

BHARTI AXA GENERAL INSURANCE
COMPANY LIMITED

14TH ANNUAL REPORT
FINANCIAL YEAR 2020-21

CIN: U66030MH2007PLC351131

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Our Vision

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

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

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

Our Core Value

Innovation

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

Integrity

Always being responsible and doing the right thing. We have settled over 27 lakhs claims since inception, a testimony to our focus on customer centricity.

Professionalism

Always seeking to make a difference. With sheer professionalism we have

managed to surpass targets and increase our growth in leaps and bounds.

Pragmatism

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

Team Work

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

Our Purpose

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

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

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

AXA Group is a worldwide leader in insurance and asset management serving 108 million clients in 57 countries and offers insurance, savings and investment products and services which also encourage and reward environmentally responsible behaviors, as well as help reduce social exclusion.

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

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

DIRECTORS' REPORT FOR FINANCIAL YEAR 2020-21

To
Dear Members,

Your Directors have immense pleasure in presenting the 14th (Fourteenth) Annual Report, together with the Audited Financial Statements of Bharti AXA General Insurance Company Limited (“the Company”) for the year ended March 31, 2021.

1. Company Performance

Particulars	INR Crores	
	31st March, 2021	31st March, 2020
Gross Written Premium (Including Pool Retrocessions)	3,183	3,157
Net Written Premium	1,945	2,004
Net Earned Premium	1,834	1,830
Net Incurred Claims	1,160	1,433
Net Commission (Income/Expenses)	77	108
Expenses of Management	810	736
General Insurance Result	(213)	(447)
Investment Income- Policyholders	346	333
Investment Income-Shareholders	67	54
Terrorism and Motor Pool Expenses (Net of Investment Income)	(2)	(2)
Expenses directly debited to Profit and Loss Account	81	187
Solatium Fund and Premium Deficiency	1	(1)
Provision for wealth tax/Fringe Benefit Tax	-	-
Profit / (Loss) After taxation	120	(244)

Your Company's market share in Financial Year (“FY”) 2020-21, amongst private multi-line general insurance players, was 3.2% down from 3.4% in FY 2019-20. Your Company recorded a Gross Direct Premium of INR 3,160 Crore in FY 2021 as compared to INR 3,134 Crore in FY 2020. Net Earned Premium was INR 1,834 Crore as compared to INR 1,830 Crore during last year.

Motor Business continued to be the major contributor at 43% of the total business underwritten in FY 2021, compared to 47% in FY 2020. Health, crop and other lines contributed to 13%, 25% and 19% respectively of the total written business in FY 2021.

The Company made profit of INR 120 Crore for FY 2021 as compared to a loss of INR 244 Crore in the previous year primarily on account of improvement in the loss ratios by 15% (63.2% as against 78.3% in the last year); mainly driven by lower loss ratios in motor line of business at 64.3% (vs 81.9% last year) and significantly lower crop loss ratios at 27.5% (vs 39.2% last year); however the expense ratio (including merger cost) has moved slightly higher to 45.6%, up by 3.5%.

Your Company has achieved investment Income (net of interest on sub debt) of INR 366 Crore in FY 2021 as against INR 209 Crore in previous year. Total capital of INR 50 Crore was infused during the financial year. The capital solvency ratio is maintained at 1.59 times well above the statutory prescribed limit of 1.50 times.

2. Transfer to Reserves

During the year under review, no amount of transferred to the Reserves.

3. Dividend

The Board of Directors do not recommend any dividend for the year.

4. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report

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

5. Change in the Registered Office Address

During the year, the registered office of the Company was shifted from the State of Karnataka (43, 1st floor, Hosto Centre, Opposite Imperial Hotel, Millers Road, Vasant Nagar, Bangalore – 560 052) to the State of Maharashtra (Unit No. 1902, 19th Floor, Parinee Crescenzo, 'G' Block, Bandra Kurla Complex, BKC Road, Near MCA Club, Bandra East, Mumbai – 400 051) pursuant to which the Corporate Identification Number (CIN) of the Company was changed to U66030MH2007PLC351131.

