audit Committee through specified channels. This mechanism has been communicated to the employees.

Code of Conduct for Prevention of Insider Trading

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

Policy on allocation of Direct expenses and apportionment of Indirect expenses to various Business segments for preparation of Segmental financial statements

As per the regulations issued by the Insurance Regulatory Development Authority (IRDAI), insurance companies are required to prepare financial statements (Revenue account and Balance sheet) separately for different line of business including Participating, Nonparticipating, Group and Unit-linked products etc. The Company has thus, established a methodology for attributing or allocating costs to various business segments for the preparation of segmental financial statements and the same shall be used. The same is used for preparation of return of expense of management for the financial year 2016-17 as required by the regulator per notification dated 9th May 2016 (ref. F.No. IRDAI/Reg/14/126/2016).

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

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

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

There was no case reported during the year 2016-17.

29. INSURANCE:

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

BOARD REPORT

30. 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)**

Date: 26.07.2017

Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Developments of the Year

New Products

To expand its product portfolio further, Your Company has filed 4 new products for approval from IRDAI in the financial year 2016-17. The new products include *Smart Super Health Insurance Policy*, *Travel Add-ons - 'Personal Money*, *Travel Add-ons - 'Loss of Baggage & Personal Belongings* and *Universal Protection Insurance Policy*.

Digital Growth and Branding

Continued efforts in digital journey helped achieving 56% y-o-y growth in Financial Year 2016-17. Your company has won the 'CMO Asia Marketing Campaign of the year 2016' within AXA Asia.

Other Enablers

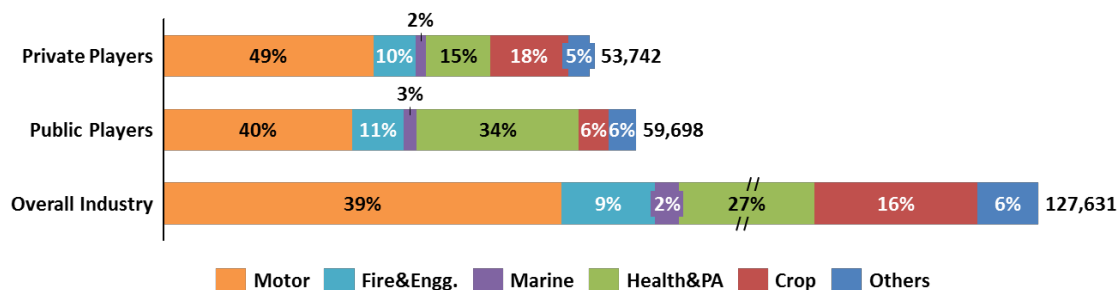
Servicing CRM went LIVE this financial year leading to customer and policy 360 degree view and better case creation and routing. Marketing CRM got integrated with Website leading to optimized utilization of leads.

Website got revamped to provide user friendly experience in line with current E-commerce web experience.

2. Industry Overview

GDPI Growth

The overall industry clocked a **32% year-on-year (yoy) growth** in GDPI in the current financial year with 16% contribution to growth due to demand for crop insurance and pick up in motor sales. Private sector players reported a 35% yoy growth rate as against 25% yoy growth for the PSU players. Health & PA segment grew at 25% and Motor segment was a close next with 19%, driving the overall growth of the industry.



Comparison between public and private players product mix for FY 17
(Amounts in INR Crore)

Penetration & Density

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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%. General insurance density levels have been rising, albeit, at very low growth rates (CAGR of 8.3% during FY2006-15). The GoI has, over the years, announced various initiatives aimed at improving the penetration and density levels. The challenge before insurers is to find ways of reaching out to the uninsured and under insured in a profitable manner.

3. ECONOMIC SCENARIO

India's economy is set to grow at 7.4% in 2017-18 against 7.1% in the previous year on the back of pick-up in consumption demand and higher public investment, the Asian Development Bank said last week. 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 FY17, Crop Insurance got the 3rd highest share in overall General insurance industry after motor and health and grew at around 288% from INR 3,590 crores to INR 7,064 crores. Crop Insurance is expected to be a major boost to the general insurance industry growth following the launch of Pradhan Mantri Fasal Bima Yojana (PMFBY) last year. It is expected that next year the premium from crop insurance would be higher as the penetration is set to increase from present level of 28%.

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. Passenger vehicle sales grew 9.24% during FY 17, the highest since FY 11. The rollout of GST and the subsequent industry transition to GST model is expected to impact the short-term sales volume across segments.

Health segment also continues to be a growth engine in GI industry with new entrants like Aditya Birla joining standalone health insurance players. Introduction of health insurance portability expected to boost the orderly growth of the health insurance sector. Increase penetration of health insurance 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. INVESTMENTS

The Investment portfolio of your company as on 31st March, 2017 stood at INR 2,871.66 Crore. The portfolio has earned a return of 8.82 % for FY 2016-2017. Your company does not have any equity exposure within the portfolio and it is primarily a fixed income oriented portfolio. Your company gives paramount

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

importance towards maintaining best credit quality portfolio and has invested in high quality securities, for both long term and medium term durations.

On the global front, US Federal Reserve hiked interest rates twice in the past year to 1% at present. It also indicated at two more rate hikes in 2017, citing stable economic situation. The Eurozone economic activity also seems to have improved on the back of several stimulus measures announced by European Central Bank.

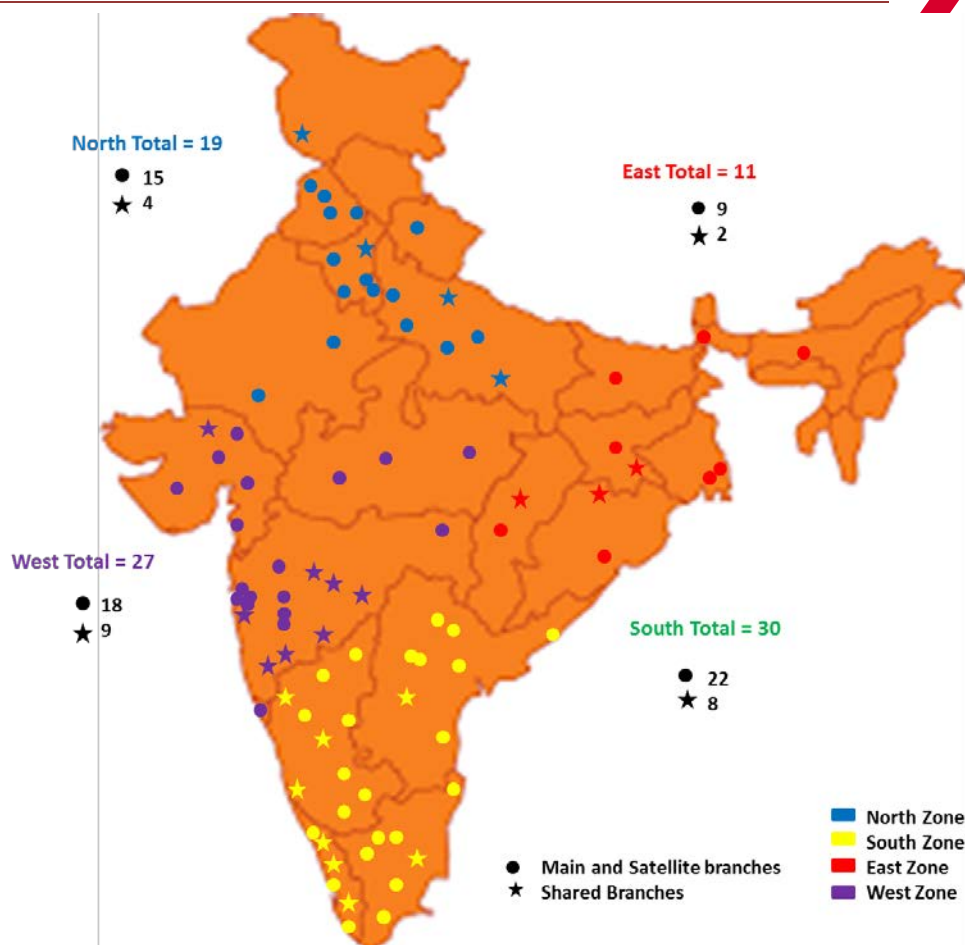
In India, the bond yields fell across all tenors and securities during the last financial year helped by the accommodative policy stance & rate cuts by the Reserve Bank of India ("RBI"), softening crude oil prices, and demonetization in November 2016 which led to surplus liquidity in the system. The spread between the Indian 10 year benchmark yield and US 10 year treasury yield has contracted from 562bps in April 2016 to 427bps in March 2017, thus declining by 135bps over the past 12 months. With the U.S Fed indicating further rate hikes over the next 2 years, the spread between the benchmark yields may contract further. In order to keep inflation in check, the RBI can adopt a hawkish stance especially in Second half of FY18 post implementation of GST, fading away of favorable base effects in food prices, payout of HRA component of 7th Pay Commission and state loan waivers. Moreover, the probability of an El Nino formation in 2017 also poses an upside risk to inflation since agricultural products make up to 41% of the CPI basket.

With RBI MPC maintaining its neutral stance on monetary policy, almost indicating an end to near term monetary easing cycle and U.S Fed expected to hike rates during the year, longer maturity bond yields may harden going ahead. Considering the ALM duration requirements, your company will increase its portfolio duration in a structured way wherever possible. 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 policy rate.

5. DISTRIBUTION NETWORK

As on March 31, 2017, Your Company has a PAN India network of 79 branch offices (including satellite and shared offices). Also, Your Company has 4413 agents and works with 312 brokers for distribution of products.

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



6. UNDERWRITING

Motor UW

Motor insurance continues to be the largest segment in general insurance with 39% contribution to overall premiums. The overall motor insurance outlook continues to be positive with recovery seen in vehicle sales which grew by 5.41%.

Motor insurance business for the company saw a growth of 8% in terms of written premium. Private motor comprising of private car insurance and two wheeler insurance saw a growth of 13% whereas commercial motor insurance which is prone to higher third party losses saw portfolio correction and hence a registered a degrowth of 23%. The year also saw changes in underwriting guidelines to improve the bottomline performance of motor insurance portfolio. Your company launched its long term two wheeler insurance in August'2016 and expects this to become its flagship product for two wheeler insurance portfolio.

Health & Lifestyle

Bharti AXA registered degrowth of 19% primarily on account portfolio correction in its group health business for 2016-17 driven by the philosophy of underwriting the right risk at the right premium. Group health portfolio at an industry level is yet to see the necessary price correction and continues to aggressive

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

competition. There was a significant correction in company's group health business to prune out high loss making portfolios. There was also a thrust on identified preferred risk in SME segment covering less than 300 lives. Your company is also focusing on its Retail health portfolio by focusing on product development, changes to underwriting guidelines and leveraging on new age distribution channels. Travel and Personal Accident portfolios are identified growth areas and the company plans to increase these portfolios by developing new partnerships.

Commercial Lines

Commercial insurance saw subdued growth as an industry on account of lower than expected project rollouts and infrastructure spending. Your company registered good growth in SME and Liability segments at 7% and 8% respectively which continues to be high focus areas for the organisation. The company strongly believes in the potential of this segment and continues to be committed towards commercial lines with aggressive growth plans supported with new products and add-ons. Bharti AXA is also focusing on new age products like cyber liability.

7. REINSURANCE

The reinsurance program at Bharti AXA 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 structured the reinsurance programme, keeping in mind its philosophy of purchasing adequate cover to protect the value-at-risk. Our exposure to catastrophe risk is mitigated by a separate non-proportional reinsurance treaty, which limits exposure to any single covered event. In addition to treaties, we also purchase 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 at Bharti AXA is led by Scor RE (India Branch) for proportional treaties and various reinsurers such as like Hannover Re (India Branch), Sirius, Swiss RE (India Branch), and General Insurance Corporation of India 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 our Reinsurance Program for financial year 2016-17.

8. CLAIMS

Bharti AXA successfully maintained high standards of customer service in the claims function and proved its ability to service to the satisfaction of both individual retail customers as well as large corporate clients through a committed and focused team of claims professionals with requisite claims settlement authority. The claims team acted on the 'Customer First' principle to provide a seamless service experience to its customer. Major thrust has been in reducing claims settlement TAT and reducing the number of outstanding cases. Customer complaints showed a consistently declining trend through the year

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

and in particular complaints relating to delay in claims servicing. The overall customer complaints ratio declined to 0.017% of the active customer base, declining by 0.02%, testifying to the quality of service provided. The complaint resolution time for claims related areas was 3.79 days which continued to be significantly better than the industry average.

Cyclone Vardah (2016) and Chennai Floods (2015) accorded us an opportunity to provide timely support to our customer 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 claims team also effectively negated fraud claims to the tune of nearly INR 8.14 Crore through vigilant handling of claims.

9. HUMAN RESOURCE

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

In line with the Talent Strategy agenda, your Company recruited a new CEO & MD, as well as two key leadership positions, namely the HR Head & Retail Sales Head. Further, in its endeavor to build talent depth, your company hired 24 employees at levels of Associate vice President & above, more specifically in the areas of Underwriting, Finance, Risk Management, Operations & Claims. Your Company also relooked at the role requirements at the Regional Sales Manager level, which was crucial in driving the zonal Sales agenda, and recruited competent individuals for the same across the country. Your Company also hired 25 Sales Trainees from Management campuses across India in early 2016, who were then taken through a rigorous 6 month Sales Trainee Program comprising Induction, cross-functional exposure to other key functions and stints across Agency channels.

In line with your Company's philosophy of meritocracy, it continued with a well-established Performance Assessment process that focused on clearly differentiating performance. Early 2017 saw Your Company focusing on cascading the new Performance Management philosophy across the organization, with a Goal Setting process focusing on Leadership Behaviors and Development Planning and a new tool Check-in for ensuring a culture of continuous feedback. Your Company also continues its focus on managing underperformance through the established Performance Improvement Plan framework & guidelines. As part of the Talent Management agenda, Your Company organized a Talent Day in 2016 wherein the Leadership Team conducted a rigorous talent review of about 35 to 40 key individual role holders across functions.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company has also continuously invested in the Development of its employees. In the Distribution function, there were 498 in-house trainings conducted over 2016, and around 129 in-house trainings uptil March this year for Sales Employees, Partners, as well as Non-Sales employees. Identified senior leadership members attended leadership workshops at AXA University. Your Company also launched an initiative called 'B Wise' to instill a culture of cross-functional knowledge sharing & collaboration.

Your company's active membership in the AXA Asia Diversity & Inclusion council is a reflection of its commitment of being an equal opportunity employer, which establishes a working environment devoid of gender bias and sexual harassment. As part of the Diversity Agenda for 2016, in collaboration with Bharti AXA Life, Your Company launched Women@AXA, a platform for women employees to share experiences, knowledge, best practices and to enhance professional growth. As part of this, Your Company took the lead in organizing a 'Gender Bender' activity in the third quarter of year 2016. Apart from this, Your Company organized an event on 'World Disability Day', to create awareness for primary caregivers about disabilities, inclusion in the mainstream world, and the role family and friends play in creating an inclusive environment for persons with disabilities. Your company also participated in International 'Women's Day' with the overarching theme of 'Be Bold For Change'. Events were organized across various locations to celebrate womanhood. Your company also launched the new Parental policy for its employees.

Your Company re-instilled the confidence of its employees in its Rewards Philosophy, through the introduction of the 2016 Long Term Incentive Scheme, coupled with amendments made to the Short Term Incentive Compensation (STIC) plan, both of which contributed to higher earning potential for employees. Further, Your Company increased the employee insurance coverages, thereby ensuring market competitiveness to fulfill the need of being a key enabler to attracting & retaining employees. . Additionally, your Company's continued focus on containing costs, resulted in a saving in the wage bill. Against a plan of INR 117 Crore, Your Company closed the wage bill at INR 114 Crore. Further, in continuation to the agenda of strengthening key HR processes, your Company introduced on its HCMS (PACE), 'i-query' -the online HR helpdesk, as well as the Performance Management module.

As part of the journey towards Organizational synergies between the Life & the GI entities, your HR team crossed the boundaries of being structured separately for each entity, by coming under a single roof of One HR Organization. The synergies also saw its way into Organization policies such as the Long Term Incentive Plan alignment, vendor management that brought about cost efficiencies with common vendors in payroll, compliance, employee insurances, HR automation etc.

Your Company achieved an employee engagement score of 86 points for the year 2016 in the SCOPE survey, with high scores on Attitude and Values, Immediate Manager and Trust Index parameters. Your Company endeavors to analyze this in detail to capture clear action items across zones and employee

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

groups to further enhance employee engagement levels. Through the initiative 'In Conversation', Your Company has connected employees across zones to the Leadership Team members in a Mentor-Mentee relationship to enable better knowledge sharing, information sharing, trusting organizational decisions and transferring them to actionable goals to achieve better results. Further, as part of building a culture of collaboration, Your Company launched 'Collaborate to Conquer', an intervention based on Rules of Engagement (a guiding framework specifying the way to successfully collaborate at work).

BOARD'S REPORT ON CORPORATE GOVERNANCE

Corporate Governance is a commitment to conduct business in a 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, 2017 out of 11 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
- All the organizational policies such as Investment policy, agency policy, Policy on maintenance of insurance records etc. on an annual basis.
- The information on recruitment and remuneration of Key Managerial Persons
- Show cause, demand, prosecution notices and penalty notices which are materially important
- Any material point for financial obligation and discipline to and by Your Company
- Compliance with statutory/regulatory requirements and review of major legal issues

BOARD'S REPORT ON CORPORATE GOVERNANCE

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

Attendance at meeting of Board of Directors;

Full Name	Date of Board Meeting							Sitting Fee paid
	30-May-16	26-Jul-16	29-Aug-16	26-Oct-16	22-Nov-16	9-Feb-17	21-Feb-17	
Jitender Balakrishnan	✓	✓	✓	✓	✓	✓	✓	3,15,000
Akhil Kumar Gupta	x	✓	✓	✓	✓	✓	x	
Rakesh Bharti Mittal	x	x	✓	x	✓	✓	✓	
Bharat Sumant Raut	✓	✓	✓	✓	✓	✓	✓	3,15,000
Uma Ajay Relan	x	✓	✓	x	✓	✓	✓	2,25,000
Jean Louis Christian M Laurent Josi	x	✓	✓	x	✓	✓	✓	
Amelie Marie Breitburd Nee Belge	x	x	✓	x	✓	✓	x	
Deepak Iyer°	✓	✓						
Rahul Bhatnagar&	✓	✓						
Jean Paul Dominique Louis Drouffe	✓	x	✓	✓	✓	x	x	
Sundar Rajan Rajagopalan+	✓							
Mukesh Hassanand Bhavnani*		✓	✓	x	x	x	x	
Harjeet Kohli^			✓	x	✓	✓	✓	
Sanjeev Srinivasan%						✓	✓	

°Mr.Deepak Iyer ceased to be Director and CEO & MD effective from 05th August, 2016

+Mr. Sundar Rajan Rajagopalan ceased to be Director effective 30th June, 2016

*Mr. Mukesh Bhavnani appointed as a Director effective 30th June, 2016

&Mr. Rahul Bhatnagar ceased to be Director effective 29th August, 2016

^ Mr. Harjeet Kohli appointed as Director effective 29th August, 2016

BOARD'S REPORT ON CORPORATE GOVERNANCE

% Mr. Sanjeev Srinivasan appointed as Director and CEO&MD effective 21st December, 2016

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 Nomination & 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 31st March, 2017 and the attendance of the members at the said meetings are as follows:

Audit Committee:

The Composition of Audit Committee is 07 (five) members, with independent directors forming majority.