6. Share Capital

During the year under review, the Company allotted 50,000,000 Equity Shares of INR 10 each to the existing shareholders of the Company on rights basis on April 28, 2020. The Paid up equity share capital of the Company as on March 31, 2021 stood at INR 20,55,98,12,160

The Board of Directors, in its meeting held on February 23, 2021, approved the issue of 1,95,12,196 Equity Shares having a face value of INR 10 at a premium of INR 14.60 per share to Bharti (Satya) Trustees Private Limited, on private placement basis. However, no Equity Shares were allotted till the date of this Report.

7. Dematerialisation of Shares

The shares of your Company are dematerialised with Central Depositories Services Limited. The International Securities Identification Number (ISIN) allocated to your Company's equity shares is INE513L01011. As on March 31, 2021, 100% of the equity shares are held in dematerialization form. The details of the shares in Demat, as on March 31, 2021 are as below:

Sl. No.	Particulars	No. of Shareholders	No. of Shares	% to the Paid up capital
1	Shares in Demat Mode (CDSL)	7	2,055,981,216	100
2	Shares in Physical Mode	-	-	-
	Total	7	2,055,981,216	100

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

BGSE Financials Limited, Stock Exchange Tower, No.51, 1st Cross, J. C. Road, Bangalore 560 027, Phone: 80-41329661

8. Non-Convertible Debentures

As at March 31, 2021, the outstanding amount of Non-Convertible Debentures ("NCDs") issued in accordance with the provisions of the IRDAI (Other Forms of Capital) Regulations, 2015 stood as follows:

- a) 350 Unsecured Listed Redeemable Non-Convertible Debentures at INR 10,00,000/- each aggregating to INR 35 crore with a coupon of 10.50% per annum, allotted on April 30, 2019. The said Debentures (ISIN – INE513L08024) are listed on the National Stock Exchange of India with security code – 'BAGI29'.
- b) 2,200 Unsecured Unlisted Redeemable Non-Convertible Debentures at INR 10,00,000/- each aggregating to INR 220 crore with a coupon of 8.89% per annum, allotted on August 23, 2017.

The above Debentures are redeemable at the end of 10 years from the date of allotment. Axis Trustee Services Limited, Axis House, Bombay Dyeing Mills

Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025, are the Debenture Trustees of the Company.

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

9. Credit Rating of Securities

The ratings assigned to the subordinated debt(s) are as follows:

Name of Credit Rating Agency	Category	Rating	Date on which rating was obtained
ICRA Limited	350 Unsecured Listed Redeemable Non-Convertible Debentures	AA-& (pronounced ICRA double A minus under Watch with Developing implications)	August 29, 2020
	2200 Unsecured Unlisted Redeemable Non-Convertible Debentures	AA-& (pronounced ICRA double A minus under Watch with Developing implications)	August 29, 2020
Brickwork Ratings India Private Limited	350 Unsecured Listed Redeemable Non-Convertible Debentures	BWR AA Credit Watch with Developing Implications	March 31, 2021
	2200 Unsecured Unlisted Redeemable Non-Convertible Debentures	BWR AA Credit Watch with Developing Implications	March 31, 2021

10. Board of Directors and Key Managerial Personnel

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

The Board is responsible for overall corporate strategy and other responsibilities as laid down by IRDAI under the Corporate Governance guidelines. The CEO and MD oversees implementation of strategy, achievement of the business plan and day-to-day operations. There is an appropriate mix of executive, non-executive and independent

Directors. None of the Directors are related to any other Director or employee of the Company.