Board Audit Committee	Designation	Dates of Meeting							Sitting Fees Paid
		30-May-16	26-Jul-16	29-Aug-16	26-Oct-16	22-Nov-16	9-Feb-17	21-Feb-17	
Bharat Sumant Raut	Chairman	✓	✓	✓	✓	✓	✓	✓	1,05,000
Jitender Balakrishnan	Member	✓	✓	✓	✓	✓	✓	✓	1,05,000
Uma Relan	Member	x	✓	✓	x	✓	✓	✓	75,000
Amelie Marie Breitburd Nee Belge*	Alternate Member							✓	
Rahul Bhatnagar^	Member	✓	✓						
Jean Paul Dominique Louis Drouffe	Member	✓	x	x	✓	✓	x	x	
Jean-Louis Laurent Josi "	Alternate Member		✓				✓	✓	
Harjeet Kohli^	Member			✓	✓	✓	✓	✓	

"Mr. Jean-Louis Laurent Josi attended as an alternate for Mr. Jean Paul Dominique Louis Drouffe on 26-Jul-16, 09-Feb-17 and 21-Feb-2017

^ Mr. Rahul Bhatnagar ceased to be a member on 29th August, 2016 and Mr. Harjeet Kohli appointed as a member

BOARD'S REPORT ON CORPORATE GOVERNANCE

Risk Management Committee:

Risk Management Committee	Designation	Dates of Meeting				Sitting Fees Paid
		31-May-16	29-Aug-16	23-Nov-16	21-Feb-17	
Uma Relan	Chairman	x	✓	✓	✓	45,000
Jean-Louis Laurent Josi	Member	x	✓	✓	x	
Amelie Marie Breitburd Nee Belge	Member	✓	✓	✓	✓	
Rahul Bhatnagar&	Member	✓				
Sundar Rajan Rajagopalan+	Member	✓				
Mukesh Bhavnani*	Member		x	x	x	
Harjeet Kohli&	Member		✓	✓	✓	

+ Mr. Sundar Rajan ceased to be a member effective 30th June, 2016
 & Mr. Rahul Bhatnagar ceased to be a member effective 29th August, 2016
 and Mr. Harjeet Kohli appointed as a member

* Mr. Mukesh Bhavnani appointed as a member effective 29th August, 2016

Investment Committee:

Board Investment Committee	Designation	Date of Meeting				Sitting Fees Paid
		30-May-16	29-Aug-16	22-Nov-16	21-Feb-17	
Akhil Gupta	Member	x	x	x	x	
Jean-Louis Laurent Josi	Member	✓	x	x	x	
Uma Relan	Member	x	✓	✓	✓	45,000
Depak Iyer	CEO & MD	x				
Mathieu Verrilaud	CFO	✓	✓	✓	✓	
Lakshmi V#	Appointed Acctuary	✓	✓			
Ajit Banerjee~	CIO	✓				
Rahul Bhatnagar&	Member	✓				
Amelie Marie Breitburd	Member	x	✓	✓	✓	
Sundar Rajan Rajagopalan □	Member	✓				
Harjeet Kohli&	Member		✓	✓	✓	
Manoj Jaju@	CIO			✓	✓	

BOARD'S REPORT ON CORPORATE GOVERNANCE

Board Investment Committee	Designation	Date of Meeting				Sitting Fees Paid
		30-May-16	29-Aug-16	22-Nov-16	21-Feb-17	
Sanjeev Srinivasan!	CEO & MD				✓	
Tania Chakrabarti*	Appointed Actuary (Consulting)				✓	
Prince Sethi	CRO		✓	✓	✓	

Ms. Lakshmi V ceased to be a member effective 31st August, 2016
 ~ Mr. Ajit Banerjee attended the meeting through Telecom on 30-May-2016 & ceased to be a member effective 16th September, 2016
 & Mr. Rahul Bhatnagar ceased to be a member effective 29th August, 2016 and Mr. Harjeet Kohli appointed as a member
 Mr. Deepak Iyer ceased to be a member effective 05th August, 2016
 +Mr. Sunadr Rajan ceased to be a member effective 30th June, 2016
 @ Mr. Manoj Jaju appointed as CIO effective 01st November, 2016
 ! Mr. Sanjeev S appointed as CEO & MD effective 21st December, 2016
 * Ms. Tania Chakrabarti appointed as Appointed Actuary (Consulting) effective 24th January, 2017

Policyholder Protection Committee:

Policyholders Protection Committee	Designation	Dates of Meeting				Sitting Fees Paid
		30-May-16	29-Aug-16	23-Nov-16	21-Feb-17	
Bharat Sumant Raut	Member	✓	✓	✓	✓	60,000
Jitender Balakrishnan	Chairman	✓	✓	✓	✓	60,000
Rakesh Bharti Mittal\$	Member/ Alternate Member	x		✓	✓	
Jean Paul Dominique Louis Drouffe^	Member	✓	x	x	x	
Sundar Rajan Rajagopalan*	Alternate Member	✓				
Mukesh Bhavnani\$	Member		✓	x	x	
Jean-Louis Laurent Josi%	Alternate Member		✓	✓	✓	

* Mr Sundar Rajan Rajagopalan attended as an alternate member for Mr. Rakesh Bharti Mittal on 30-May-2016.

BOARD'S REPORT ON CORPORATE GOVERNANCE

%Jean-Louis Laurent Josi attended as an alternate member for Mr. Jean Paul Dominique Louis Drouffe^ on 29-Aug-2016, 23-Nov-2016 and 21-Feb-2017

\$Rakesh Bharti Mittal ceases to be a member on 30-May-2016 and Mr Mukesh Bhavnani was appointed on the said date.

\$ Rakesh Bharti Mittal attended as an alternate member for Mr Mukesh Bhavnani on 23-Nov-2016 and 21-Feb-2107

Nomination & Remuneration Committee:

Board Nomination & Remuneration Committee	Designation	Dates of Meeting					Sitting Fees Paid
		31-May-16	26-Jul-16	26-Oct-16	23-Nov-16	21-Feb-17	
Bharat Sumant Raut	Chairman	✓	✓	✓	✓	✓	75,000
Jitender Balakrishnan	Member	✓	✓	✓	✓	✓	75,000
Rakesh Bharti Mittal\$#	Member	x	x	✓	✓	✓	
Rahul Bhatnagar*	Alternate Member		✓				
Jean Paul Dominique Louis Drouffe^	Member	✓	x	✓	x	x	
Jean-Louis Laurent Josi%	Alternate Member		✓		✓	✓	
Sundar Rajan Rajagopalan"	Alternate Member	✓					

%Mr. Jean-Louis Laurent Josi attended as an alternate for Mr . Jean Paul Dominique Louis Drouffe on 26-Jul-16, 23-Nov-16

*Mr.Rahul Bhatnagar attended as an alternate for Mr.Rakesh Bharti Mittal on 26-Jul-2016

Mr. Bharat Sumant Raut & Mr Jitender Balakrishnan praticpated the meeting through Video conferencing on 26-oct-2016

" Mr Sundar Rajan Rajagopalan attended as an alternate for Mr. Rakesh Bharti Mittal

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

Annexure-1

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED NOMINATION & REMUNERATION POLICY

1. SCOPE OF APPLICATION

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

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

2. KEY OBJECTIVES

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

The key objectives of Policy are:

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

The Remuneration Philosophy aims to:

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

3. DEFINITIONS

- 3.1. **Act means Companies act 2013**
- 3.2. **Director** means a person appointed to the position of a Director on the Board of Director of the Company.
- 3.3. **Guidelines** means IRDAI (Remuneration of Non-executive Directors of Private Sector Insurers) Guidelines, 2016
- 3.4. **Independent Director** means a director referred to in Section 149(6) of the Companies Act, 2013.
- 3.5. **Managing director** means a director who, by virtue of the articles of a company or an agreement with the Company or a resolution passed in its

NOMINATION & REMUNERATION POLICY

general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a director occupying the position of managing director, by whatever name called.

- 3.6. **Whole-time director** includes a director in the whole-time employment of the Company
- 3.7. Key Management Person (KMP) means a person as defined under section 2(51) of the Companies Act 2013 and / or a person defined as a Key Management Person under IRDAI Guidelines on appointment and reporting of Key Management Persons, as amended from time to time.
- 3.8. **Senior Management Person** means persons of the company who are members of its core management team excluding the Board of Directors comprising all members of management one level below the Board, including the functional heads.

4. POLICY

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

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

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

5. APPOINTMENT CRITERIA AND QUALIFICATIONS

5.1. Non-Independent Director and KMP

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

5.2. Independent Directors

- 5.2.1. The Committee shall ascertain the qualification, positive attributes and independence of the person for appointment as Independent Director.
- 5.2.2. Independent Directors shall be appointed for their professional expertise in their individual capacity as independent professionals.
- 5.2.3. The candidates shortlisted for the position of Independent directors shall fulfill the criteria laid down by regulatory authorities under the IRDAI's Corporate Governance Guidelines and Companies Act 2013.

NOMINATION & REMUNERATION POLICY

- 5.2.4. An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operation, or other disciplines related to the Company's business.
- 5.2.5. The Committee shall consider the criteria mentioned in section 149(6) of the Companies Act, 2013 as may be amended from time to time, for determining the Independence of Independent Directors.

6. PERFORMANCE EVALUATION OF DIRECTORS

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

7. REMOVAL / VACATION OF OFFICE/SUPERANNUATION/RESIGNATION

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

NOMINATION & REMUNERATION POLICY

- 7.6. An Independent Director shall lay down his/her office, unless re-appointed for another term as per the applicable provisions of Companies Act, 2013 and rules thereunder.
- 7.7. A director may resign from his office by giving a notice in writing to the Company and the Board and such resignation of a director shall take effect from the date on which the notice is received or such further date as may be mentioned.

8. TERM AND TENURE

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

9. REMUNERATION PRINCIPLES

The remuneration Policy is based on the following key principles:

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

In setting remuneration levels, the Committee is mindful of the fact that our business operates in a highly competitive market. The Committee takes into account appropriate remuneration data from the relevant market.

10. REMUNERATION OF DIRECTORS

10.1. Independent Directors:

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

NOMINATION & REMUNERATION POLICY

10.1.4. The Independent Directors may, be paid profit related commission, as prescribed under the Guidelines, after Nomination & Remuneration Committees and Board

10.2. Non-Executive Directors:

10.2.1. None of the director representing the shareholders of the Company shall be paid any remuneration for attending the Board / Committee meetings of the Company.

10.2.2. In compliance with Guidelines, the Board of Directors may approve the remuneration in the form of profit related Commission to the Non-Executive Director's, excluding the Chairman of the Board.

11. REMUNERATION FRAMEWORK

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

11.1. Total Fixed Pay:

11.1.1. The Total Fixed Pay for all its employees shall be based, inter alia, the competitive market benchmarking to attract and retain talent

11.1.2. It shall be periodically benchmarked to ensure that the pay remains competitive and adequate to attract and retain high caliber talent.

11.2. Variable Pay:

11.2.1. There should be proper balance between fixed pay and variable pay. The proportion of variable pay to fixed pay increases with increase in level of responsibility, skill and specialty of function / role.

11.2.2. The variable pay can be in the form of cash, deferred cash, stock linked instruments or a mix of these. Appropriate balance between will be maintained between cash and stock/share linked components in the variable pay.

11.2.3. The payout against the variable pay opportunity will be calculated based on Company Performance (including group and / or regional performance, as the case may be) as well as Individual performance. Deterioration in financial performance of the company will generally lead to contraction in the variable remuneration paid. Conversely, if there is an improvement in financial performance of the Company, it may lead to an increase in the variable pay.

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

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

11.3. Total Remuneration:

11.3.1. Total Remuneration may comprise of total fixed pay, actual variable pay, perquisites, guaranteed pay, sign on bonus, deferred bonus, one-time payouts, pension plans, gratuity, benefits and superannuation.

11.3.2. Total Remuneration does not include ESOPs.

11.3.3. If the annual compensation of the CEO is more than 1.50 crore (including all perquisites and bonuses etc.), such excess shall be debited to by the Shareholders' account

NOMINATION & REMUNERATION POLICY

- 11.3.4. Any of the following types of compensation may be provided to an MD/MTD/ED/CEO after the approval of Board of Directors subject to the prior approval of IRDAI.
- 11.3.5. The MD/ MTDs / CEO of the Company shall not be paid remuneration by any promoter/investor or group companies of the promoters' /investors'.
- 11.4. **ESOP:**
 - 11.4.1. ESOP is a widely used instrument to provide employees with stock ownership and align them to long term interest of the company. While ESOP is not part of total remuneration, the extent of ESOPs issued should be reasonable and decided based on affordability of the company.
 - 11.4.2. In accordance with the disclosure requirements laid out for financial statements of the company, details of the ESOP granted to the MD & CEO will be disclosed to the regulator.
 - 11.4.3. If the ESOPs of Bharti AXA General Insurance are offered to CEO & MD or a MTD, such offer shall be in compliance of the applicable regulatory requirements and the manner of pricing of shares shall be disclosed upfront to the IRDAI.
- 11.5. **Sweat Equity:**

If the shares of Bharti AXA General Insurance Co. Ltd. are issued in form of Sweat Equity, then it will be governed by the provisions of the Sweat Equity Regulations issued by SEBI.
- 11.6. **Guaranteed Bonus:**
 - 11.6.1. In compliance with IRDAI guidelines, guaranteed bonuses will not be part of the compensation structure for MD/CEO/MTD. Hence, the joining or sign on bonus will only form part of the first year compensation package, which may be paid beyond the year of joining.
 - 11.6.2. Sign on / Joining Bonus, Retention Bonus, Deferred bonus, other one-time payouts, may be offered with appropriate claw backs.
- 11.7. **Deferral Pay:**
 - 11.7.1. In case of deferral arrangement of variable pay for MD/CEO/MTD, the deferral period should not be less than 3 years.
 - 11.7.2. Remuneration paid under deferral arrangements should vest no faster than on pro rata basis.
 - 11.7.3. In event of any negative trend in the parameters on the basis of which the variable pay has been structured in any year during the vesting period, any unvested/unpaid portions will be clawed back appropriately basis actual/realized performance of the company.
 - 11.7.4. The claw back norms will be driven by observable and verifiable measures of risk outcomes defined for calculation of variable pay
12. **SEVERANCE PAY**
 - 12.1.1. Without the prior approval of the Board, the Company will not grant any severance pay to MD & CEO other than accrued benefits (gratuity, pension, etc.)
 - 12.1.2. Severance Pay does not include notice period pay.

EXTRACT OF ANNUAL RETURN

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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.

Bharti General Private Limited

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)	1,571,445,318	4	1,571,445,322	100	1,621,445,322	5	1,621,445,322	-	100

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.	Vidya Raman*	-	-	-	1	-	-	-
6.	M/s Bharti Insurance Holdings Private Limited	207,754,031	13.22	-	-	-	-	-13.22%
7.	M/s GIBA Holdings Private Limited	593,683,080	37.78	-	826,937,110	51	-	+13.22%
8.	M/s Société Beaujon	770,008,207	49.00	-	794,508,207	49.00	-	-
	Total	1,571,445,322	100.00	-	1,621,445,322	100.00	-	-

* The shares are beneficially held on behalf of GIBA 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: Bharti Insurance Holdings Private Limited				
At the beginning of the year	207,754,031	13.22%		13.22%
Date-wise Increase/Decrease in shareholding during the year				
30 th June, 2016: Shares allotted under rights issue	6610285		214,364,320	13.22%
Transfer of Shares to GIBA Holdings Private Limited on 30 th march, 2017	-	-	214,364,320	13.22%
At the End of the year	-	-	0	0
Name of Promoter: GIBA Holding Private				

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
Limited				
At the beginning of the year	593,683,080	37.78%	-	-
Date-wise Increase/Decrease in shareholding during the year				
30 th June, 2016: Shares allotted under rights issue	18,889,715	37.78%	612,572,795	37.78%
Received shares from Bharti Insurance Holdings Private Limited as transfer (on 30 th March, 2017)	214,364,320	13.22%	826,937,115	51%
At the End of the year	-	-	826,937,115	51%
Name of Promoter: SOCIÉTÉ BEAUJON				
At the beginning of the year	770,008,207	49%	275,259,386	22.22%
Date-wise Increase/Decrease in shareholding during the year				
31 st March, 2016: Shares allotted under rights issue	24,500,000	49%	794,508,207	49.00%
At the End of the year	-	-	794,508,207	49.00%

- 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:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		CEO&MD (1-Apr-16 to 5-Aug-16)	CEO&MD (21-Dec-16 to 31-Mar-17)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,798,815	7,501,410	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	
	(c) Profits in lieu of salary under section			

EXTRACT OF ANNUAL RETURN

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		CEO&MD (1-Apr-16 to 5-Aug-16)	CEO&MD (21-Dec-16 to 31-Mar-17)	
	17(3) Income- tax Act, 1961			
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission - as % of profit - others, specify...	-	-	
5.	Others, please specify (Severance Package)	-	-	
	Total (A)	4,798,815	7,501,401	12,300,216

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors			Total Amount
3. Independent Directors	Jitendra Balakrishnan	Bharat Raut	Uma Relan	
• Fee for attending board committee meetings	555,000	555,000	390,000	
• Commission	-	-	-	
• Others, please specify	-	-	-	
Total	555,000	555,000	390,000	1,500,000

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	Company Secretary	
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	28,628,318 1,400,000	4,054,750	
2.	Stock Option	3,089,478	-	
3.	Sweat Equity	-	-	
4.	Commission - as % of profit - others, specify...	-	-	
5.	Others, please specify (Severance Package)	-	-	
	Total (A)	33,117,796	4,054,750	37,172,546

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

EXTRACT OF ANNUAL RETURN

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					

SECRETARIAL AUDIT REPORT

Annexure-3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 March 2017

[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 2017 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 2017 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;

SECRETARIAL AUDIT REPORT

- (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 1st 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.

SECRETARIAL AUDIT REPORT

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 : 08 May 2017

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 2016-17, the Joint venture partner Bharti has carried an intra-group transfer between the entities through which it holds equity shares in the Company. By such transfer Bharti is now holding its entire 51% in the Company through GIBA Holdings Private Limited (now known as Bharti General Private Limited) and GIBA Holdings Private Limited is the holding company of Bharti AXA General Insurance Company Limited as on 31st March, 2017. The above referred transfer of shares and change in the shareholding of the Company is in accordance with all applicable statutory and regulatory requirements and after approval of IRDAI.
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, 2017;
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 year ended March 31, 2017 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, 2017 are reported below on accrual basis:

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) Rs.
1	Rakesh Bharti Mittal	FieldFresh Foods Private Limited	Director	451.49
		Bharti Airtel Limited	Director	42,490.61
		Bharti Axa Life Insurance Company Limited	Director and Chairman	11,079.32
		Bharti Realty Holdings Limited	Managing Director	366.99
2	Akhil Kumar Gupta	Bharti Axa Life Insurance Company Limited	Director	11,079.32
3	Jitender Balakrishnan	Bharti Axa Life Insurance Company Limited	Director	11,079.32
4	Bharat Sumant Raut	Bharti Axa Life Insurance Company Limited	Director	11,079.32
5	Sundar Rajan Rajagopalan*	Bharti Axa Life Insurance Company Limited	Director	11,079.32
6	Jean Paul Dominique Louis Drouffe	Bharti AXA Life Insurance Company Limited	Director	11,079.32
		AXA Insurance Singapore Pte Ltd	Director	5,610.56
7	Uma Ajay Relan	Bharti Axa Life Insurance Company Limited	Director	11,079.32
8	Jean Louis Christian M Laurent Josi	Bharti Axa Life Insurance Company Limited	Director	11,079.32
		AXA ASIA	Chairman	269,507.42
9	AMELIE MARIE BREITBURD nee BELGE	Bharti Axa Life Insurance Company Limited	Director	11,079.32
		AXA Financial Services (Singapore) Pte. Ltd.	Director, Chairman & CEO	4,744.00
		AXA Business Services Pvt. Ltd.	Director	171,954.56
10	Rahul Bhatnagar&	Bharti Realty Holdings Limited	Director	366.99
11	Harjeet Singh Kohli&	Bharti AXA Life Insurance Company Limited	Director	11,079.32
		Beetel Teletech Limited	Director	3,754.49
		Bharti Realty Holdings Limited	Director	366.99
		Bharti Realty Limited	Director	6.08
		FieldFresh Foods Private Limited	Director	451.49
12	Mukesh Hassanand Bhavnani*	Bharti AXA Life Insurance Company Limited	Director	11,079.32

Note: Expense includes Applicable Taxes

*Mr. Sundar Rajan Rajagopalan ceased to be Director effective 30th June, 2016

*Mr. Mukesh Bhavnani appointed as a Director effective 30th June, 2016
&Mr. Rahul Bhatnagar ceased to be Director effective 29th August, 2016
&Mr. Harjeet Kohli appointed as Director effective 29th August, 2016

For and on behalf of the Board

RAKESH BHARTI MITTAL
(CHAIRMAN)
DIN- 00042494

JEAN,PAUL,DOMINIQUE, LOUIS DROUFFE
(DIRECTOR)
DIN- 07373856

SANJEEV SRINIVASAN
(CEO & MD)
DIN- 07644073

BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)
DIN- 00066080

MATHIEU VERILLAUD
(CHIEF FINANCIAL OFFICER)

ASHISH SARMA
(COMPANY SECRETARY)

MANAGEMENT REPORT

ANNEXURE-I

BHARTI AXA GENERAL INSURANCE CO LTD.

DETAILS OF AVERAGE CLAIM SETTLEMENT TIME FOR VARIOUS SEGMENTS AS ON
31st March, 2017

Motor OD												
	Less than 30 Days		31 - 90 Days		3 Month - 6 Months		6 Months - 1 Year		1 Year - 5 Years		Total April 2016 till March 2017	
LOB	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)
Com-mercial Motor	2,326	34,806	947	28,248	489	16,767	281	23,889	172	30,694	4,215	134,405
Private Motor	138,374	2,631,310	25,611	1,509,350	5,765	786,830	1,615	320,683	387	75,381	171,752	5,323,555
Two wheeler	26,942	151,911	13,744	119,842	3,679	55,318	1,482	35,910	524	10,033	46,371	373,015
Total	167,642	2,818,027	40,302	1,657,440	9,933	858,915	3,378	380,482	1,083	116,109	222,338	5,830,974

Motor TP												
	Less than 30 Days		31 - 90 Days		3 Month - 6 Months		6 Months - 1 Year		1 Year - 5 Years		Total April 2016 till March 2017	
LOB	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)
Com-mercial Motor	21	4,400	32	8,277	83	16,557	257	73,898	1745	672,099	2268	850,308
Private Motor	41	14,822	55	6,669	130	35,642	320	93,855	937	361,826	1529	530,193
Two wheeler	35	8,591	33	7,849	80	19,950	149	41,115	368	111,324	675	191,403
Total	97	27,812	120	22,795	293	72,149	726	208,869	3050	1,145,249	4472	1,571,904

Non-Motor												
	Less than 30 Days		31 - 90 Days		3 Month - 6 months		6 months - 1 year		1 yr - 5 yrs		Total April 2016 till March 2017	
LOB	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)
Trade Credit	1	8,666							1	0	2	8,666
Commercial Liability			1	0	5	121	11	21	9	1,264	26	1,406
Commercial Property	7	58	7	267	17	652	15	293	17	1,062	63	2,332
Construction	13	218	6	43	13	1,336	31	44,022	38	28,825	102	74,445
Employees'	4	0	26	850	133	3,933	227	12,363	72	8,521	463	25,836

Confidential

Non-Motor												
	Less than 30 Days		31 - 90 Days		3 Month - 6 months		6 months - 1 year		1 yr - 5 yrs		Total April 2016 till March 2017	
LOB	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)
Compensation												
Engineering	14	191	43	1,510	50	3,516	37	2,189	26	6,795	171	14,310
Industry Property	67	2,671	126	18,781	131	42,692	222	82,565	143	187,942	690	335,061
Marine Cargo	365	5,875	343	9,662	392	30,645	300	98,408	209	51,325	1609	195,915
Personal Accident - Group	78	5,612	370	20,743	558	36,046	253	25,290	59	15,242	1322	103,456
Personal Accident - Ind	14	68	46	2,141	49	6,136	22	1,597	6	611	137	10,554
Professional Liability					1	7	2	0			3	7
SME Property	35	234	73	1,330	100	29,603	138	55,266	55	46,500	401	132,933
Travel	111	372	202	909	38	603	7	75	1	4	359	1,962
Total	709	23,963	1243	56,238	1487	155,290	1265	322,088	636	348,090	5348	906,883

HEALTH												
	Less than 30 Days		31 - 90 Days		3 Month - 6 months		6 months - 1 year		1 yr - 5 yrs		Total April 2016 till March 2017	
LOB	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)	Nos	Amt ('000)
Retail Health	1,565	52,841	381	16,929	34	2,066	3	8	7	291	1,990	72,136
Group health	13,842	388,847	2,847	128,988	217	17,131	193	8,699	42	851	17,141	544,516
Total	15,407	441,689	3,228	145,917	251	19,197	196	8,707	49	1,142	19,131	616,652

INDEPENDENT AUDITOR'S REPORT

B K RAMADHYANI & CO. LLP
CHARTERED ACCOUNTANTS
4B, Chitrapur Bhavan
68, 8th Main, Malleswaram
Bangalore, Karnataka-560 055

M. P. CHITALE & CO
CHARTERED ACCOUNTANTS
1st Floor, Hamam House,
Ambalal Doshi Marg, Fort
Mumbai – 400 001, India

INDEPENDENT AUDITORS' REPORT

To the Members of

Bharti AXA General Insurance Company Limited

Report on the Revised Standalone Financial Statements

Revision of financial statements

The financial statements of the Company for the financial year 2016-17 as approved by the board of directors on May 11, 2017 and reported upon by us on the same day have been revised by them at their meeting held on July 26, 2017 in the light of the circumstances detailed in note 3.18 to the revised financial statements, by debiting the expenses of management in excess of the limits stipulated in the Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations 2016 to the Profit and Loss Account instead of the their respective revenue accounts. In our report dated May 11, 2017, we had observed that such excess was subject to forbearance approval of the IRDAI vide paragraph under the caption 'Emphasis of Matters'. Relying on the legal opinion obtained by the Company that it is open to revise its financial statements without obtaining approval from the National Company Law Tribunal, we have issued this report on such revised financial statements. Accordingly, our report dated May 11, 2017 stands withdrawn.

We have audited the accompanying revised standalone financial statements of Bharti AXA General Insurance Company Limited ("the Company"), which comprises of the Balance Sheet as at March 31, 2017, the related Revenue Accounts (also called the "Policyholders' Accounts" or the "Technical Accounts"), the Profit and Loss Account (also called the "Shareholders' Account" or "Non-Technical Account") and the Receipts and Payments Account for the year ended March 31, 2017 and summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 revised standalone financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Company in accordance with the requirements of the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), read with Insurance Regulatory and Development Act, 1999 (the "IRDA Act"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report Insurance Companies) Regulations,

2002 (the regulations"), orders/directions, circulars, guidelines issued by the Insurance Regulatory and Development Authority of India (IRDAI) in this regard and in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act and Companies (Accounting Standards) Amendment Rules, 2016 and in the manner so required.

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

Auditors' Responsibility

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

We have taken into account the provisions of the Insurance Act, the IRDA Act, the Regulations, the Act and the Rules made there under including the accounting standards to the extent applicable and auditing standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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 auditors' judgment, including the assessment of the 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 the 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 revised standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid revised standalone financial statements are prepared in accordance with the requirements of the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999, the Regulations and the Act, to the extent applicable and in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to Insurance Companies:

- in the case of the revised Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- in the case of the revised Revenue Account, of the operating profit in so far as it relates to Revenue Accounts of Marine Insurance Business and operating loss in so far as it relates to Revenue Accounts of Fire and Miscellaneous Insurance Business for the year ended March 31, 2017;
- in the case of the revised Profit and Loss Account, of the loss for the year ended March 31, 2017; and
- in the case of the revised Receipts and Payments Account, of the receipts and payments for the year ended March 31, 2017.

Matter of Emphasis:

The aggregate expenses on management incurred by the Company during the years 2014-15 and 2015-16 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 (000s) and Rs. 23,41,351 (000s) respectively. The Company has made applications for waiver to IRDA through the General Insurance Council. The Company's applications are pending disposal by IRDA. The matters are subject to the final directions of IRDA.

Other Matters

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, 2017 have been duly certified by the Company's Appointed Actuary, who has also certified that in her opinion the assumptions for such valuation are in accordance with the guidelines and norms, issued by Insurance Regulatory Development Authority of India (IRDAI) and the Actuarial Society of India in concurrence with the IRDAI. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

Report on Other Legal and Regulatory Requirements

1. As required by the Regulations, we have issued a revised separate certificate dated 11th May 2017 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the Regulations.

2. As required under the 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 to be satisfactory
 - (b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been maintained by the Company so far as it appears from our examination of those books;
 - (c) As the Company's financial accounting system is centralized at Head Office, no returns for the purposes of our audit are prepared at the branches and other offices of the Company;
 - (d) The revised Balance Sheet, Revenue Account, Profit and Loss Account, and Receipts and Payments Account dealt with by this Report are in agreement with the books of account;
 - (e) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, 1938 and the Regulations and orders / directions issued by the IRDAI in this behalf;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the Accounting Standards referred to in Section 133 Act and Companies (Accounting Standards) Amendment Rules, 2016, to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders / directions issued by the IRDAI in this behalf;
 - (g) In our opinion and to the best of our information and according to the explanations given to us, the revised Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report comply with the Accounting Standards referred to in Section 133 Act and Companies (Accounting Standards) Amendment Rules, 2016 to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by IRDAI in this regard; and
 - (h) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

INDEPENDENT AUDITOR'S REPORT

- (j) 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 as amended by the Companies (Audit and Auditors) Rules, 2017, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2017 on its financial position in its revised financial statements - Refer note 3.2 of schedule 16 to the revised Financial Statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended March 31, 2017.
 - iv. Since the company was not required to disclose details of Specified Bank Notes (SBN) in the financial statements, the disclosures required vide notification G.S.R. 308(E) dated 30th March, 2017 have not been made and accordingly, we have not reported on the same.

For B K RAMADHYANI & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn. No.: 002878S/S200021

For M. P. CHITALE & CO
CHARTERED ACCOUNTANTS
Firm Registration No 101851W

C R Deepak
PARTNER
Membership No: 215398

Murtuza Vajihi
PARTNER
Membership No: 112555

Date: July 28, 2017
Place: Bangalore

Date: July 26, 2017
Place: Mumbai

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE REVISED FINANCIAL STATEMENTS OF BHARTI AXA GENERAL INSURANCE COMPANY LIMITED

(Referred to in paragraph 2(i) 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, 2017, in conjunction with our audit of the revised financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, 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 be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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

INDEPENDENT AUDITOR'S REPORT

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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial

controls over financial reporting were operating effectively as at March 31, 2017, 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 issued by the ICAI.

Other Matters

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, 2017 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, 2017. In view of this, we did not perform any procedures relating to internal financial controls over financial reporting in respect of the valuation and accuracy of the actuarial valuation of estimate of claims IBNR and claims IBNER.

For B K RAMADHYANI & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn. No: 002878S/S200021

For M. P. CHITALE & CO
CHARTERED ACCOUNTANTS
Firm Registration No 101851W

C R Deepak
PARTNER
Membership No: 215398

Murtuza Vajihi
PARTNER
Membership No: 112555

Date: July 28, 2017
Place: Bangalore

Date: July 26, 2017
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

B K RAMADHYANI & CO LLP
CHARTERED ACCOUNTANTS
4B, Chitrapur Bhavan
68, 8th Main, Malleswaram
Bangalore
Karnataka-560 055

M. P. CHITALE & CO
CHARTERED ACCOUNTANTS
1st Floor, Hamam House,
Ambalal Doshi Marg, Fort
Mumbai – 400 001

Independent Auditors' Certificate

TO THE MEMBERS OF Bharti AXA General Insurance Company Limited

(Referred to in paragraph 11 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated July 26, 2017)

This certificate supersedes our earlier certificate in respect of matters specified in paragraphs 3 and 4 of Schedule C to the Regulations, dated May 11, 2017 issued by us on the standalone financial statements adopted by the Board of directors on the same date. The standalone financial statements of the Company have been revised by it in the manner and for the reasons explained in Note 3.18 of the attached revised standalone financial statements.

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

The Company's Board of Directors is responsible for complying with the provisions of The Insurance Act, 1938 as amended from time to time including amendment brought by Insurance Laws (Amendment) Act, 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 "Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI"). 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 revised certificate, is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the Regulations. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the 'ICAI').

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 accounts and other records maintained by Bharti AXA General Insurance Company Limited (the "Company") for the year ended March 31, 2017, we certify that:

1. We have reviewed the revised Management Report attached to the revised financial statements for the year ended March 31, 2017 and have found no apparent mistake or material inconsistency with the revised financial statements;
2. Based on management representations and the revised compliance certificate submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration as per sub section 4 of section 3 of the Insurance Act, 1938;
3. However, we have verified the cash and cheques on hand, to the extent considered necessary and verified. We have verified securities relating to Company's loans and investments as at March 31, 2017, by actual inspection or on the basis of certificates/ confirmations received from the Custodians and/Depository Participants appointed by the Company, as the case may be. As at March 31, 2017, the Company does not have reversions and life interests;
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act relating to the application and investments of the Policyholders' Funds.

For B K RAMADHYANI & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn. No.: 002878S/S200021

For M. P. CHITALE & CO
CHARTERED ACCOUNTANTS
Firm Regn. No.: 101851W

C R Deepak
PARTNER
Membership No: 215398
Date: July 28, 2017
Bangalore

Murtuza Vajihi
PARTNER
Membership No:112555
July 26, 2017
Mumbai

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

REVENUE ACCOUNT

Fire Insurance Business

Particulars	Schedule Ref.	For the year ending March 2017	For the year ending March 2016
		Rs. (' 000)	Rs. (' 000)
Premiums earned-(Net)	1	95,913	93,642
Profit/(Loss) on sale/redemption of Investments (Net)		265	170
- Amortisation of Discount/(Premium)		94	209
Interest, Dividend & Rent-Gross		14,738	29,484
Other Income		24	-
Total (A)		111,034	123,505
Claims incurred (Net)	2	82,890	222,115
Commission	3	(24,380)	(40,138)
Operating Expenses related to Insurance Business	4	172,071	69,915
Pool Expenses (Net of Pool Investment Income)		(10,957)	7,905
Premium Deficiency		(15,423)	27,488
Total (B)		204,201	287,285
Operating profit/(Loss) from Fire Business (C)=(A)-(B)		(93,167)	(163,780)
Appropriations			
Transfer to Shareholders' Account		(93,167)	(163,780)
Transfer to catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		(93,167)	(163,780)
Significant accounting policies and notes to accounts	16		

For B.K.RAMADHYANI & CO. LLP

Chartered Accountants
(Regn No.002878S/S200021)

M P Chitale & Co

Chartered Accountants

For and on behalf of the
Board

C R DEEPAK

(Partner)
Membership No.215398

MURTUZA VAJIHI

(Partner)

RAKESH BHARTI MITTAL

(CHAIRMAN)

JEAN, PAUL, DOMINIQUE, LOUIS
DROUFFE

(DIRECTOR)

SANJEEV S

(CHIEF EXECUTIVE OFFICER
& MD)

BHARAT SUMANT RAUT

(INDEPENDENT DIRECTOR)

ASHISH SARMA

(COMPANY SECRETARY)

MATHIEU VERILLAUD

(CHIEF FINANCIAL OFFICER)

Date: 26th July 2017

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	Schedule Ref.	For the year ending March 2017	For the year ending March 2016
		Rs. (' 000)	Rs. (' 000)
Premiums earned-(Net)	1	185,229	118,101
Profit/(Loss) on sale/redemption of Investments (Net)		567	406
- Amortisation of Discount/(Premium)		201	501
Interest, Dividend & Rent-Gross		31,491	31,724
Other Income		52	-
Total (A)		217,540	150,732
Claims incurred (Net)	2	129,822	123,737
Commission	3	14,409	11,701
Operating Expenses related to Insurance Business	4	50,327	72,559
Premium Deficiency		-	-
Total (B)		194,558	207,997
Operating profit/(Loss) from Marine Business (C)=(A)-(B)		22,982	(57,265)
Appropriations			
Transfer to Shareholders' Account		22,982	(57,265)
Transfer to catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		22,982	(57,265)
Significant accounting policies and notes to accounts	16		

Vide our report of even date

For B.K.RAMADHYANI & CO. LLP

Chartered Accountants
(Regn No.002878S/S200021)

M P Chitale & Co

Chartered Accountants

For and on behalf of the
Board

C R DEEPAK

(Partner)
Membership No.215398

MURTUZA VAJIHI

(Partner)

RAKESH BHARTI MITTAL

(CHAIRMAN)

JEAN, PAUL, DOMINIQUE, LOUIS
DROUFFE
(DIRECTOR)

SANJEEV S

(CHIEF EXECUTIVE OFFICER
& MD)

BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)

ASHISH SARMA

(COMPANY SECRETARY)

MATHIEU VERILLAUD

(CHIEF FINANCIAL OFFICER)

Date: 26th July 2017

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	Schedule Ref.	For the year ending March 2017	For the year ending March 2016
		Rs. (' 000)	Rs. (' 000)
Premiums earned-(Net)	1	11,106,832	11,370,407
Profit/(Loss) on sale/redemption of Investments (Net)		43,175	28,025
- Amortisation of Discount/(Premium)		15,345	34,509
Interest, Dividend & Rent-Gross		2,398,571	2,190,698
Other Income		9,012	13,106
Total (A)		13,572,935	13,636,745
Claims incurred (Net)	2	9,676,503	10,370,215
Commission	3	391,315	355,368
Operating Expenses related to Insurance Business	4	3,725,123	4,751,061
Premium Deficiency		(30,426)	(46,416)
Pool Expenses (Net of Pool Investment Income)		(1,530)	1,959
Contribution to Solatium Fund		3,623	3,203
Total (B)		13,764,608	15,435,390
Operating profit/(Loss) from Miscellaneous Business (C)=(A)-(B)		(191,673)	(1,798,645)
Appropriations			
Transfer to Shareholders' Account		(191,673)	(1,798,645)
Transfer to catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		(191,673)	(1,798,645)
Significant accounting policies and notes to accounts	16		

Vide our report of even date

For B.K.RAMADHYANI & CO. LLP

Chartered Accountants
(Regn No.002878S/S200021)

M P Chitale & Co

Chartered Accountants

For and on behalf of the Board

C R DEEPAK

(Partner)
Membership No.215398

MURTUZA VAJIHI

(Partner)

RAKESH BHARTI MITTAL

(CHAIRMAN)