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

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel ("KMP") of the Company as on March 31, 2021 are as below:

- 1) Sanjeev S. – Managing Director and CEO
- 2) Karni Arha – Chief Financial Officer
- 3) Amit Raheja – Head, Legal & Compliance and Company Secretary

In addition, the Company has following Key Management Persons in accordance with the IRDAI Corporate Governance Guidelines for Insurers in India, 2016:

- 1) Banashree Satpathy - Appointed Actuary
- 2) Manoj Jaju - Chief Investment Officer
- 3) Milind Kolhe - Chief Underwriting Officer
- 4) Paramjit Singh Nayyar - Chief Human Resources Officer
- 5) Saurav Jaiswal - Chief Distribution Officer, Retail
- 6) Rohit Kohli - Head – Operations
- 7) Arif Syed - Head – Information Technology

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following changes have taken place in the Board of Directors and Key Managerial Personnel ("KMP") of your Company during the FY 2020-21:

Sl. No.	Name of the Director	Cessation / Appointment
1.	Marc Audrin	Ceased to be a Director effective March 24, 2021
2.	Christophe Knaub	Appointed as an Non-Executive Director effective March 24, 2021
Sl. No.	Name of the KMP	Cessation / Appointment
1.	Rahul Ahuja	Appointed as a Chief Financial Officer with effect from May 4, 2020 and resigned effective December 29, 2020

2.	Sandeep Sarkar	Ceased to be Head – Human Resources with effect from May 15, 2020
3.	Paramjit Singh Nayyar	Appointed as a Chief Human Resources Officer with effect from July 7, 2020
4.	Karni Arha	Appointed as a Chief Financial Officer effective January 15, 2021
5.	Jignesh Sangoi	Ceased to be a Chief Risk Officer effective February 16, 2021

In accordance with the provisions of the Companies Act, 2013, Harjeet Kohli (DIN 07575784), and Akhil Gupta (DIN 00028728), Directors are liable to retire from the Board by rotation at the ensuing Annual General meeting (“AGM”), and being eligible, offer themselves for re-appointment.

Christophe Knaub (DIN: 09109015) who was appointed as an Additional Director with effect from March 24, 2021 will hold office up to the date of ensuing Annual General Meeting of the Company. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013, from a Member signifying his intention to propose the appointment of Christophe Knaub as a Director of the Company. The Board of Directors, based on the recommendations of the Board Nomination and Remuneration Committee, considered and recommended his appointment as Director liable to retire by rotation in the ensuing Annual General Meeting.

The Board would like to place on record its sincere appreciation for the services rendered by Marc Audrin, during his tenure on the Board of the Company and as Member of the Risk Management Committee of the Board of Directors.

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

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

Number of Meetings of the Board and Committees

The details of the Board and Committee Meetings held during the year ended March 31, 2021, forms part of the Corporate Governance section of this Report.

ORIENTATION PROGRAMME FOR INDEPENDENT / NON-EXECUTIVE DIRECTORS

IRDAI vide its letter dated December 13, 2019, issued a mandatory 'Orientation Programme for Independent Directors of Insurance Companies', advising all the insurance companies to ensure that all its independent directors participate in a 2-day residential Orientation Programme to be conducted by the National Insurance Academy (NIA), Pune. The objective of the programme is to ensure high levels of corporate governance standards and to facilitate fulfilment of obligations of Independent Directors of the Company in a prudent manner.

Due COVID-19 pandemic, the said programme is being conducted through online mode and all the Independent Directors attended the said Orientation Programme.

Further, IRDAI vide its letter dated February 23, 2021, issued a mandatory 'Orientation Programme for all the Non-Executive Directors (other than Chairman) of the Insurance Companies. The said training is also being scheduled through online mode and the Non-Executive Directors will attend the said training scheduled in June 2021.

INDEPENDENT DIRECTORS DATABANK

The Company has taken appropriate steps towards the inclusion of the names of all Independent Directors in the Databank of Independent Directors maintained by the Indian Institute of Corporate Affairs, Manesar ('IICA').