JEAN, PAUL, DOMINIQUE, LOUIS DROUFFE

(DIRECTOR)

SANJEEV S

(CHIEF EXECUTIVE OFFICER & MD)

BHARAT SUMANT RAUT

(INDEPENDENT DIRECTOR)

ASHISH SARMA

(COMPANY SECRETARY)

MATHIEU VERILLAUD

(CHIEF FINANCIAL OFFICER)

Date: 26th July 2017

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 ending March 2017	For the year ending March 2016
		(Rs. '000)	(Rs. '000)
OPERATING PROFIT/(LOSS)			
(a) Fire Insurance		(93,167)	(163,780)
(b) Marine Insurance		22,982	(57,265)
(c) Miscellaneous Insurance		(191,673)	(1,798,645)
INCOME FROM INVESTMENTS			
(a) Interest ,Dividends and Rent -Gross		2,486	4,408
(b) Profit on sale/redemption of investments		1,324	1,235
Less: (Loss) on sale/redemption of investments		-	-
(C) Amortization of Discount/(Premium)		-	-
OTHER INCOME		-	-
Total (A)		(258,048)	(2,014,047)
Provisions (Other than taxation)			
(a) For diminution in the value of investments		-	-
(b) For doubtful debts		-	-
(c) Others		-	-
Other Expenses			
(a) Expenses other than those related to the insurance business		4,617	258
(b) Bad debts written off		-	-
(c) Others			
- Managerial Remuneration		6,351	28,073
- CSR Expenses		291	-
- Transfer of excess under Rule 17E to Profit and Loss Account		1,017,029	-
Total (B)		1,028,288	28,331
Profit/(Loss) before tax		(1,286,336)	(2,042,378)
Provision for Taxation			
- Wealth Tax		-	-
-Fringe Benefit Tax Asset written off		-	1,200
Profit/(Loss) after tax		(1,286,336)	(2,043,578)
Balance of Profit/(Loss) brought forward from last year		(10,544,266)	(8,500,688)
Appropriations			
(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		-	-
Balance carried to Balance Sheet		(11,830,602)	(10,544,266)
Earning Per Share (Basic and Diluted) (in Rs.) (Refer Note No.3.19 of Schedule 16)		(0.80)	(1.58)
(Face Value Rs.10 per share)			
Significant accounting policies and notes to accounts	16		

Vide our report of even date

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

M P Chitale & Co
Chartered Accountants

For and on behalf of the Board

C R DEEPAK
(Partner)
Membership No.215398

MURTUZA VAJIHI
(Partner)

RAKESH BHARTI MITTAL
(CHAIRMAN)

JEAN, PAUL, DOMINIQUE, LOUIS DROUFFE
(DIRECTOR)

Date: 26th July 2017

Place: Mumbai

SANJEEV S
(CHIEF EXECUTIVE OFFICER & MD)

ASHISH SARMA
(COMPANY SECRETARY)

BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)

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	Schedule Ref.	As at Mar 31, 2017	As at Mar 31, 2016
		(Rs. '000)	(Rs. '000)
SOURCES OF FUNDS			
Share Capital	5	16,214,453	15,714,453
Reserves and Surplus	6	1,720,185	1,720,185
Fair Value Change		16,339	9,166
Borrowings	7	-	-
Total		17,950,977	17,443,804
APPLICATION OF FUNDS			
Investments	8	28,721,865	28,412,013
Loans	9	-	-
Fixed Assets	10	112,869	146,598
Current Assets			
Cash and Bank Balances	11	564,689	424,980
Advances And Other Assets	12	2,453,105	2,650,684
Sub Total (A)		3,017,794	3,075,664
Current Liabilities	13	19,827,725	19,090,463
Provisions	14	5,904,428	5,644,274
Sub Total (B)		25,732,153	24,734,737
Net Current Assets (C) = (A - B)		(22,714,359)	(21,659,073)
Miscellaneous Expenditure	15	-	-
(to the extent not written off or adjusted)			
Debit Balance in Profit And Loss Account		11,830,602	10,544,266
Total		17,950,977	17,443,804
Significant accounting policies and notes to accounts	16		

Vide our report of even date

For B.K.RAMADHYANI & CO. LLP

Chartered Accountants
(Regn No.002878S/S200021)

C R DEEPAK

(Partner)

Membership No.215398

Date: 26th July 2017

Place: Mumbai

M P Chitale & Co

Chartered Accountants

MURTUZA VAJIHI

(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL

(CHAIRMAN)

SANJEEV S

(CHIEF EXECUTIVE OFFICER & MD)

ASHISH SARMA

(COMPANY SECRETARY)

JEAN, PAUL, DOMINIQUE, LOUIS DROUFFE

(DIRECTOR)

BHARAT SUMANT RAUT

(INDEPENDENT DIRECTOR)

MATHIEU VERILLAUD

(CHIEF FINANCIAL OFFICER)

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

SCHEDULE-1 PREMIUM EARNED (NET)

Particulars	Year Ending March 2017					Year Ending March 2016				
	Fire	Marine	Others	Miscellaneous	Total	Fire	Marine	Others	Miscellaneous	Total
		Cargo					Cargo			
Premium from Direct Business Written : *	497,984	244,200	-	12,398,752	13,140,936	623,566	259,166	-	11,861,463	12,744,195
Add : Premium on Reinsurance Accepted	80,569	23,693	-	14,403	118,665	70,299	12,674	-	18,052	101,025
Less : Premium on Reinsurance Ceded	473,450	118,322	-	1,014,810	1,606,582	596,419	116,482	-	1,160,619	1,873,520
Net Premium	105,103	149,571	-	11,398,345	11,653,019	97,446	155,358	-	10,718,896	10,971,700
Reserve created during the period	96,386	42,021	-	5,650,962	5,789,369	87,197	77,679	-	5,359,449	5,524,325
Reserve created during the previous year Written back	87,196	77,679	-	5,359,449	5,524,324	83,393	40,422	-	6,010,960	6,134,775
Total Premium Earned (Net)	95,913	185,229	-	11,106,832	11,387,974	93,642	118,101	-	11,370,407	11,582,150

* Refer Note No. 3.20 of Schedule 16

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

SCHEDULE-2 CLAIMS INCURRED (NET)

Particulars	Year Ending March 2017					Year Ending March 2016				
	Fire	Marine	Others	Miscellaneous	Total	Fire	Marine	Others	Miscellaneous	Total
		Cargo					Cargo			
Claims Paid Direct	439,007	3,678,456	-	8,549,696	12,667,159	812,444	205,004	-	8,823,615	9,841,063
Add : Reinsurance Accepted	306	-	-	1,146	1,452	18	-	-	188	206
Less : Reinsurance Ceded	280,020	3,569,087	-	1,000,425	4,849,532	688,579	125,632	-	1,487,296	2,301,507
Net Claims Paid	159,293	109,369	-	7,550,417	7,819,079	123,883	79,372	-	7,336,507	7,539,762
Claims Outstanding (including IBNR & IBNER)										
Add : Claims Outstanding at the close of the period (net of Re-insurance)	170,411	134,747	-	15,121,662	15,426,820	246,815	114,294	-	12,995,576	13,356,685
Less: Claims Outstanding at the beginning of the period (net of Re-insurance)	246,814	114,294	-	12,995,576	13,356,684	148,583	69,929	-	9,961,868	10,180,380
Total Claims Incurred	82,890	129,822	-	9,676,503	9,889,215	222,115	123,737	-	10,370,215	10,716,067

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

SCHEDULE - 3 COMMISSION

Particulars	Year Ending March 2017					Year Ending March 2016				
	Fire	Marine	Others	Miscellaneous	Total	Fire	Marine	Others	Miscellaneous	Total
		Cargo					Cargo			
Commission paid direct	26,997	20,345	-	515,341	562,683	32,666	22,854	-	512,041	567,561
Add: Commission on Re-insurance Accepted	3,426	2,998	-	747	7,171	3,305	1,220	-	1,056	5,581
Less: Commission on Re-insurance Ceded	54,803	8,934	-	124,773	188,510	76,109	12,373	-	157,729	246,211
Net Commission	(24,380)	14,409	-	391,315	381,344	(40,138)	11,701	-	355,368	326,931
Break-up of the commission (Gross) incurred to procure business furnished as per details below:										
Agents	3,882	3,134	-	181,603	188,619	3,591	2,465	-	173,960	180,016
Brokers	20,774	17,166	-	331,028	368,968	28,363	20,389	-	336,264	385,016
Corporate Agency	2,341	45	-	2,710	5,096	712	-	-	1,816	2,528
Referral	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	1	1
Total (B)	26,997	20,345	-	515,341	562,683	32,666	22,854	-	512,041	567,561

Confidential

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

SCHEDULE-4 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

Particulars											(Rs. '000)
	Year Ending March 2017					Year Ending March 2016					
	Fire	Marine Cargo	Others	Miscellaneous	Total	Fire	Marine Cargo	Others	Miscellaneous	Total	
Employees' remuneration and welfare benefits	11,530	27,856	-	1,159,693	1,199,079	14,077	32,433	-	1,069,117	1,115,627	
Travel, conveyance and vehicle running expenses	914	2,208	-	83,838	86,960	1,378	3,281	-	95,448	100,107	
Training Expenses	9,287	5,577	-	738,778	753,642	25,759	9,883	-	1,290,512	1,326,154	
Rents, rates and taxes	2,191	2,737	-	302,653	307,581	1,804	2,855	-	199,320	203,979	
Repairs Maintenance (including Electricity)	502	714	-	54,402	55,618	533	850	-	58,620	60,003	
Printing and stationery	134	121	-	21,534	21,789	200	188	-	27,671	28,059	
Communication Expenses	1,404	1,998	-	152,271	155,673	1,844	2,939	-	202,811	207,594	
Legal and professional charges	1,270	1,526	-	207,894	210,690	1,500	1,915	-	219,962	223,377	
Auditor's fees expenses etc.					-					-	
(a) as auditor	26	39	-	2,935	3,000	22	35	-	2,443	2,500	
(b) as advisor or in any other capacity, in respect of					-					-	
(i) Taxation matters	-	-	-	-	-	3	4	-	283	290	
(ii) Insurance matters					-					-	
(iii) Certification Fee	7	11	-	832	850	3	5	-	341	349	
(c) in any other capacity					-					-	
Audit Out of Pocket expenses	4	5	-	408	417	3	5	-	364	372	
Advertisement and Publicity	11,174	7,804	-	963,036	982,014	2,730	2,159	-	191,785	196,674	
Interest and Bank Charges	154	219	-	16,682	17,055	131	209	-	14,427	14,767	
Others					-					-	
Information technology	4,399	6,260	-	477,067	487,726	4,470	7,126	-	491,736	503,332	
Marketing Expenses	5,629	3,735	-	460,223	469,587	13,329	4,949	-	659,606	677,884	
Exchange (gain) /loss	(76)	(108)	-	(8,199)	(8,383)	94	150	-	10,366	10,610	
Miscellaneous Expenses	25	36	-	2,717	2,778	210	336	-	23,152	23,698	
Support Services	896	1,412	-	134,286	136,594	993	1,911	-	101,635	104,539	
ST on Exempted Services	57	81	-	6,164	6,302	5	7	-	511	523	
Profit/ Loss on Sale of Assets	1	2	-	124	127	(25)	(40)	-	(2,795)	(2,860)	
Depreciation	681	968	-	73,802	75,451	852	1,359	-	93,746	95,957	
Total	50,209	63,201	-	4,851,140	4,964,550	69,915	72,559	-	4,751,061	4,893,535	

Refer Note 3.20

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

SCHEDULE-1A PREMIUM EARNED (NET)														Year Ending March 2017		(Rs. '000)	
Particulars	Fire	Marine			Motor	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	Misc	Total			
		Cargo	Others	Total									Total				
Premium from Direct Business Written : *	497,984	244,200	-	244,200	11,046,985	49,705	204,540	144,773	-	136,702	671,749	144,298	12,398,752	13,140,936			
Add : Premium on Reinsurance Accepted	80,569	23,693	-	23,693	-	-	3,637	10,700	-	-	66	-	14,403	118,665			
Less : Premium on Reinsurance Ceded	473,450	118,322	-	118,322	650,196	5,473	103,486	120,642	-	9,825	34,315	90,873	1,014,810	1,606,582			
				-									-	-			
Net Premium	105,103	149,571	-	149,571	10,396,789	44,232	104,691	34,831	-	126,877	637,500	53,425	11,398,345	11,653,019			
				-													
Reserve created during the period	96,386	42,021	-	42,021	5,250,421	18,809	46,733	23,693	-	53,650	236,843	20,813	5,650,962	5,789,369			
Less: Reserve created during the previous year Written back	87,196	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			
				-									-	-			
Total Premium Earned (Net)	95,913	185,229	-	185,229	10,039,034	49,400	104,611	42,942	-	135,148	681,149	54,548	11,106,832	11,387,974			

* Refer Note No. 3.20 of Schedule 16

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	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	Misc	Total
		Cargo	Others	Total									Total	
Claims Paid				-										
Direct	439,007	3,678,456	-	3,678,456	7,528,031	27,099	3,160	135,434	-	117,955	628,420	109,597	8,549,696	12,667,159
Add : Reinsurance Accepted	306	-	-	-	-	-	-	1,146	-	-	-	-	1,146	1,452
Less : Reinsurance Ceded	280,020	3,569,087	-	3,569,087	771,963	1,401	257	110,021	-	13,635	42,005	61,143	1,000,425	4,849,532
Net Claims Paid	159,293	109,369	-	109,369	6,756,068	25,698	2,903	26,559	-	104,320	586,415	48,454	7,550,417	7,819,079
Claims Outstanding (including IBNR & IBNER)				-										
Add : Claims Outstanding at the close of the period (net of Re-insurance)	170,411	134,747	-	134,747	14,567,115	34,110	176,529	67,840	-	60,733	156,887	58,448	15,121,662	15,426,820
Less: Claims Outstanding at the beginning of the period (net of Re-insurance)	246,814	114,294	-	114,294	12,379,293	30,348	105,712	52,789	-	73,035	207,792	146,607	12,995,576	13,356,684
Total Claims Incurred	82,890	129,822	-	129,822	8,943,890	29,460	73,720	41,610	-	92,018	535,510	(39,705)	9,676,503	9,889,215

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

SCHEDULE - 3A COMMISSION														(Rs. '000)	
Particulars	Fire	Marine			Motor	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	Misc	Total	
		Cargo	Others	Total									Total		
Commission paid direct	26,997	20,345	-	20,345	390,192	3,478	21,632	8,885	-	13,395	66,277	11,482	515,341	562,683	
Total (A)				-											
Add: Commission on Re-insurance Accepted	3,426	2,998	-	2,998	(5)	-	382	371	-	-	-	-	747	7,171	
Less: Commission on Re-insurance Ceded	54,803	8,934	-	8,934	64,964	373	16,096	24,976	-	1,024	3,796	13,544	124,773	188,510	
				-									-	-	
Net Commission	(24,380)	14,409	-	14,409	325,223	3,105	5,918	(15,720)	-	12,371	62,481	(2,062)	391,315	381,344	
Break-up of the commission (Gross) incurred to procure direct business furnished as per details below:															
Agents	3,882	3,134	-	3,134	160,424	1,394	768	1,841	-	3,010	10,728	3,438	181,603	188,619	
Brokers	20,774	17,166	-	17,166	228,066	2,084	20,590	7,044	-	10,328	55,244	7,672	331,028	368,968	
Corporate Agency	2,341	45	-	45	1,702	-	274	-	-	57	305	372	2,710	5,096	
Referral	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Others	-	-	-	-	-	-	-	-	-	0	-	-	-	-	
Total (B)	26,997	20,345	-	20,345	390,192	3,478	21,632	8,885	-	13,395	66,277	11,482	515,341	562,683	

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

SCHEDULE-1 PREMIUM EARNED (NET)														(Rs. '000)
Particulars	Fire	Marine			Motor	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	Misc	Total
		Cargo	Others	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
Net Premium	97,446	155,358	-	155,358	9,581,151	63,665	104,945	39,121	-	149,806	735,881	44,327	10,718,896	10,971,700
Reserve created during the period	87,197	77,679	-	77,679	4,892,666	23,977	46,653	31,804	-	61,921	280,492	21,936	5,359,449	5,524,325
Less: Reserve created during the previous year Written back	83,393	40,422	-	40,422	5,385,075	32,482	36,954	50,887	-	82,728	372,734	50,100	6,010,960	6,134,775
				-									-	-
Total Premium Earned (Net)	93,642	118,101	-	118,101	10,073,560	72,170	95,246	58,204	-	170,613	828,123	72,491	11,370,407	11,582,150

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

SCHEDULE-2 CLAIMS INCURRED (NET)														(Rs. '000)
Particulars	Fire	Marine			Motor	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	Misc	Total
		Cargo	Others	Total									Total	
Claims Paid														
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
Net Claims Paid	123,883	79,372	-	79,372	6,163,096	21,887	991	45,049	-	99,520	903,420	102,544	7,336,507	7,539,762
Claims Outstanding (including IBNR & IBNER)														
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
Total Claims Incurred	222,115	123,737	-	123,737	9,216,212	22,239	68,271	3,178	-	84,089	768,980	207,246	10,370,215	10,716,067

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

SCHEDULE - 3 COMMISSION														(Rs. '000)
Particulars	Fire	Marine			Motor	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Others	Misc	Total
		Cargo	Others	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
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
				-									-	-
Net Commission	(40,138)	11,701	-	11,701	275,110	3,811	7,392	(25,110)	-	15,983	83,781	(5,599)	355,368	326,931
Break-up of the commission (Gross) incurred to procure direct business furnished as per details below:														
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	28,363	20,389	-	20,389	194,449	2,524	19,199	9,674	-	13,924	88,428	8,066	336,264	385,016
Corporate Agency	712	-	-	-	939	-	-	-	-	423	302	152	1,816	2,528
Referral	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	1	-	-	1	1
Total (B)	32,666	22,854	-	22,854	349,918	4,389	19,725	11,737	-	17,489	97,388	11,395	512,041	567,561

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 2017													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	11,530	27,856	-	27,856	986,019	6,616	19,645	4,323	-	20,950	114,709	7,431	1,159,693	1,199,079
Travel, conveyance and vehicle running expenses	914	2,208	-	2,208	70,577	524	1,616	344	-	1,610	8,627	540	83,838	86,960
Training Expenses	9,287	5,577	-	5,577	709,876	1,627	1,821	5,576	-	4,482	11,314	4,082	738,778	753,642
Rents, rates and taxes	2,191	2,737	-	2,737	284,307	883	1,784	1,178	-	2,277	11,116	1,108	302,653	307,581
Repairs Maintenance (including Electricity)	502	714	-	714	49,621	211	500	166	-	606	3,043	255	54,402	55,618
Printing and stationery	134	121	-	121	20,272	48	85	36	-	332	621	140	21,534	21,789
Communication Expenses	1,404	1,998	-	1,998	138,891	591	1,399	465	-	1,695	8,516	714	152,271	155,673
Legal and professional charges	1,270	1,526	-	1,526	195,857	499	1,068	387	-	2,220	6,927	936	207,894	210,690
Auditor's fees expenses etc.				-									-	-
(a) as auditor	26	39	-	39	2,677	11	27	9	-	33	164	14	2,935	3,000
(b) as advisor or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters				-									-	-
(iii) Certification Fee	7	11	-	11	758	3	8	3	-	9	47	4	832	850
(c) in any other capacity				-									-	-
Audit Out of Pocket expenses	4	5	-	5	371	2	4	1	-	5	23	2	408	417
Advertisement and Publicity	11,174	7,804	-	7,804	919,555	2,316	3,242	6,495	-	6,334	20,082	5,012	963,036	982,014
Interest and Bank Charges	154	219	-	219	15,216	65	153	51	-	186	933	78	16,682	17,055
Others				-									-	-
Information technology	4,399	6,260	-	6,260	435,148	1,851	4,382	1,458	-	5,310	26,682	2,236	477,067	487,726
Marketing Expenses	5,629	3,735	-	3,735	439,938	1,092	1,449	3,263	-	3,029	8,948	2,504	460,223	469,587
Exchange (gain) /loss	(76)	(108)	-	(108)	(7,479)	(32)	(75)	(25)	-	(91)	(459)	(38)	(8,199)	(8,383)
Miscellaneous Expenses	25	36	-	36	2,478	11	25	8	-	30	152	13	2,717	2,778
Support Services	896	1,412	-	1,412	124,444	426	911	426	-	1,354	6,105	620	134,286	136,594
ST on Exempted Services	57	81	-	81	5,621	24	57	19	-	69	345	29	6,164	6,302
Profit/ Loss on Sale of Assets	1	2	-	2	114	0	1	0	-	1	7	1	124	127
Depreciation	681	968	-	968	67,317	286	678	226	-	821	4,128	346	73,802	75,451
Refer Note 3.20	50,209	63,201	-	63,201	4,461,578	17,054	38,780	24,409	-	51,262	232,030	26,027	4,851,140	4,964,550

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 2016												
	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
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
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
Rents, rates and taxes	1,804	2,855	-	2,855	178,277	1,173	1,928	721	-	2,853	13,538	830	199,320
Repairs Maintenance (including Electricity)	533	850	-	850	52,399	348	574	214	-	819	4,024	242	58,620
Printing and stationery	200	188	-	188	25,452	94	121	59	-	819	975	151	27,671
Communication Expenses	1,844	2,939	-	2,939	181,287	1,204	1,985	740	-	2,834	13,922	839	202,811
Legal and professional charges	1,500	1,915	-	1,915	202,854	844	1,272	523	-	4,185	9,379	905	219,962
Auditor's fees expenses etc.	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	22	35	-	35	2,183	15	24	9	-	34	168	10	2,443
(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
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Certification Fee	3	5	-	5	306	2	3	1	-	5	23	1	341
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-
Audit Out of Pocket expenses	3	5	-	5	325	2	4	1	-	5	25	2	364
Advertisement and Publicity	2,730	2,159	-	2,159	177,145	953	1,247	1,224	-	1,927	8,164	1,125	191,785
Interest and Bank Charges	131	209	-	209	12,895	86	141	53	-	202	990	60	14,427
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
Marketing Expenses	13,329	4,949	-	4,949	632,089	2,537	1,767	6,307	-	3,617	8,092	5,197	659,606
Exchange (gain) /loss	94	150	-	150	9,265	62	101	38	-	145	712	43	10,366
Miscellaneous Expenses	210	336	-	336	20,695	137	227	84	-	324	1,589	96	23,152
Support Services	993	1,911	-	1,911	86,840	663	1,340	405	-	2,304	9,504	579	101,635
ST on Exempted Services	5	7	-	7	457	3	5	2	-	7	35	2	511
Profit/ Loss on Sale of Assets	(25)	(40)	-	(40)	(2,498)	(17)	(27)	(10)	-	(39)	(192)	(12)	(2,795)
Depreciation	852	1,359	-	1,359	83,796	557	918	342	-	1,310	6,435	388	93,746
	69,915	72,559	-	72,559	4,242,858	27,354	46,505	31,172	-	71,429	300,916	30,827	4,751,061
													4,893,535

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

SCHEDULE -5 SHARE CAPITAL

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	(Rs. '000)	(Rs. '000)
Authorised Capital [2,000,000,000 (As at March 31, 2016 2,000,000,000) Equity shares of Rs. 10 each]	20,000,000	20,000,000
Issued Capital [1,621,445,322 (As at March 31, 2016- 1,571,445,322 Equity shares of Rs. 10 each]	16,214,453	15,714,453
Subscribed Capital [1,621,445,322 (As at March 31, 2016- 1,571,445,322 Equity shares of Rs. 10 each]	16,214,453	15,714,453
Called-up Capital Equity shares of Rs. 10 each 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	16,214,453 - - -	15,714,453 - - -
Total	16,214,453	15,714,453

SCHEDULE-5A SHARE CAPITAL

PATTERN OF SHAREHOLDING (As certified by the Management)

Shareholder	As at Mar 31, 2017		As at March 31, 2016	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
- Indian	826,937,115	51.00	801,437,115	51.00
- Foreign	794,508,207	49.00	770,008,207	49.00
Others	-	-	-	-
Total	1,621,445,322	100	1,571,445,322	100

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

SCHEDULE-6 RESERVES AND SURPLUS

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	(Rs. '000)	(Rs. '000)
Capital Reserve	-	-
Capital Redemption Reserve	-	-
Securities Premium	-	-
Opening Balance	1,720,185	1,702,953
Additions during the year	-	17,232
Deletions during the year	-	-
Closing Balance	1,720,185	1,720,185
General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilised for Buyback	-	-
Catastrophe Reserve	-	-
Other Reserves	-	-
Balance in Profit and Loss Account	-	-
Total	1,720,185	1,720,185

SCHEDULE - 7 BORROWINGS

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	(Rs. '000)	(Rs. '000)
Debentures/Bonds	-	-
Banks	-	-
Financial Institutions	-	-
Others	-	-
Total	-	-

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

SCHEDULE 8 INVESTMENTS - SHAREHOLDERS

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	(Rs. '000)	(Rs. '000)
LONG TERM INVESTMENTS		
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	-	-
Short Term Investments		
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	36,073	48,503
(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	-	-
Total	36,073	48,503

1) Investments Other than Equities and Derivative Instruments:

Aggregate Value of Investments in Mutual funds of BOI AXA as at 31st March 17 Rupees 36,073 thousand (previous year Rupees 48,503 thousand).

Market Value as at 31st March 17 Rupees 36,073 thousand (as at March 31, 2016 Rupees 48,503 thousand).

2) Investments maturing within next 12 months are Rupees 36,073 thousand (as at March 31, 2016 48,503 thousand).

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

SCHEDULE 8A INVESTMENTS - POLICYHOLDERS

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	(Rs. '000)	(Rs. '000)
LONG TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	7,307,863	8,416,519
Other Approved Securities	8,712,436	9,886,389
Other Investments		
(a) Shares -		
(aa) Equity Shares		
(bb) Preference Shares		
(b) Mutual Funds		
(c) Derivative Instruments		
(d) Debenture/Bonds	99,925	-
(e) Other Securities		
(f) Subsidiaries		
(g) Investment Properties-Real Estate		
Investments in Infrastructure and Social Sector	4,502,545	3,699,497
Other than Approved Securities		
Short Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	1,750,162	450,902
Other Approved Securities - (Fixed Deposits with Banks and Certificate of Deposit)	4,505,071	4,476,578
Other Investments		
(a) Shares		
(aa) Equity Shares		
(bb) Preference Shares		
(b) Mutual Funds	508,925	151,020
(c) Derivative Instruments		
(d) Debenture/Bonds	-	-
(e) Other securities		
(f) Subsidiaries		
(g) Investment Properties-Real Estate		
Investments in Infrastructure and Social Sector	1,198,994	450,028
Other than Approved Securities	99,871	832,577
Total	28,685,792	28,363,510

1) Investments Other than Equities and Derivative Instruments:

Aggregate Value of Investments as at 31st March 17 Rupees 28,685,792 thousand (as at March 31, 2016 Rupees 28,363,510 thousand)

	2016 17	Amount '(000) 2015 16
Longterm Investments Book value	20,603,879	21,995,640
Longterm Investments Market value	21,186,555	22,248,176
Shortterm Investments Book value	8,059,285	6,337,928
Shortterm Investments Market value	8,116,134	6,373,597

2) Invesments maturing within next 12 months are Rupees thousand 8,063,024 (Previous year 6,361,105 thousand).

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

SCHEDULE-9 LOANS

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	(Rs. '000)	(Rs. '000)

SECURITY-WISE CLASSIFICATION

Secured

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

Unsecured

	-	-
Total	-	-

BORROWER-WISE CLASSIFICATION

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

Total	-	-
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PERFORMANCE-WISE CLASSIFICATION

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

Total	-	-
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MATURITY-WISE CLASSIFICATION

a) Short Term		
b) Long Term	-	-

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

SCHEDULE 10 FIXED ASSETS

(Rs. '000)

Particulars	Gross Block			As at Mar 31, 2017	As at April 1, 2016	Depreciation		As at Mar 31, 2017	Net Block	
	As at April 1, 2016	Additions/ Adjustments during the year	Deductions/A djustments during the year			For the year *	On Sales/ Adjustments		As at Mar 31, 2017	As at March 31, 2016
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles-Computer softwares and License fees	200,517	16,473	3,087	213,903	156,641	22,096	2,500	176,237	37,666	43,876
Leasehold Improvements	126,694	2,378	17,589	111,483	117,890	4,894	17,052	105,732	5,751	8,804
Furniture, Fixtures & Equipments	43,118	757	5,295	38,580	38,134	3,718	5,147	36,705	1,875	4,984
Information Technology Equipment	229,115	13,562	2,696	239,981	169,299	34,586	2,662	201,223	38,758	59,816
Vehicles	57,687	-	26,610	31,077	46,409	7,344	24,144	29,609	1,468	11,278
Office Equipment	56,956	1,354	8,899	49,411	49,152	2,813	8,576	43,389	6,022	7,804
Total	714,087	34,524	64,176	684,435	577,525	75,451	60,081	592,895	91,540	136,562
Work-in-progress	10,036	38,383	27,090	21,329	-	-	-	-	21,329	10,036
Grand Total	724,123	72,907	91,266	705,764	577,525	75,451	60,081	592,895	112,869	146,598
Previous year	708,780	142,809	127,466	724,123	535,911	95,957	54,343	577,525	146,598	172,869

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

SCHEDULE-11 CASH AND BANK BALANCES

Particulars	As at Mar 31, 2017 <u>(Rs. '000)</u>	As at Mar 31, 2016 <u>(Rs. '000)</u>
Cash (including cheques, drafts and Remittance in transit)	145,136	87,501
Bank Balances		
(a) Deposit Accounts		
(aa) Short Term (due within 12 months)	166,498	153,623
(bb) Others	-	-
(b) Current Accounts	253,055	183,856
(c) Others	-	-
Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
Others	-	-
Total	<u><u>564,689</u></u>	<u><u>424,980</u></u>
Balances with non-scheduled banks included in 2 and 3 above		
CASH & BANK BALANCES		
1. In India	564,689	424,980
2. Outside India	-	-
Total	<u><u>564,689</u></u>	<u><u>424,980</u></u>

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

SCHEDULE-12 ADVANCES AND OTHER ASSETS

Particulars	As at Mar 31, 2017 <u>(Rs. '000)</u>	As at Mar 31, 2016 <u>(Rs. '000)</u>
Advances		
Reserve Deposits with Ceding Companies	-	-
Application money for Investments	-	-
Prepayments	45,820	37,752
Advances to Directors / Officers	-	-
Advance Tax Paid and Taxes Deducted at Source (Net of Provision for Tax)	-	-
Others	-	-
- Advance to employees	70	653
- Advances recoverable in cash or in kind	15,085	21,746
Less : Provision for doubtful advances	-	-
Total (A)	<u>60,975</u>	<u>60,151</u>
Other Assets		
Income accrued on investments	1,177,463	1,185,353
Money market securities representing unclaimed fund	248,055	
Unutilised service tax carried forward	84,187	117,299
Outstanding Premium	-	93,088
Agents' Balances	40,950	22,234
Foreign Agencies Balances	-	-
Due from other entities carrying on insurance business (including reinsurers)	463,872	852,209
Due from Subsidiary/Holding Companies	-	-
Deposit with Reserve Bank of India (Pursuant to Section 7 of Insurance Act, 1938)	-	-
Others	-	-
- Receivable from Terrorism Pool	279,696	227,022
- Receivable from Motor Pool & Declined Pool	-	-
Deposits	-	-
- Rental	86,570	78,098
- Others	11,337	15,230
Total (B)	<u>2,392,130</u>	<u>2,590,533</u>
Total (C) = (A) + (B)	<u>2,453,105</u>	<u>2,650,684</u>

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

SCHEDULE-13 CURRENT LIABILITIES

Particulars	As at Mar 31, 2017 <u>(Rs. '000)</u>	As at Mar 31, 2016 <u>(Rs. '000)</u>
Agents' Balances	46,607	51,163
Balances due to other insurance companies	1,399,714	2,354,264
Deposit held on reinsurance ceded	-	-
Premium Received in Advance	94,557	42,829
Unallocated Premium	211,079	312,435
Unclaimed Amount of Policy Holders	244,711	188,024
Sundry creditors	298,913	439,916
Due to subsidiaries/holding company	-	-
Claims outstanding	15,426,820	13,356,684
Claims Outstanding - Motor Pool	1,268,888	1,592,128
Due to Officers/Directors	-	-
Others	-	-
- Service Tax payable	3,896	3,060
- Statutory Dues	72,315	102,944
- Rent Equilisation Reserve	15,227	35,161
- Expenses Payable	496,785	478,622
- Employee related	186,612	47,746
- Claims approved but not paid	61,601	85,487
Total	<u>19,827,725</u>	<u>19,090,463</u>

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

SCHEDULE-14 PROVISIONS

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	(Rs. '000)	(Rs. '000)
Reserve for Unexpired Risk	5,789,369	5,524,324
Reserve for Premium Deficiency	12,065	57,913
For taxation	-	-
(Less advance tax paid and taxes deducted at source)	-	-
For proposed dividends	-	-
For dividend distribution tax	-	-
Others	-	-
- Employee Benefits	102,994	62,037
Total	5,904,428	5,644,274

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

Particulars	As at Mar 31, 2017	As at Mar 31, 2016
	(Rs. '000)	(Rs. '000)
Discount allowed in issue of shares/debentures	-	-
Others	-	-
Total	-	-

FINANCIAL STATEMENT

SCHEDULE 16

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS FOR PERIOD ENDED MARCH 31, 2017

1. Background

Bharti AXA General Insurance Company Limited ('the Company') was incorporated under the provisions of the Companies Act, 1956 on July 13, 2007 and is a joint venture between AXA and Bharti group to undertake and carry on the business of General Insurance. The Company obtained regulatory approval from the Insurance Regulatory and Development Authority "IRDA" on June 27, 2008 to undertake General Insurance business in various lines of business like fire, marine, motor, liability, engineering, accident, health, workmen compensation.

The Company holds a valid certification of registration for financial year 2016-17.

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'), Insurance laws amendment act 2015 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 the Companies (Accounts) Rules 2014.

2.2. Use of estimates

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

2.3. Revenue recognition

Premium

Premium (net of service tax), including reinstatement premium, on direct business and reinsurance accepted, is recognized as income over the period of risk or contract period after adjusting for unearned premium. 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 period of 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. Sale consideration for the purpose of realized gains or loss is net of brokerage or taxes and excludes interest received on sale.

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 debt securities, is amortized/ accreted on constant yield to maturity basis over the period of holding.

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

FINANCIAL STATEMENT

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.

2.7. Reserve for unexpired risk

Reserve for unexpired risk is recognized net of reinsurance ceded on the basis of 1/365 method or risk period basis. Reserve for unexpired risk on terrorism pool retrocessions are provided with 50% of the retrocessions booked

2.8. Premium deficiency

Premium deficiency is recognized for the Company at a line of business level when the sum of expected claim costs and related expenses exceed the reserve for unexpired risks. Assessment of expected claim cost and related expenses has been certified by the Appointed Actuary in accordance with IR-DAI (Assets, Liabilities and Solvency margin of General Insurance Business) Regulation, 2016

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 Net Written Premium.

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

(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:

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 5,000 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 including brokerage, transfer charges, transaction charges as applicable if any and exclude pre-acquisition interest.

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 in case not listed on National stock exchange, then the last quoted price at the Bombay Stock Exchange Limited. Unlisted equity shares are stated at historical cost.

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.

Investments other than those mentioned above are valued at cost.

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.

Impairment of Investments

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

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

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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.

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 administered 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. The Indian Motor Third Party Insurance Pool was dismantled with effect 31st March 2012.

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.
- d) The declined pool is to be extinguished at the end of every underwriting year on a clean cut basis by transferring the risks at par to the members who have not fulfilled their obligations. Such transfer would be in proportion of the shortfall of each member.
- e) The Company's share of premium, claims, reinsurance commissions and expenses if any of the pool is recorded as inward reinsurance business based on the returns submitted by GIC under the respective heads of income or expense as the case may be and included within the Motor Third Party sub-segment of the Miscellaneous Revenue Account. Unexpired risks reserve is provided for at 50% of net premium of such inward reinsurance business. IBNR and IBNER determined by GIC are subject to clearance from IRDA. Pending such clearance, IBNR/IBNER is recorded based on GIC's determination.
- f) The Indian Motor Third Party Declined Risk Insurance Pool was dismantled with effect 31st March 2015.

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 and deferred tax.

Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961.

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 esti-

mates.

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. Changes in the accounting estimate

During the FY 2016-17, the Company has exercised the option given by IRDAI vide circular No IRDA/F&A/CIR/CPM/056/03/2016 dated April 4, 2016 and changed the method of calculation of Unearned Premium Reserve (UPR) from 1/365 or 50% of Net written premium of preceding twelve months of Marine & Miscellaneous whichever is higher to 1/365 or risk period basis. The impact of the change is that the UPR and the loss for the period ended March'2017 is lower by Rs 80,976 ('000) had the earlier regulation was followed.

The Company was determining IBNR liability for motor TP lines of business using payment per claim finalized method upto 31st March 2016. During the year the Company has adopted the average of different method for computing IBNR liability based on such change increase in the ultimate for all accident years till 2015 16 amounting to Rs 6,22,958 ('000).

3.2. Contingent liabilities

Particulars	As at March 31, 2017 (Rs. '000)	As at March 31, 2016 (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
Others(excluding interest and penalty if any)	Nil	Nil

SHOW CAUSE NOTICE received from DGCEI

On Oct 15, 2015, the Company received a show cause notice from DIRECTORATE GENERAL OF EXCISE INTELLIGENCE (DGCEI) proposing a disallowance CENVAT credit of Rs.28,76,500 ('000),/- availed by the Company on payment made to various automobile dealers for services received. The case is currently pending with "The COMMISSIONER OF CENTRAL EXCISE AND SERVICE TAX" with whom a personal hearing was held on November 8, 2016, final decision by the officer is awaited. Our legal counsel is of opinion that the probability of devolution of this liability is remote.

SHOW CAUSE NOTICE received from the principal commissioner of Service Tax

During the year, the Company has received a show cause notice for non-payment or non-reversal of cenvat credit on exempted services rendered in the state of Jammu and Kashmir and for Embassy services and other disallowances amounting to Rs. 16,210(000). Further department has also questioned about not collecting service tax on health insurance taken by SEZ companies and department is of the opinion that it is not exempt from service tax as the services are rendered to the employees of SEZ company and not to SEZ. The Company has sought extension of time for filing its replies. Our legal counsel is of the opinion that the probability of duration of this liability is remote.