The Independent Directors have undertaken online proficiency self-assessment test conducted by the IICA, in terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014.

11. Annual Declaration from Independent Directors

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

All the Independent Directors of the Company have also confirmed that they have complied with Schedule IV of the Act.

12. Board Audit and Compliance Committee

The Board Audit and Compliance Committee of the Company comprises of Bharat S. Raut, Jitender Balakrishnan, Uma Relan, Jean Drouffe and Rajesh Sud with

Independent Directors forming a majority. Bharat S. Raut is the Chairman of the Committee.

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

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

13. Board Policy relating to Remuneration of Directors, Key Managerial Personnel and Other Employees

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

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

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

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

14. Particulars of Employees

The total employee strength of the Company as on March 31, 2021 stood at 2418.

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

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

15. Board evaluation and meeting of Independent Directors

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

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

The Board Nomination and Remuneration Committee at its meeting held on February 11, 2021 approved the methodology and questionnaire for Board evaluation. The questionnaire was circulated to all Directors. The results / responses submitted by the Directors were presented in the respective meetings of the Board Nomination and Remuneration Committee and Board of Directors, held on April 30, 2021.

The Board conducted the review of each Director's performance, Board as a whole and performance of Committees of the Board, and expressed its satisfaction. There has been no material adverse observation or conclusion, consequent to such evaluation and review.

16. Directors' Responsibility Statement

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

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) appropriate Accounting Policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of Your Company as at March 31, 2021 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.

17. 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.

18. Reporting of Frauds by Auditors

During the year under review, there were no instances of fraud reported by the statutory auditors and secretarial auditor under section 143(12) of the Act to the Board Audit and Compliance Committee or the Board of Directors of the Company.

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 FY 2020-21, your Company has not obtained any Loans (secured or unsecured) or provided any security. Further, as per the Companies (Removal of Difficulties) Order, 2015 dated February 13, 2015, the provisions of Section 186 of the Companies Act, 2013 (except sub-section 1) is not applicable to your Company.

21. Related Party Transactions

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

Transactions / arrangements by the Company in its ordinary course of business with related parties primarily include availing various services from the related party, sale / purchase of insurance products, lease of properties, wherein premium / brokerage / commission / service fees is received / paid from / to related parties. Board Audit and Compliance Committee of Board has given its in-principle approval to different types of related party transactions which are recurring in nature and in the ordinary course of business.

The details of transactions with related parties are placed before the Board Audit and Compliance Committee 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 or at arm's length. In compliance with Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 disclosure of particulars of contracts/arrangements entered into by the Company with related parties are given in Form No. AOC - 2 as '**Annexure F**' of this Report.

There were no materially significant transactions with the Directors, the Management, the Promoters or the relatives of the Directors that have a potential conflict with the interest of the Company at large. As per Accounting Standard (AS) 18 on 'Related

Party Disclosures', the details of related party transactions entered into by the Company are included in the Notes to Accounts.

22. Corporate Social Responsibility Policy

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

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

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

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

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

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

Our initiatives:

❖ ACT – Payroll Giving:

- Time and again we put our best foot forward to contribute towards the society and support our local communities. Leveraging the Bharti Foundation projects, our employees enjoyed the privilege of serving the needs of the society through our payroll giving program.
- At Bharti AXA General Insurance, in FY 2020-21, structured efforts were made to popularize our CSR initiatives through various platforms like On-boarding & Induction, Employee Connects etc.

- These platforms focussed on enlightening our employees about the impact of their contributions towards creating a better community.
- As a result of the above efforts there has been an increasing percentage penetration from 1.8% in FY 2019-20 to 6.7% in FY 2020-21.

❖ **Our Employees, Our Warriors:**

Our employees are at the centre of everything that we do. In these testing times, we are committed to provide maximum support to our employees and families. On April 13, 2021, the Company proudly announced the new initiative “VAC-Scheme” by Bharti AXA General. Under the scheme, the Company facilitates and sponsors vaccination of our employees and their families.

23. Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, Information under Section 134(3)(m) of the Companies Act, 2013

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

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

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

(in INR Crore)

Particulars	Current Year	Previous Year
Expenditure in foreign currency	122.12	68.26
Earnings in foreign currency	9.94	9.26

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 (“LRMC”) consisting of Chief Risk Officer (CRO), CEO, CFO, functional heads and Appointed Actuary (AA). LRMC reports to the Board Risk Management Committee which meets every quarter to review

the top risks and controls in place. The Company has a dedicated Risk Management team which works in close co-ordination with other functions/business lines to review and monitor various risks and controls viz. Strategic Risk, Insurance Risk, Financial Risk, Operational Risk, Information Security Risk (process related, crisis management & business continuity risk), Fraud Risk, People Risk, Reputational Risk, Emerging Risks etc.

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

25. Vigil Mechanism

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

26. Significant and Material Orders Passed by the Regulators

During the FY 2020-21, there were no significant and material orders passed by any Regulators or Courts or Tribunals impacting the going concern status. The Company is in receipt of in-principle approval from IRDAI with respect to the proposed Scheme of Arrangement entered between the Company and ICICI Lombard General Insurance Company Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules and regulations, Section 2 (19AA) and other applicable provisions of the Income-tax Act, 1961 and Section 35 to 37 and other applicable provisions of Insurance Act, 1938 and rules and regulations made thereunder. For details please refer Section 41 - details and Status of Acquisition, Merger, Expansion, Modernization and Diversification and Material Changes and Commitments, if any, affecting the Financial Position of the Company having occurred since the date of the year and till the date of the Report.

27. Statutory Auditors

M. P. Chitale and Company, Chartered Accountants (Regn No. 101851W) were appointed as Joint Statutory Auditors of the Company to hold office from 9th AGM to 14th AGM of the Company.

The Board of Directors in their meeting held on February 11, 2021 has approved the re-appointment of M. P. Chitale & Co., Chartered Accountants as the Joint Statutory Auditors of the Company for a period of five years subject to the approval of the Shareholders of the Company at the 14th Annual General Meeting.

Singhi and Co., Chartered Accountants, (Regn. No. 302049E) were appointed as Joint Statutory Auditors of the Company to hold office from 10th AGM to 15th AGM of the Company.

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

In accordance with Section 139(2) of the Companies Act, 2013, every listed company and such class of companies as prescribed shall appoint an audit firm as auditor of the Company for not more than two terms of five consecutive years.

Further, in accordance with IRDAI Corporate Governance Guidelines 2016, an audit firm which completes the tenure of five years at the first instance in respect of an insurer may be reappointed as statutory auditors of that Insurer for another term of five years.

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

The Joint Statutory Auditors Singhi and Co., Chartered Accountants and M. P. Chitale and Company, Chartered Accountants have carried out the audit of the financial statements of the Company for the financial year ended March 31, 2021. The Audit Report forms part of the financial statements annexed to this Report.

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

28. Secretarial Auditors and Secretarial Audit Report

GMJ & Associates, Company Secretaries were appointed as the Secretarial Auditors under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, to carry out the Secretarial Audit of the Company for the FY 2020-21.

GMJ & Associates, Company Secretaries, has carried out the Secretarial Audit of the Company for the FY 2020-21 and has issued the Secretarial Audit report. The Secretarial Audit report confirms that the Company has complied with all the applicable provisions of various laws as mentioned in the audit report and doesn't have any qualification, reservation or adverse remark.

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

29. Comments on Auditors' Report

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

30. Compliance of Secretarial Standards

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

31. Annual Return

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

32. Maintenance of Cost Records

Being an Insurance Company, the Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Act.

33. Management's Discussion and Analysis Report

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

34. Disclosure as required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. There were no complaints received during the Financial Year 2020-21. Further, there were no pending complaints at the beginning of the financial year.