ASSESSMENT ORDER received from Income tax department for above matter

- The Company has received an assessment order for assessment year 2013 14 and 2014 15. The Assessing Officer ("AO") has concluded assessment based on the information received from DGCEI, Chennai zone unit disallowing marketing expenses paid to various automobile dealers of Rs.11,29,795 ('000),/- for both the assessment years. However, there is no tax liability due to brought forward loss. The Company has preferred an appeal in this matter with CIT (Appeals)
- Based on the above, AO has issued show cause notices for imposing penalty under section 271(1) (c) of the Income Tax Act, 1961. The Company has replied to the Assessing Officer to keep the matter in abeyance till the matters are disposed off by CIT (Appeals).
- Our legal counsel is of the opinion that the probability of devolution of above liabilities are remote.

3.3. Encumbrances on assets

The assets of the Company are free from all encumbrances [As at March 31, 2016 Rs. Nil].

No assets of the Company are subject to restructuring.

3.4. Capital commitments

- a) There are no commitments made and outstanding for Investments and Loans.
- b) Estimated amount of contracts remaining to be executed on capital account, to the extent not provided for as at March 31, 2017 is Rs.7,504 ('000) net of advances [as at March 31, 2016 Rs. 4,903 ('000)].

3.5. 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, 2017 (Rs. '000)	Year Ended March 31, 2016 (Rs. '000)
In India	11,769,424	9,835,948
Outside India	897,735	5,115
Total	12,667,159	9,841,063

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

Particulars	As at March 31, 2017 (Rs. '000)	As at March 31, 2016 (Rs. '000)
Outstanding for Less than Six Months	1,657,851	5,912,505
Outstanding for more than Six Months	9,704,705	8,091,827
Total	11,362,556	14,004,332

The above details does not include the claims outstanding /IBNR pertaining to Indian Motor Third Party Insurance Motor (IMTPIP) Pool Rs.20,32,597 ('000) [as at March 31, 2016 Rs. ('000) 23,26,373], declined pool claims retained in books as at March 31, 2017 Rs ('000) NIL [as at March 31, 2016 Rs. ('000) NIL] and IBNR/IBNER for all lines of business Rs. ('000) 76,58,556 [as at March 31, 2016 Rs. ('000) 64,20,629].

The amount recoverable from reinsurers against claims outstanding amounts to Rs. 43,60,419 ('000) [As at March 31, 2016 Rs. 78,07,917 ('000)].

There are no claims that have been settled and remaining unpaid for a period of more than six months as at March 31, 2017.

3.6. Premium

Premium net of reinsurance is written and received in India.

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

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

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 Basic Chain Ladder Method, Average Cost per Claim Method, Bornhuetter Ferguson Method, or a mixture of these have been used for IBNR calculations. Ultimate

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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.

3.8. Extent of risk retained and reinsured

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

Line of Business	Year ended March 31, 2017		Year ended March 31, 2016	
	Ceded Ratio (%)	Retained Ratio (%)	Ceded Ratio (%)	Retained Ratio (%)
Fire	79	21	82	18
Cargo	34	66	34	66
Motor	5	95	5	95
Workmen compensation	5	95	5	95
Public Liability	46	54	45	55
Engineering	70	30	78	22
Personal Accident	5	95	5	95
Health Insurance	5	95	12	88
Others	52	48	59	41
Total	11	89	13	87

3.9. 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, 2016.

The historical cost of Investments in Mutual Fund which are valued on fair value basis is Rs5,39,717 ('000) [as at March 31, 2016 Rs. ('000) 1,032,100].

Particulars	Amount '000	
	Fair value	Book value
Shareholders' Investment	36,073	31,676
Policyholders Investment	5,08,925	5,08,041

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

Particulars	Minimum Outstanding during	Maximum Outstanding during the	Daily Average Outstanding	Outstanding as on March 31,
-------------	----------------------------	--------------------------------	---------------------------	-----------------------------

	the year	year	during the year	2017
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.

3.11. Investment property

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

3.12. Sector wise business [based On gross direct written premium (GWP)]

Business Sector	Amount '(000)			
	For the year ended March 31, 2017		For the year ended March 31, 2016	
	GDPI	% of GDPI	GDPI	% of GDPI
Rural	1,015,185	7.72	787,626	6.18
Urban	12,125,750	92.28	11,956,569	93.82
Total	13,140,935	100	12,744,195	100
Statutory Limit*		7		6

*Statutory Limit under Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015

Social sector	For the year ended March 31, 2017	For the year ended March 31, 2016
Number of lives	61413	42110
GDPI(Rs.'000)	1,338	1,607

3.13. Computation of managerial remuneration

Details of Payment	For the Year ended March 31, 2017 (Rs. in '000)	For the Year ended March 31, 2016 (Rs. in '000)
Salary and allowances**	12,223	18,679
Provident fund	625	1,084

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Bonus and Long Term Incentive Paid**	(3,240)	12,614
Perquisites	1,223	1,570
AXA performance shares	(2978)	2,978
Total	7,854	36,925

** -Recovery of relocation expenses and bonus paid or provided in earlier year from Mr. Deepak Iyer has been credited to Employee remuneration and welfare benefits in revenue account.

Expenses towards gratuity funding, leave encashment provision and long term incentive plan are determined actuarially on the overall company basis annually and accordingly have not been considered in the above information.

In terms of the IRDAI approvals Rs 1,503 ('000) (previous year Rs 8,852 ('000)) is charged to revenue account after considering recovery of relocation expenses, joining bonus paid or payable and AXA performance units to Mr. Deepak Iyer and remaining Rs. 6,351 ('000) (previous year Rs.28,073 ('000) is charged to Profit and loss account

3.14. Property , Plant and Equipment

Depreciation includes Rs.2,072 ('000) representing provision for assets not found and damaged during physical verification of assets.

The Company does not have any assets in its books where the useful life of the component is different than the useful life of the principal asset and the company depreciates the entire asset.

3.15. 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.

3.16. Related party disclosure

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

3.17. Outsourcing, business development and marketing support expenses:

Particulars	For the year ended March 31, 2017 (Rs. in '000)	For the year ended March 31, 2016 (Rs. in '000)
Outsourcing costs	281,760	393,173
Business Development and marketing support expenses	115,714	96,169
Total	397,474	489,342

3.18. Expenses of Management

The Board of Directors at their meeting held on May 11, 2017 had considered and approved the financial statements of the company comprising the Balance Sheet as on 31st March 2017, the Revenue Accounts, the Statement of Profit and Loss and Cash Flow Statement for the year then ended together with significant accounting

policies and other notes thereon (hereinafter referred to as 'financial statements'). These accounts were prepared on the basic assumption that IRDA would grant forbearance for expenses incurred in excess of allowable limits laid down in Expenses of Management Regulations 2016. Hence, expenses in excess of the allowable limits as specified under Expenses of Management Regulations 2016 were charged to the Policy Holders account (Revenue Account).

Based on subsequent communication with IRDAI, and without waiting for the forbearance, the Company has suo moto decided to revise the set of financial statements that were approved by the Board of Directors on May 11, 2017. The revised financial statements have now been prepared by charging the excess amount of Rs. 10,17,029 ('000) to Shareholder's accounts. (Profit and Loss Account)

3.19. Provision Written Back

During the year, the reversal of excess provision for expenses amounting to Rs.10,927 ('000) [Previous year Rs. 18,738 ('000)] have been netted under miscellaneous expenses in Schedule 4.

3.20. Prior Period Items

a. Gross written premium accounted in financial year 2016 17 includes policies with risk commencing for earlier years to the extent of

Amount ('000)

Line of Business	Gross written Premium	Reinsurance Cession	Reinsurance Commission	Net Written Premium	Commission and Brokerage
Accident	3,382	216	24	3,166	489
Engg	18,284	15,551	3,925	2,734	980
Fire	7,139	5,782	(945)	1,357	776
Health	20,144	1,617	219	18,527	2,169
Liability	6,093	2,249	259	3,844	634
Marine	11,814	9,097	1,031	2,717	391
Misc	5,343	3,940	482	1,403	787
Motor	202,656	11,702	1,520	190,954	6,767
WC	1,314	84	10	1,230	108
Total	276,169	50,238	6,525	225,932	13,100

c. Management expenses shown under schedule 4 includes Rs. 15,203('000) as a prior period expense

3.21. Accounting ratios

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Sr. No	Performance Ratio	Ratios for the year ended March 31, 2017 (in %)			
		Total	Fire	Marine	Misc
1	Gross Direct Premium Growth Rate (Segment wise) Gross direct premium for the current year/ Gross direct premium for the previous year	3%	(20%)	(6%)	5%
2	Gross Direct Premium to Net Worth Ratio Gross direct premium for the current year / Paid Up Capital and free reserves	2.15			
3	Growth rate of Net Worth Net Worth as at the Current Balance Sheet date / Net Worth as at the previous Balance sheet date	(11%)			
4	Net Retention Ratio (Segment wise) Net written premium / Gross direct premium+RI Acceptance	88%	18%	56%	92%
5	Net Commission Ratio (Segment wise) Gross Commission Paid net of reinsurance commission / Net written premium	3%	(23%)	10%	3%
6	Expense of Management to Gross Direct Premium Ratio Expenses of Management plus direct commissions paid/ Gross direct premium	34%	41%	30%	34%
7	Expense of Management to Net Written Premium Ratio Expenses of Management plus direct commissions paid/ Net Written Premium	39%	193%	49%	37%
8	Net Incurred Claims to Net Earned Premium Net Incurred Claims / Net Earned Premium	87%	86%	70%	87%
9	Combined Ratio (Net Incurred Claims/NEP)+(Expenses of Management incl net commission/NWP)	124%	227%	113%	123%

10	Technical Reserves to net premium ratio (URR + Reserve for Premium Deficiency + Reserve for outstanding claims including IBNR and IBNER)/ Net Written Premium	1.93				
11	Underwriting balance ratio Underwriting profit/ loss / Net earned premium	(0.25)	(1.40)	(0.05)	(0.24)	
12	Operating profit ratio Underwriting profit/ loss plus investment income / net earned premium	(2%)	(89%)	12%	(2%)	
13	Liquid Assets to liabilities ratio Liquid Assets of the Insurer / Policy Holders Liabilities	0.38				
14	Net earnings ratio Profit after tax/ net premium	(11%)				
15	Return on net worth ratio Profit after tax/ networkth	(21%)				
16	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	1.65				
17	NPA ratio	NA				

Sr. No	Ratios For Non-Life Companies for Mar 17	Motor	Workmen's Compensation	Public Liability	Engineering	Personal Accident	Health	Others	Misc
	Performance Ratio Segment								Total
1	Gross Direct Premium Growth Rate (Segment wise) Gross direct premium for the current year/ Gross direct premium for the previous year	8%	-27%	8%	-43%	-16%	-19%	-9%	5%
2	Net Retention Ratio (Segment wise) Net written premium / Gross direct premium+RI Acceptance	94%	89%	50%	22%	93%	95%	37%	92%
3	Net Commission Ra-	3%	7%	6%	-45%	10%	10%	-4%	3%

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4	tio (Segment wise)								
	Gross Commission Paid net of reinsurance commission /								
	Net written premium								

Sr.No	Performance Ratio	Ratios for the year ended March 31, 2016 (in %)			
		Total	Fire	Marine	Misc
1	Gross Direct Premium Growth Rate (Segment wise)	(13%)	(20%)	(19%)	(12%)
	Gross direct premium for the current year/				
	Gross direct premium for the previous year				
2	Gross Direct Premium to Net Worth Ratio	1.85			
	Gross direct premium for the current year /				
	Paid Up Capital and free reserves				
3	Growth rate of Net Worth	23%			
	Net Worth as at the Current Balance Sheet date /				
	Net Worth as at the previous Balance sheet date				
4	Net Retention Ratio (Segment wise)	85%	14%	57%	90%
	Net written premium / Gross direct premium+RI Acceptance				
5	Net Commission Ratio (Segment wise)	3%	(41%)	8%	3%
	Gross Commission Paid net of reinsurance commission /				
	Net written premium				
6	Expense of Management to Gross Direct Premium Ratio	43%	17%	37%	44%
	Expenses of Management plus direct commissions paid/				
	Gross direct premium				
7	Expense of Management to Net Written Premium Ratio	50%	109%	62%	49%
	Expenses of Management plus direct commissions paid/				
	Net Written Premium				
8	Net Incurred Claims to Net Earned Premium	93%	237%	105%	91%
	Net Incurred Claims / Net Earned Premium				

9	Combined Ratio	140%	268%	159%	139%
	(Net Incurred Claims/NEP)+(Expenses of Management incl net commission/NWP)				
10	Technical Reserves to net premium ratio	1.86	3.71	1.24	1.86
	(URR + Reserve for Premium Deficiency + Reserve for outstanding claims including IBNR and IBNER)/ Net Written Premium				
11	Underwriting balance ratio	(0.38)	(1.69)	(0.76)	(0.36)
	Underwriting profit/ loss / Net earned premium				
12	Operating profit ratio	(18%)	(185%)	(48%)	(16%)
	Underwriting profit/ loss plus investment income / net earned premium				
13	Liquid Assets to liabilities ratio	0.33	-	-	
	Liquid Assets of the Insurer / Policy Holders Liabilities				
14	Net earnings ratio	(18%)			
	Profit after tax/ net premium				
15	Return on net worth ratio	(30%)			
	Profit after tax/ network				
16	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	1.59			
17	NPA ratio	NA			

No	Ratios For Non-Life Companies for Mar 16	Motor	Work men's Compensation	Public Liability	Engineering	Personal Accident	Health	Others	Misc
	Performance Ratio Segment								Total
1	Gross Direct Premium Growth Rate (Segment wise)	-7%	-14%	28%	-21%	-25%	-46%	-30%	-12%
	Gross direct premium for the cur-								

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	rent year/								
	Gross direct premium for the previous year								
4	Net Retention Ratio (Segment wise)	94%	94%	54%	15%	93%	88%	28%	90%
	Net written premium / Gross direct premium+RI Acceptance								
5	Net Commission Ratio (Segment wise)	3%	6%	7%	-64%	11%	11%	-13%	3%
	Gross Commission Paid net of reinsurance commission /								
	Net written premium								

Notes:

1. Net 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.

3.22 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, 2017 (Rs. in '000)	As at March 31, 2016 (Rs. in '000)
Payable not later than one year	116,035	141,175
Payable later than one but not later than five years	230,974	199,722
Payable later than five years	60,006	2,946

An amount of Rs.143653 ('000) [Previous year Rs. 152,132('000)] 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, 2017 (Rs. in '000)	As at March 31, 2016 (Rs. in '000)
Payable not later than one year	3,393	2,673
Payable later than one but not later than five years	7,537	5,010

The aggregate operating lease rental, charged to the Revenue Account in the current year is Rs. 2,648 ('000) [Previous year Rs. 2,368 ('000)]. 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.

3.23 Earnings per share

Particulars		Year ended March 31, 2017	Year ended March 31, 2016
Profit/(Loss) attributable to the Equity Shareholders [A]	Rs. ('000)	(1,286,336)	(2,043,578)
Number of Equity Shares at the beginning of the reporting year (par value of Rs 10 each)	No's	1,571,445,322	1,238,668,534
Shares issued during the reporting year	No's	50,000,000	332,776,788
Total number of equity shares outstanding at the end of the reporting year	No's	1,621,445,322	1,571,445,322
Weighted average number of equity shares outstanding during the end of the reporting year [B]	No's	1,609,116,555	1,295,060,562
Nominal Value of equity shares	Rs.	10	10
Basic and Diluted Earnings per share [C= A/B]	Rs.	(0.80)	(1.58)

3.24 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, 2017 (Rs. '000)	As at March 31, 2016 (Rs. '000)
i)	Principal amount due and remaining unpaid to any Supplier as at the end of reporting year	34	79
ii)	Interest due on principal amount remaining unpaid as at the end of reporting year	Nil	Nil

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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

3.25 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 recognized as on the reporting date.

3.26 Retirement and other employee benefits

(a) Defined contribution plan

The Company has recognized Rs.48,584 ('000) [Previous year Rs. 49,447 ('000)] 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

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. ('000)	Rs. ('000)
Present value of obligations as at the beginning of the reporting year (A)	40,483	41,498
Current service cost (B)	13,212	8,064
Interest cost (C)	2,487	2,552
Actuarial loss/(gain) on obligation (D)	11,335	574
Benefits paid (E)	(11,984)	(12,205)
Present value of obligations as at the end of the reporting year (F=A+B+C+D+E)	55,533	40,483

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. ('000)	Rs. ('000)
Plans assets at period beginning, at fair value (A)	38,381	21,937
Actuarial Adjustment (B)		-
Expected Return on Plan Assets (C)	2,876	2,116
Actuarial Gain / (Loss) (D)	433	(408)
Contributions (E)	23,178	26,942
Benefits Settled (F)	(11,984)	(12,205)
Plan Assets at Period End, at fair value [G=A+B+C+D+E+F+G]*	52,884	38,381

* 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	As at March 31, 2017 Rs. ('000)	As at March 31, 2016 Rs. ('000)
Fair Value of Plan Assets (A)	52,884	38,381
Present value of Obligations (B)	55,533	40,483
Net Asset / (Liability) recognized in Balance Sheet (C = B - A)	(2,649)	(2,102)

Net cost for the reporting year

Particulars	Current Year	Previous Year
	Rs. ('000)	Rs. ('000)
Current Service Cost (A)	13,212	8,064
Interest Cost (B)	2,487	2,552
Actuarial loss/(gain) on obligation (C)	11,335	574
Actuarial (loss)/gain on plan assets (D)	(433)	408
Expected Return on Plan Assets (E)	(2,876)	(2,116)
Actuarial Adjustment (F)	-	-
Expenses recognized in Profit & Loss Account (G) =(A+B+C+D+E+F)	23,725	9,482

b. Compensated absences

Defined benefit obligation

Particulars	As at March 31, 2017	As at March 31, 2016
-------------	----------------------	----------------------

FINANCIAL STATEMENT

	Rs. ('000)	Rs. ('000)
Present value of obligations as at the beginning of the reporting year (A)	42,220	44,499
Current service cost (B)	12,285	9,214
Interest cost (C)	2,312	2,351
Actuarial loss/(gain) on obligation (D)	32,902	9,946
Benefits paid (E)	(20,314)	(23,790)
Present value of obligations as at the end of the reporting year (F=A+B+C+D+E)	69,405	42,220

Net cost for the reporting year

Particulars	Current Year	Previous Year
	Rs. ('000)	Rs. ('000)
Current Service Cost (A)	12,285	9,214
Interest Cost (B)	2,312	2,351
Actuarial loss/(gain) on obligation (c)	32,902	9,946
Expenses recognized in Profit & Loss Account D=(A+B+C)	47,499	21,511

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

	For the year ended 31-Mar-17	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
Discount Rate	6.54%	7.21%	7.82%	8.80%	8.25%
Salary increase	14.00%	11.00%	11.00%	11.00%	11.75%
Mortality rate	Mortality Rate Indian Assured Lives (2006-08) Ultimate Mortality Table				
Estimated rate of return on plan assets	6.54%	7.21%	8.00%	8.00%	Not Ascertained
Retirement Age	58	58	58	58	58
Attrition rate	28.00%	35.50%	33%	29.70%	34.47%

- (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 disbursal.
- (d) Performance units granted to Chief financial officer amounting to Rs.8,416 ('000) has been charged to revenue accounts.

3.27 SUMMARY OF FINANCIAL STATEMENTS

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

S.No	Particulars	2016-17 (Rs '000)	2015-16 (Rs '000)	2014-15 (Rs '000)	2013-14 (Rs '000)	2012-13 (Rs '000)
	OPERATING RESULTS					
1	Gross Written Premium *	13,259,600	12,845,220	14,741,511	14,333,860	12,638,565
2	Net Premium Income	11,653,019	10,971,700	12,198,159	11,841,605	10,027,561
3	Income from Investments (net)	2,504,447	2,315,726	2,155,298	1,540,510	1,163,126
4	Other Income	9,088	13,106	7,603	2,196	-
5	Total Income	14,166,554	13,300,532	14,361,060	13,384,311	11,190,687
6	Commission (net)	381,344	326,931	298,272	349,044	217,955
7	Operating Expenses	3,947,521	4,893,535	4,737,498	3,992,396	3,560,960
8	Claims, Increase in Unexpired Risk Reserve and other out-flows	10,099,548	10,128,087	10,515,710	9,698,265	8,813,470
9	Operating Profit / (Loss)	(261,858)	(2,048,021)	(1,190,420)	(655,394)	(1,401,698)
	NON- OPERATING RESULTS					
10	Total Income under share holders account	(1,013,219)	5,643	8,549	27,029	(37,625)
11	Profit / (Loss) before tax	(1,286,336)	(2,042,378)	(1,181,868)	(628,365)	(1,439,323)
12	Provision for tax		1,200	683	751	525
13	Profit / (Loss) after tax	(1,286,336)	(2,043,578)	(1,182,551)	(629,116)	(1,439,848)
	MISCELLANEOUS					
14	Policyholder's Account					
	Total Funds	@23,479,575	6,887,760	5,581,554	4,278,127	3,232,430
	Total Investments	28,685,792	28,363,510	24,609,821	19,574,845	14,127,776
	Yield on Investments	8.49%	8.87%	9.15%	9.01%	8.91%
15	Shareholder's Account					
	Total Funds	@6,104,035	11,778	7,394	28,363	163,170
	Total Investments	36,073	48,503	32,600	129,776	713,164
	Yield on Investments	3.53%	3.04%	8.36%	8.53%	7.07%
16	Paid up equity capital	16,214,453	15,714,453	12,386,685	9,765,515	8,454,930
17	Net worth	6,120,375	6,899,538	5,588,949	4,306,490	3,395,602
18	Total Assets	31,852,528	31,612,041	27,785,111	22,262,297	16,685,263
19	Yield on Total Investments	8.57%	8.51%	9.15%	9.00%	8.81%
20	Earnings Per Share - (INR Rs)	(0.80)	(1.58)	(1.09)	(0.70)	(1.96)
21	Book Value Per Share - (INR Rs)	3.76	4.39	4.51	4.41	4.02

FINANCIAL STATEMENT

22	Total Dividend	-	-	-	-	-
23	Dividend per Share	-	-	-	-	-

* Gross Written Premium includes Re Insurance Inwards premium and Motor Pool & Terrorism Pool Premium

@ Policyholder's fund and Shareholders fund are calculated as per circular IR-DA/F&A/CIR/CPM/056/03/2016 dated 4th April 2016

3.28 There were no forward or derivative contracts outstanding as at March 31, 2017 and March 31, 2016. Foreign currency exposure as at March 31, 2017 and March 31, 2016 that has not been hedged by any derivative instrument or otherwise is estimated as follows:

Particulars	Foreign Currency	As at March 31, 2017 (Foreign currency)	As at March 31, 2017 Rs. '000)	As at March 31, 2016 (Foreign currency)	As at March 31, 2016 Rs. '000)
Liabilities	EUR	115,988	8,041	83,334	6,277
Liabilities	USD	4,644,642	3,01,437	6,386,025	4,24,186
Asset	THB	4,680	9	NIL	NIL

3.29 Disclosures on penal actions taken against the Company for the period April 1, 2016 to March 31, 2017

Amt ("000)					
S.NO	Authority	Non-Compliance Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Re-duced
1.	Insurance Regulatory And Development Authority	4,000 (Nil)	4,000 (Nil)	4,000 (Nil)	Nil (Nil)
2.	Service Tax Authorities	7 (None)	7 (Nil)	7 (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)

3.30 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, 2016 including a provisional investment income as provided by GIC vide provisional statement as on 31st March 2017.

(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) 3,623 [Previous year Rs. ('000) 3,203] 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. 617 ('000) [Previous year Rs. 645('000)] was collected towards Environment Relief Fund for public liability policies and an amount of Rs.552 ('000) [Previous year Rs. 555 ('000)] 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.65 ('000) [Previous year Rs.90 ('000) 14] is included under Sundry Creditors in Schedule 13.

3.31 Solvency

The actual solvency ratio of the Company as at March 31, 2017 is 1.65 [Previous Year Ratio 1.59], against the required solvency ratio of 1.50.

3.32 Unclaimed amount of policyholders

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

W.e.f. 1 April 2016 separate category of investments corresponding to the unclaimed amounts have been maintained and income of the fund is calculated on actual basis through Net Assets Value method and credited to policyholders' unclaimed amounts account. For this purpose these investments have been transferred at book value. Any refund request pertaining to these amounts are paid out of this amount at NAV on the date of processing request. The outstanding unclaimed amounts and the corresponding investments of the fund are disclosed in the balance sheet under Schedule 13 and Schedule 12 respectively as at 31 March 2017

[Amount in Rs. ('000)]

FINANCIAL STATEMENT

Authority	Total amount	1-6 months	7-12 months	13-18 months	19-24 months	25-30 months	Beyond 30 months
Claims settled but not paid to the policyholders/insured due to any reasons except under litigation from the insured/policyholders	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Sum due to the insured/policyholders on maturity or otherwise	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any excess collection of the premium/tax or any charges which is refundable to the policyholders either as terms if conditions of the policy or as per law or as the case may be directed by the authority but not refunded so far.	124,775 (92,986)	26,113 (10,103)	22,335 (28,863)	18,660 (18,567)	15,295 (8,784)	16,065 (5,027)	26,307 (21,643)
Cheques issued but not encashed by the policyholders/insured	128,899* (95,037)	25,030 (20,335)	28,417 (17,090)	13,008 (7,453)	9,158 (8,163)	6,411 (6,964)	46,875 (35,033)

* Includes Cheques issued amounting to Rs. 9448 ('000) which are within the validity period but not yet presented for payment to policy holders / insured.
The above ageing does not include income of Rs 486 ('000) earned on money market securities representing unclaimed fund

	Rs. In Lakhs	Rs. In Lakhs
Particulars	Current Year	Previous Year
Opening Balance	1,880	-
Add: Amount transferred to Unclaimed Amount	521	930
Add: Cheques issued out of the unclaimed amount but not encashed by the policy holders (To be included only when the cheques are Stale)	204	950
Add: Investment Income	45	-
Less: Amount paid during the year	204	-
Closing Balance of Unclaimed Amount	2,447	1,880

3.33 Transfer Pricing

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 arm's-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, 2016, 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, 2017 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.

For and on behalf of the Board

RAKESH BHARTI MITTAL
(CHAIRMAN)
DIN- 00042494

JEAN, PAUL, DOMINIQUE, LOUIS DROUFFE
(DIRECTOR)
DIN- 07373856

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

BHARAT SUMANT RAUT
(INDEPENDENT DIRECTOR)
DIN- 00066080

ASHISH SARMA
(COMPANY SECRETARY)

MATHIEU VERILLAUD
(CHIEF FINANCIAL OFFICER)

Vide our report of even date

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

For M P Chitale & Co
Chartered Accountants

C R DEEPAK

(Partner)
Membership No.215398

MURTUZA VAJIHI

(Partner)
Membership No.

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, 2017

ANNEXURE I (Refer Note 3.15)

Segment report

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, 2017

Relationship	Name of The Company
Ultimate Holding Company	BHARTI (RM) HOLDING Pvt LTD BHARTI (RBM) HOLDING Pvt. LTD. BHARTI (SBM) HOLDINGS Pvt LTD
Holding Company	GIBA Holdings Private Limited(From March 31,2017)
Enterprise having significant influence	Société Beaujon (From March 31,2017)
Joint venture partners	GIBA Holdings Private Limited (Till March 30, 2017) Société Beaujon (Till March 30, 2017) Bharti Insurance Holdings Private Limited (Till March 30, 2017)
Entities under Common Control of ultimate holding company or enterprise having significant influence (Entities under Common Control of Ultimate holding companies of joint venture partners)	Bharti Airtel Limited AXA Business Services Private Limited Bharti Retail Limited Bharti AXA Life Insurance Company Limited Bulldog Media and Entertainment Private Limited Bharti Airtel Services Limited Bharti Infratel Limited Bharti Infratel Ventures Limited AXA Group Solutions Private Limited AXA Technology Shared Services Private Limited Bharti Airtel Singapore Private Limited Bharti Airtel USA Limited AXA Assistance India Private Limited Field Fresh Foods Private Limited Bharti Enterprises Limited Bharti Foundation Bharti Hexacom Limited Bharti Infotel Private Limited Bharti Land Limited Bharti Realty Limited

Bharti Telemedia Limited
 Bharti Telesoft Limited
 Beetel Teletech Limited
 Bharti Ventures Limited
 Bharti Walmart Private Limited
 Bharti Realty Holdings Ltd
 Bharti SBM Holdings Private Limited
 Bharti Teletech Ltd
 Bharti Enterprises Holding Pvt Ltd
 Bharti Airtel Hongkong Limited
 Bharti (RM) Holding Private Limited
 Bharti (RBM) Holding Private Limited
 Bharti Airtel Lanka Private Limited
 Bharti TeleVentures Limited
 BHARTI COMTEL LTD
 Airtel Bangladesh
 BOI Axa Investment Managers Private Limited
 Comviva Technologies Limited
 Cedar Support Services Ltd
 Centum Learning Limited
 Centum Workskills Pvt Ltd
 DM Buildwell Private Limited
 Gourmet Investment Pvt Ltd
 Atrium Restruants Pvt Ltd
 AIRTEL M COMMERCE SERVICES LTD
 Airtel Payments Bank Ltd
 Indian School of Business
 Infracore Technologies Ltd
 Indus Towers Limited
 AXA Insurance Public Co. Ltd
 Axa Corporate Solutions
 Bharti Retail Limited
 Axa Assistance India Pvt Ltd
 Bharti Ventures Limited
 Bharti Realty Holding Limited
 AXA Business Services Pvt Ltd
 AXA Technologies Shared Services Private Limited
 AXA Asia Regional Office Hong Kong
 AXA Asia Regional Centre Pte Limited
 AXA GIE
 AXA CHINA REGION INSURANCE Com
 AXA INSURANCE SINGAPORE PTE LT
 AXA Corporate Solution Reassurance
 Beetel Teletech Ltd
 AXA Financial Services (Singapore)
 AXA GIE University
 Axa Affin General Insurance Berhard

FINANCIAL STATEMENT

Bharti AXA Investment Managers Private Limited
Bharti Ventures Ltd
BOI AXA Investment Managers
Bharti Insurance Holdings Private Limited
Bharti Airtel Services Ltd
BOI AXA Investment Managers Private Limited
AXA General Insurance Singapore
AXA China Region Insurance Co Ltd
AXA LIFE INSURANCE, SA
AXA Insurance Singapore Pte. Ltd.
AXA Corporate Solutions Assurance
AXA China Region Insurance Company Limited
Bharti Enterprises (Holding) Pvt Ltd
Bharti Overseas Private Limited
Bharti Teletech Limited
Bharti Hexacom Ltd
AXA Financial Services (Singapore) Pte. Ltd.
Atrium Restaurants India Pvt Ltd
AXA General Insurance Hong Kong Limited
AXA SA

Key managerial personnel

Micro Insurance Services Private Limited
Mr. Sanjeev Srinivasan (Chief Executive Officer and
Managing Director effective 21st Dec 2016)
Mr. Deepak Iyer
(Chief Executive Officer and Managing Director upto
5th August 2016)
Mr. Milind Chalisgaonkar
(Interim Chief Executive Officer and Managing Direc-
tor upto 31st July, 2016)
Mr. Mathieu Verillaud (Chief Financial Officer)
Mr Ashish Sarma (Company Secretary)

Person exercising significant influence

Mr. Rakesh Bharti Mittal

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31 , 2017

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)	95,913	185,229	-	185,229	6,888,998		3,150,037		-	-	10,039,035	49,399	104,611	42,943	-	135,148	681,149	52,600	1,947	1,067,797	11,387,974
Profit on Sale of Investments	265	567	-	567	26,482		12,921		-		39,403	168	397	109	-	481	2,416	196	7	3,772	44,007
Interest and Dividend	14,738	31,491	-	31,491	1,471,186		717,802		-		2,188,988	9,313	22,042	6,043	-	26,713	134,222	10,879	369	209,582	2,444,800
Amortisation	94	201	-	201	9,412		4,592		-		14,004	60	141	39	-	171	859	70	2	1,341	15,641
Other Income	10,981	52	-	52	8,646		(3,623)			(412)	4,611	15	37	1,951	-	44	223	19	-	2,289	17,934
Total Segmental Revenue	121,991	217,540	-	217,541	8,404,724		3,881,729		-	(412)	12,286,041	58,955	127,228	51,085	-	162,557	818,869	63,764	2,325	1,284,781	13,910,356
Claims Incurred (Net)	82,890	129,822	-	129,822	5,237,279		3,706,612				8,943,891	29,459	73,721	41,611	-	92,019	535,511	(40,122)	417	732,616	9,889,219
Commission Paid (Net)	(24,380)	14,409	-	14,409	325,223		-				325,223	3,105	5,918	(15,721)	-	12,371	62,481	1,329	(3,392)	66,091	381,344
Operating Expenses related to Insurance	50,209	63,201		63,201	2,998,559		1,462,999		-		4,461,558	17,054	38,777	24,409	-	51,262	232,029	25,173	854	389,558	4,964,527
Premium Deficiency	(15,423)	-	-	-							-	-	-	-	-	-	-	(30,426)	-	(30,426)	(45,849)
Total Segmental Expenditure	93,296	207,432	-	207,432	8,561,061		5,169,611		-	-	13,730,672	49,618	118,416	50,299	-	155,652	830,021	(44,046)	(2,121)	1,157,840	15,189,239
Segmental Profit	28,695	10,108	-	10,108	(156,337)		(1,287,882)		-	(412)	(1,444,631)	9,337	8,812	786	-	6,905	(11,152)	107,810	4,446	126,941	(1,278,887)

Bharti AXA General Insurance Company Limited

SEGMENTAL BREAK-UP OF THE BALANCE SHEET AS AT MARCH 31, 2017

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	170,411	134,747	-	134,747	15,836,003	34,110	176,529	67,840		60,733	156,887	58,448	16,390,550	16,695,707
Reserve for Unexpired Risk	96,386	42,021	-	42,021	5,250,421	18,809	46,733	23,693	-	53,650	236,843	20,813	5,650,962	5,789,369

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	13,245	31,724	-	31,724	1,349,971		606,499				1,956,470	13,000	21,430	6,552	-	30,590	150,101	8,770	282	230,725	2,232,164
Amortisation	209	501	-	501	21,299		9,569				30,868	205	338	103	-	483	2,368	138	4	3,639	35,217
Other Income					8,089		3,634		-		11,723	78	128	39	-	183	899	53	2	1,382	13,105
Total Segmental Revenue	107,266	150,732	-	150,732	8,341,727		3,755,963		-	-	12,097,690	85,619	117,417	64,982	-	202,261	983,414	80,460	1,397	1,535,550	13,891,238
Claims Incurred (Net)	222,115	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	10,716,065
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	(3,843)	(1,757)	80,255	326,928
Operating Expenses related to Insur	61,581	72,560		72,560	2,927,761		1,318,562		-		4,246,323	27,356	46,503	29,371	-	71,427	300,916	30,097	729	506,399	4,886,863
Premium Deficiency	27,488	-	-	-							-	-	-	(11,041)	-	-	(43,099)	7,724	-	(46,416)	(18,928)
Total Segmental Expenditure	271,046	207,997	-	207,997	8,419,330		5,318,315		-	-	13,737,645	53,405	122,166	(3,602)	-	171,499	1,110,577	240,692	(497)	1,694,240	15,910,928
Segmental Profit	(163,780)	(57,265)	-	(57,265)	(77,603)		(1,562,352)		-	-	(1,639,955)	32,214	(4,749)	68,584	-	30,762	(127,163)	(160,232)	1,894	(158,690)	(2,019,690)

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

Related Party Disclosure under Accounting Standard 18									
Particulars	Entities under the common control of ultimate holding company or enterprise having significant influence		Holding Company / Entity having Significant influence		Key Management Personnel		Person exercising significant influence		Rs.('000)
	Total								
	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017 Mar, 2016
A.Transactions during the year									
Insurance Premium Received	123,129	109,844	-	-	-	-	77	151	123,205 109,994
Bharti Airtel Limited	41,227	27,615	-	-	-	-	-	-	41,227 27,615
AXA Business Services Private Limited	47,726	44,140	-	-	-	-	-	-	47,726 44,140
Bharti Retail Ltd	3	9,353	-	-	-	-	-	-	3 9,353
Mr. Rakesh Bharti Mittal	-	-	-	-	-	-	77	151	77 151
Others	34,173	28,736	-	-	-	-	-	-	34,173 28,734
Bharti AXA Life Insurance Company Limited	976	302	-	-	-	-	-	-	976 302
Bulldog Media and Entertainment Private Limited	-	-	-	-	-	-	-	-	- -
Bharti Airtel Services Limited	2,107	2,267	-	-	-	-	-	-	2,107 2,267
Bharti Infratel Limited	918	811	-	-	-	-	-	-	918 811
Bharti Infratel Ventures Limited	(1,289)	-	-	-	-	-	-	-	(1,289) -
AXA Group Solutions Private Limited	-	-	-	-	-	-	-	-	- -
AXA Technology Shared Services Private Limited	296	900	-	-	-	-	-	-	296 900
Bharti Airtel Singapore Private Limited	-	-	-	-	-	-	-	-	- -
Bharti Airtel USA Limited	-	-	-	-	-	-	-	-	- -
AXA Assistance India Private Limited	293	759	-	-	-	-	-	-	293 759
Field Fresh Foods Private Limited	247	(19)	-	-	-	-	-	-	247 (19)
Bharti Enterprises Limited	307	401	-	-	-	-	-	-	307 401
Bharti Foundation	439	391	-	-	-	-	-	-	439 391
Bharti Hexacom Limited	206	198	-	-	-	-	-	-	206 198
Bharti Infotel Private Limited	-	-	-	-	-	-	-	-	- -
Bharti Land Ltd	145	76	-	-	-	-	-	-	145 76
Bharti Realty Limited	5,780	3,708	-	-	-	-	-	-	5,780 3,708
Bharti Telemedia Limited	350	315	-	-	-	-	-	-	350 315
Bharti Telesoft Limited	-	-	-	-	-	-	-	-	- -
Beetel Teletech Limited	11,025	13,295	-	-	-	-	-	-	11,025 13,295
Bharti Ventures Limited	38	156	-	-	-	-	-	-	38 156
Bharti Walmart Private Limited	-	15	-	-	-	-	-	-	- 15
Bharti Realty Holdings Ltd	2,792	2,672	-	-	-	-	-	-	2,792 2,672
Bharti SBM Holdings Private Limited	298	145	-	-	-	-	-	-	298 145
Bharti Teletech Ltd	-	-	-	-	-	-	-	-	- -
Bharti Enterprises Holding Pvt Ltd	-	3	-	-	-	-	-	-	- 3
Bharti Airtel Hongkong Limited	-	-	-	-	-	-	-	-	- -
Bharti (RM) Holding Private Limited	243	383	-	-	-	-	-	-	243 383
Bharti (RBM) Holding Private Limited	35	572	-	-	-	-	-	-	35 572
Bharti Airtel Lanka Private Limited	-	-	-	-	-	-	-	-	- -
Bharti TeleVentures Limited	7	-	-	-	-	-	-	-	7 -
BHARTI COMTEL LTD	1	1	-	-	-	-	-	-	1 1
Airtel Bangladesh	-	-	-	-	-	-	-	-	- -
BOI Axa Investment Managers Private Limited	153	154	-	-	-	-	-	-	153 154
Comviva Technologies Limited	970	762	-	-	-	-	-	-	970 762
Cedar Support Services Ltd	-	65	-	-	-	-	-	-	- 65
Centum Learning Limited	-	-	-	-	-	-	-	-	- -
Centum Workskills Pvt Ltd	-	-	-	-	-	-	-	-	- -
DM Buildwell Private Limited	222	209	-	-	-	-	-	-	222 209