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

35. Management Report

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

36. Insurance

Adequate Insurance cover has been taken for immovable as well as moveable properties of the Company.

37. Solvency Margin

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

38. Holding Company

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

39. Status of Compliance with IND – AS

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

40. Change in the Financial Year

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

41. Details and Status of Acquisition, Merger, Expansion, Modernization and Diversification and Material Changes and Commitments, if any, affecting the Financial Position of the Company having occurred since the date of the year and till the date of the Report

During the year under review, the Board of Directors of the Company, in their meeting held on August 21, 2020, took into account the Valuation Report, certificate of Joint Statutory Auditors, Memo issued by Ernst & Young, LLP on tax implications and the recommendations of the Board Audit and Compliance Committee and on the basis of their independent judgment, approved the Scheme of Arrangement between the Company and ICICI Lombard and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules and regulations, Section 2 (19AA) and other applicable provisions of the Income-tax Act, 1961 and Section 35 to 37 and other applicable provisions of Insurance Act, 1938 and rules and regulations made thereunder (“Scheme”).

This Scheme for the demerger and vesting of the Demerged Undertaking of Bharti AXA to ICICI Lombard, results in the following benefits:

- Demerger is in the commercial interest of the Demerged Company and the Resulting Company, given as part of the demerger, the Demerged Company wants to retain, and the Resulting Company does not intend to acquire, the Residual Undertaking which includes immovable property owned by the Demerged Company, brands used by and/or licensed to the Demerged Company and the ICICI Bonds.
- Demerger of the General Insurance Business and consolidation with the Resulting Company will help expand the business of the Resulting Company in the growing

Indian market thereby creating greater value for the shareholders/ stakeholders of both the Demerged Company and the Resulting Company;

- Demerger of the General Insurance Business and consolidation with the Resulting Company would aid in future growth of premiums by leveraging on the distribution strength and capabilities;
- The Scheme is beneficial for and in the interest of the policyholders as the demerger creates a more robust and financially strong Resulting Company that can offer a wider product suite, more access points and comprehensive services to customers post completion of the Scheme;
- The increased knowledge, experience and expertise is expected to improve business operations and thereby improve overall customer satisfaction;
- Demerger of the General Insurance Business and consolidation with the Resulting Company is expected to create greater economies of scale thereby lowering the average costs and enhancing company profitability, which directly benefits shareholders and policyholders; and
- Demerger of the General Insurance Business and consolidation with the Resulting Company is expected to bring in greater efficiency in funds management and unfettered access to cash flow generated by the business which can be deployed more efficiently to fund organic and inorganic growth opportunities.

The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Parties.

The Company received IRDAI in-principle approval dated November 27, 2020 for the proposed demerger of the general insurance business undertaken by the Company to ICICI Lombard General Insurance Company Limited (ICICI Lombard) by way of the Scheme from Insurance Regulatory and Development Authority of India.

The Competition Commission of India vide its order dated November 2, 2020 granted its approval to the Scheme of Arrangement.

The Company has also received the consent of the Debenture Trustees and Debenture Holders dated September 23, 2020 and September 14, 2020 respectively consenting to the proposed demerger contemplated under the Scheme as required under the Debenture Trust Deed and Regulation 59(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”).

The Company and ICICI Lombard had jointly filed Company Scheme Application (CAA) 1152/MB/2020 before Hon'ble NCLT Mumbai bench on December 3, 2020. At the hearing held on December 18, 2020, Hon'ble NCLT had, inter alia, directed Company and ICICI Lombard to convene the meeting of equity shareholders ("NCLT Order") for seeking necessary approval of the shareholders under the applicable provisions of the Act. Pursuant to NCLT Order, a meeting of the shareholders was convened on February 23, 2021 wherein the shareholders of the Company approved the Scheme. The Company also complied with the directions of the Hon'ble NCLT with respect to issuance of individual notices to its creditors having outstanding balance of more than INR 1 lac.