Particulars	Rs.('000)									
	Entities under the common control of ultimate holding company or enterprise having significant influence		Holding Company / Entity having Significant influence		Key Management Personnel		Person exercising significant influence		Total	
	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016
Gourmet Investment Pvt Ltd	191	94	-	-	-	-	-	-	191	94
Atrium Restruants Pvt ltd	5	6	-	-	-	-	-	-	5	6
AIRTEL M COMMERCE SERVICES LTD	124	95	-	-	-	-	-	-	124	95
Airtel Payments Bank Ltd	7,266	-	-	-	-	-	-	-	7,266	-
Indian School of Business	-	-	-	-	-	-	-	-	-	-
Infrasoft Technologies Ltd	14	-	-	-	-	-	-	-	14	-
Indus Towers Limited	14	-	-	-	-	-	-	-	14	-
Insurance Claims Paid	42,993	21,824	-	-	-	-	-	-	42,993	21,824
Bharti Airtel Limited	10,262	5,388	-	-	-	-	-	-	10,262	5,388
Bharti Airtel Services Limited	10,000	2,833	-	-	-	-	-	-	10,000	2,833
AXA Insurance Public Co. Ltd	-	-	-	-	-	-	-	-	-	-
Axa Corporate Solutions	-	-	-	-	-	-	-	-	-	-
Bharti Foundation	571	438	-	-	-	-	-	-	571	438
Bharti Infratel Limited	-	-	-	-	-	-	-	-	-	-
Beetel Teletech Limited	3,754	3,177	-	-	-	-	-	-	3,754	3,177
Bharti Retail Limited	5,498	1,590	-	-	-	-	-	-	5,498	1,590
Mr. Rakesh Bharti Mittal	-	-	-	-	-	-	-	-	-	-
Others	12,907	8,398	-	-	-	-	-	-	12,907	8,398
AXA Business Services Private Limited	4,734	484	-	-	-	-	-	-	4,734	484
AXA Technology Shared Services Private Limited	6,059	51	-	-	-	-	-	-	6,059	51
Field Fresh Foods Private Limited	451	1,066	-	-	-	-	-	-	451	1,066
Bharti AXA Life Insurance Company Limited	853	443	-	-	-	-	-	-	853	443
AXA Group Solutions Private Limited	-	-	-	-	-	-	-	-	-	-
Axa Assistance India Pvt Ltd	436	-	-	-	-	-	-	-	436	-
BOI Axa Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Enterprises Limited	-	-	-	-	-	-	-	-	-	-
Bharti Walmart Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
Bharti Realty Limited	6	61	-	-	-	-	-	-	6	61
Bharti Hexacom Limited	-	-	-	-	-	-	-	-	-	-
Bharti Enterprises Holding Pvt Ltd	-	-	-	-	-	-	-	-	-	-
Bharti Teletech Ltd	-	-	-	-	-	-	-	-	-	-
Bharti Telemedia Limited	-	-	-	-	-	-	-	-	-	-
Bharti Realty Holding Limited	367	-	-	-	-	-	-	-	367	-
Comviva Technologies Limited	-	6,000	-	-	-	-	-	-	-	6,000
Indus Towers Limited	-	293	-	-	-	-	-	-	-	293
Rent paid	10,411	10,248	-	-	-	-	-	-	10,411	10,248
Bharti AXA Life Insurance Company Limited	9,004	8,809	-	-	-	-	-	-	9,004	8,809
Bharti Airtel Limited	-	-	-	-	-	-	-	-	-	-
Bharti Retail Limited	-	-	-	-	-	-	-	-	-	-
AXA Business Services Pvt Ltd	1,407	1,439	-	-	-	-	-	-	1,407	1,439
Others	-	-	-	-	-	-	-	-	-	-
AXA Technology Shared Services Private Limited	-	-	-	-	-	-	-	-	-	-
Rent received	10,309	-	-	31	-	-	-	-	10,309	31

Particulars	Rs.('000)									
	Entities under the common control of ultimate holding company or enterprise having significant influence		Holding Company / Entity having Significant influence		Key Management Personnel		Person exercising significant influence		Total	
	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016
Bharti AXA Life Insurance Company Limited	10,309	-	-	-	-	-	-	-	10,309	-
AXA Group Solutions Private Limited	-	-	-	-	-	-	-	-	-	-
GIBA Holdings Private Limited	-	-	-	31	-	-	-	-	-	31
Informational Support Services Received	396,989	422,780	-	-	-	-	-	-	396,989	422,780
AXA Technologies Shared Services Private Limited	195,532	115,375	-	-	-	-	-	-	195,532	115,375
Bharti AXA Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-
AXA Asia Regional Office Hong Kong	201,457	307,405	-	-	-	-	-	-	201,457	307,405
Management Support Charges	68,050	52,561	-	-	-	-	-	-	68,050	52,561
AXA Asia Regional Office Hong Kong	68,050	52,561	-	-	-	-	-	-	68,050	52,561
Professional Services Received	96,549	90,642	-	-	-	-	-	-	96,549	90,642
Bharti Enterprises Limited	-	-	-	-	-	-	-	-	-	-
AXA Business Services Private Limited	89,145	85,334	-	-	-	-	-	-	89,145	85,334
Others	7,404	5,308	-	-	-	-	-	-	7,404	5,308
AXA Asia Regional Centre Pte Limited	-	-	-	-	-	-	-	-	-	-
Micro Insurance Services Pvt Ltd	962	-	-	-	-	-	-	-	962	-
BOI AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti AXA Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-
GIE AXA	-	-	-	-	-	-	-	-	-	-
AXA Assistance India Private Limited	6,442	5,308	-	-	-	-	-	-	6,442	5,308
Reinsurance (Reinsurance Premium)	471,786	231,978	-	-	-	-	-	-	471,786	231,978
AXA CHINA REGION INSURANCE Com	-	(2,366)	-	-	-	-	-	-	-	(2,366)
AXA INSURANCE SINGAPORE PTE LT	5,611	18,722	-	-	-	-	-	-	5,611	18,722
AXA Corporate Solution Reassurance	466,175	215,622	-	-	-	-	-	-	466,175	215,622
Reinsurance (Reinsurance Claims)	3,476,230	358,777	-	-	-	-	-	-	3,476,230	358,777
AXA CHINA REGION INSURANCE Com	-	-	-	-	-	-	-	-	-	-
AXA INSURANCE SINGAPORE PTE LT	7	-	-	-	-	-	-	-	7	-
AXA Corporate Solution Reassurance	3,476,222	358,777	-	-	-	-	-	-	3,476,222	358,777
Reinsurance (Reinsurance Commission)	28,452	25,218	-	-	-	-	-	-	28,452	25,218
AXA CHINA REGION INSURANCE Com	-	(118)	-	-	-	-	-	-	-	(118)
AXA INSURANCE SINGAPORE PTE LT	222	1,475	-	-	-	-	-	-	222	1,475
AXA Corporate Solution Reassurance	28,230	23,861	-	-	-	-	-	-	28,230	23,861
Reinsurance (Claims Advance Received)	362,151	1,279,441	-	-	-	-	-	-	362,151	1,279,441
AXA Corporate Solution Reassurance	362,151	1,279,441	-	-	-	-	-	-	362,151	1,279,441

Particulars	Rs.('000)									
	Entities under the common control of ultimate holding company or enterprise having significant influence		Holding Company / Entity having Significant influence		Key Management Personnel		Person exercising significant influence		Total	
	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016
Donations paid	290	222	-	-	-	-	-	-	290	222
Bharti Foundation	290	222	-	-	-	-	-	-	290	222
Telephone Expenses Paid	104,668	113,067	-	-	-	-	-	-	104,668	113,067
AXA Business Services Private Limited	75,567	84,204	-	-	-	-	-	-	75,567	84,204
Bharti Airtel Limited	28,269	28,417	-	-	-	-	-	-	28,269	28,417
Bharti Airtel Services Limited	-	-	-	-	-	-	-	-	-	-
AXA Technologies Shared Services Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti AXA Life Insurance Company Limited	833	446	-	-	-	-	-	-	833	446
Others	-	-	-	-	-	-	-	-	-	-
AXA Group Solutions Private Limited	-	-	-	-	-	-	-	-	-	-
Beetel Teletech Ltd	-	-	-	-	-	-	-	-	-	-
Training Charges	7,097	5,207	-	-	-	-	-	-	7,097	5,207
AXA Financial Services (Singapore)	4,744	4,996	-	-	-	-	-	-	4,744	4,996
GIE AXA Universite	2,353	-	-	-	-	-	-	-	2,353	-
Indian School Of Business	-	211	-	-	-	-	-	-	-	211
Other Services Availed	10,827	4,974	-	-	-	-	-	-	10,827	4,974
AXA Technology Shared Services Private Limited	-	-	-	-	-	-	-	-	-	-
AXA Business Services Private Limited	1,102	1,078	-	-	-	-	-	-	1,102	1,078
Bharti Airtel Limited	3,959	3,426	-	-	-	-	-	-	3,959	3,426
Bharti AXA Life Insurance Company Limited	389	470	-	-	-	-	-	-	389	470
AXA Asia Regional Office Hong Kong	-	-	-	-	-	-	-	-	-	-
Beetel Teletech Ltd	-	-	-	-	-	-	-	-	-	-
BOI AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
Axa Affin General Insurance Berhard	-	-	-	-	-	-	-	-	-	-
AXA Financial Services (Singapore)	-	-	-	-	-	-	-	-	-	-
AXA SA	5,376	-	-	-	-	-	-	-	5,376	-
Other Services Rendered	-	-	-	-	-	-	-	-	-	-
Bharti AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
Provision Written off	-	3	-	-	-	-	-	-	-	3
Bharti Ventures Ltd	-	3	-	-	-	-	-	-	-	3
Provision Write - Back	-	136	-	-	-	-	-	-	-	136
BOI AXA Investment Managers	-	71	-	-	-	-	-	-	-	71
Bharti Airtel Limited	-	65	-	-	-	-	-	-	-	65
Remuneration Paid	-	-	-	-	15,972	36,925	-	-	15,972	36,925
Sanjeev S	-	-	-	-	10,501	-	-	-	10,501	-
Deepak Iyer	-	-	-	-	5,470	29,227	-	-	5,470	29,227
Milind Chalisgaonkar	-	-	-	-	-	7,698	-	-	-	7,698
Issue of Share Capital *	-	-	500,000	3,345,000	-	-	-	-	500,000	3,345,000
GIBA Holdings Private Limited	-	-	188,897	1,257,413	-	-	-	-	188,897	1,257,413

	Rs.(‘000)									
Particulars	Entities under the common control of ultimate holding company or enterprise having significant influence		Holding Company / Entity having Significant influence		Key Management Personnel		Person exercising significant influence		Total	
	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016
Societe Beaujon	-	-	245,000	1,441,958	-	-	-	-	245,000	1,441,958
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
Bharti Insurance Holdings Private Limited	-	-	66,103	645,629	-	-	-	-	66,103	645,629
Share Allotment Money Pending *	-	-	-	-	-	-	-	-	-	-
GIBA Holdings Private Limited	-	-	-	-	-	-	-	-	-	-
Societe Beaujon	-	-	-	-	-	-	-	-	-	-
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
Bharti Insurance Holdings Private Limited	-	-	-	-	-	-	-	-	-	-
Purchase of Fixed Assets	3,266	2,004	-	-	-	-	-	-	3,266	2,004
AXA Technologies Shared Services Private Limited	3,266	921	-	-	-	-	-	-	3,266	921
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	-	-	-	-	-	-	-	-	-	-
Security Deposit Refunded	-	-	-	-	-	-	-	-	-	-
Bharti AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
Deposit Paid (Training Advance)	-	-	-	-	-	-	-	-	-	-
AXA Financial Services (Singapore)	-	-	-	-	-	-	-	-	-	-
Reimbursement of Expenditure (Incurred by BAGI)	4,046	-	-	-	-	-	-	-	4,046	-
BOI AXA Investment Managers Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti AXA Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-
AXA Asia Regional Centre Pte Limited	3	-	-	-	-	-	-	-	3	-
AXA Asia Regional Centre Pte Limited	4,044	-	-	-	-	-	-	-	4,044	-
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	-	-	-	-	-	-	-	-	-	-
AXA Assistance India Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
Investment Details (Sale of Securities)	15,340	33,391	-	-	-	-	-	-	15,340	33,391
Bharti AXA Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-
BOI AXA Investment Managers Private Limited	15,340	33,391	-	-	-	-	-	-	15,340	33,391
Investment Details (Purchase of Securities)	-	46,000	-	-	-	-	-	-	-	46,000

[illegible]

Rs.('000)										
Particulars	Entities under the common control of ultimate holding company or enterprise having significant influence		Holding Company / Entity having Significant influence		Key Management Personnel		Person exercising significant influence		Total	
	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016	Mar, 2017	Mar, 2016
BHARTI (RBM) HOLDING PVT. LTD.	21	21	-	-	-	-	-	-	21	21
BHARTI (SBM) HOLDINGS PVT LTD	1	1	-	-	-	-	-	-	1	1
Cedar Support Services Ltd	20	20	-	-	-	-	-	-	20	20
Centum Learning Limited	-	-	-	-	-	-	-	-	-	-
Centum Workskills Pvt Ltd	-	-	-	-	-	-	-	-	-	-
Comviva Technologies Limited	491	448	-	-	-	-	-	-	491	448
Rakesh Bharti Mittal	-	-	-	-	-	-	-	-	-	-
Nyna Mittal & Mr. Sunil Bharti Mittal	1	1	-	-	-	-	-	-	1	1
Indian School of Business	-	-	-	-	-	-	-	-	-	-
Indus Towers Limited	119	119	-	-	-	-	-	-	119	119
Atrium Restaurants India Pvt LTd	4	2	-	-	-	-	-	-	4	2
Gourmet Investment Pvt Ltd	9	1	-	-	-	-	-	-	9	1
Airtel Payments Bank Ltd	1,783	-	-	-	-	-	-	-	1,783	-
AIRTEL M COMMERCE SERVICES LTD	23	16	-	-	-	-	-	-	23	16
Micro Insurance Services Pvt Ltd	367	-	-	-	-	-	-	-	367	-
Balance Receivable	12,964	6,638	5	25	-	-	-	-	12,969	6,663
Bharti Enterprises Limited	-	-	-	-	-	-	-	-	-	-
AXA Business Services Private Limited	159	1,446	-	-	-	-	-	-	159	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	10,664	3,051	5	25	-	-	-	-	10,668	3,076
AXA General Insurance Hongkong Limited	-	-	-	-	-	-	-	-	-	-
Bharti Airtel Limited	-	-	-	-	-	-	-	-	-	-
AXA Technology Shared Services Private Limited	4,737	2,881	-	-	-	-	-	-	4,737	2,881
Bharti AXA Life Insurance Company Limited	5,721	-	-	-	-	-	-	-	5,721	-
Bharti Hexacom Limited	-	-	-	-	-	-	-	-	-	-
AXA Assistance India Private Limited	36	-	-	-	-	-	-	-	36	-
Bharti Realty Limited	-	-	-	-	-	-	-	-	-	-
GIBA Holdings Private Limited	-	-	5	25	-	-	-	-	5	25
AXA LIFE INSURANCE	170	170	-	-	-	-	-	-	170	170
AXA Group Solutions Private Limited	-	-	-	-	-	-	-	-	-	-
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
Share Capital **	-	-	17,934,638	17,434,638	-	-	-	-	17,934,638	17,434,638
GIBA Holdings Private Limited	-	-	9,281,151	6,941,257	-	-	-	-	9,281,151	6,941,257
Societe Beaujon	-	-	8,653,487	4,873,637	-	-	-	-	8,653,487	4,873,637
Bharti Ventures Limited	-	-	-	-	-	-	-	-	-	-
Bharti Insurance Holdings Private Limited	-	-	-	5,619,744	-	-	-	-	-	5,619,744
*** Above mentioned transactions are Inculsive of Service Tax										
**Share capital as on Mar 31, 2017 includes premium (Rs. in '000) amouting Rs. 1,720,185 (Rs. 1,720,185 for 2015-16 as on Mar16)										
* Issue of Share capital for FY 2016-17 includes premium (Rs. in '000) amouting Rs. NIL (Rs. 17.232 for 2015-16)										

FORM NL-20-RECEIPT AND PAYMENTS SCHEDULE

Receipts and Payments A/c - on direct basis

		Year Ended March 31, 2017 (Rs in '000's)	Year Ended March 31, 2016 (Rs in '000's)
A.	Cash Flows from the operating activities:		
1	Premium received from policyholders, including advance receipts	14,895,117	14,799,360
2	Other receipts - Motor pool/Declined Pool (Net)	(12,486)	31,282
3	Payments to the re-insurers, net of commissions and claims	2,748,822	(792,361)
4	Payments to co-insurers, net of claims recovery	43,273	75,663
5	Payments of claims	(12,436,957)	(9,562,701)
6	Payments of commission and brokerage	(588,229)	(903,820)
7	Payments of other operating expenses	(4,391,410)	(3,638,449)
8	Preliminary and other pre operative expenses	-	-
9	Deposits, advances and staff loans	(12,818)	(29,951)
10	Taxes paid (TDS & Wealth Tax)	(580,826)	(617,615)
11	Service tax paid	(1,153,898)	(1,066,363)
12	Other payments	-	-
13	Cash flows before extraordinary items	(1,489,413)	(1,704,955)
14	Cash flow from extraordinary operations	-	-
15	Net cash flow from operating activities	(1,489,413)	(1,704,955)
		-	-
B	Cash flows from investing activities:		
		-	-
1	Purchase of fixed assets	(40,019)	(77,940)
2	Proceeds from sale of fixed assets	3,975	3,304
3	Purchases of investments	(8,108,405)	(8,778,661)
4	Loans disbursed	-	-
5	Sales of investments	7,284,008	5,871,639
6	Repayments received	-	-
7	Rents/Interests/ Dividends received	2,511,116	2,076,231
8	Investments in money market instruments and in liquid mutual funds (Net)	(566,515)	(789,802)
9	Expenses related to investments	262	3,705
10	Net cash flow from investing activities	1,084,422	(1,691,524)
		-	-
C	Cash flows from financing activities:		
		-	-
1	Proceeds from issuance of share capital	500,000	3,345,000
2	Proceeds from borrowing	-	-
3	Repayments of borrowing	-	-
4	Interest/dividends paid	-	-
5	Net cash flow from financing activities	500,000	3,345,000
		-	-
D	Effect of foreign exchange rates on cash and cash equivalents, net	-	-
		-	-
E	Net increase in cash and cash equivalents:	95,009	(51,479)
		-	-
1	Cash and cash equivalents at the beginning of the year	424,980	476,459
2	Cash and cash equivalents at the end of the year	519,989	424,980