The Company and ICICI Lombard have filed a joint company scheme petition No. CP (CAA) 32/MB/2021 before Hon'ble NCLT Mumbai bench on February 26, 2021 for obtaining sanction of the Scheme by NCLT. At the hearing held on March 12, 2021, Hon'ble NCLT has admitted the said petition and proceedings are in progress.

42. Acknowledgements

Your Directors wish to place on record its gratitude to all the stakeholders – policyholders, channel partners, reinsurers and shareholders for their continued support and cooperation. Your Directors' wish to thank the Insurance Regulatory and Development Authority of India, General Insurance Council, the Reserve Bank of India, various ministries of the Government of India for extending their cooperation in the endeavours pursued by the Company. Your Directors also acknowledges the indomitable spirit and commitment shown by the employees while servicing the customers and ensuring least disruption during the COVID-19 pandemic.

Registered Office:

Unit No. 1902, 19th Floor, Parinee Crescenzo,
'G' Block, Bandra Kurla Complex, BKC Road,
Near MCA Club, Bandra East,
Mumbai – 400051

Date: April 30, 2021
Place: Mumbai

By Order of the Board of Directors

RAKESH BHARTI MITTAL
Digitally signed by
RAKESH BHARTI MITTAL
Date: 2021.05.02 15:22:20
+05'30'

RAKESH BHARTI MITTAL
CHAIRMAN
DIN: 00042494

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**1. Developments of the Year - New Partnership growth**

Your Company's continued efforts and further enablement of the corporate agency tie-up with Indian Banks, NBFC and Foreign Banks, example - Axis Bank, HDFC Bank (large partnerships), further strengthened and contributed to the top line and bottom line improvement of the Company.

2. Industry Overview**a) Drivers of Industry Growth:**

As a result of COVID19 pandemic, a Global as well as Local businesses witnessed a never before negative impact. Insurance Industry has also seen a major impact on its growth due to low trade activities, lower vehicles sales and negligible travel and slowed down the top line with respect to Motor, Marine Cargo and Travel Insurance.

The overall industry achieved ~3% year-on-year (YOY) growth in GDPI in the financial year 2020-21. Private sector insurers reported 3% growth rate as against 11.7% growth last year. Standalone Health companies grew by 30%.

b) Penetration and Density

The penetration of general insurance as a percentage of GDP remains small in relation to other emerging and developed markets. Government's policy of insuring the uninsured has gradually pushed insurance penetration in the country and proliferation of insurance schemes such as Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Fasal Bima Yojana (PMFBY). However, over the last 10 years, the penetration of this sector in the country has been steady in the range of 0.5% to 1%. General insurance density levels have been rising. At the end of financial year 2020, the general insurance density in India was a little over INR 1,400. Compared to a density of around INR 280 in FY 2009, the country had seen a consistent increase in the insurance density over the last decade. The Government of India over the years, announced various initiatives aimed at improving the penetration and density levels. The latest initiative is the vehicle scrappage policy effective from 1st October 2021, which will increase the new vehicle sales and reduce the air pollution. The insurance regulator, has also ensured standard health and fire insurance products to aid the growth. Still the challenge before insurers is to find ways of reaching out to the uninsured and under insured segments in a profitable manner.

Amongst the multi- line private players in the Indian Insurance market, our company has a market share of 1.89% and overall market share with all the general insurer at 1.60%.

c) Government Initiatives:

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

- As per Union Budget 2020-21, foreign direct investment (FDI) of 74% is permitted for direct insurance business.
- Vehicle scrappage policy effective from 1st October 2021. Going forward, private vehicles will be de-registered after 20 years if found unfit or in case of failure to renew registration. Enhanced re-registration will be applicable on private vehicles from the 15th year of original registration. According to the statistics, there are around 5.1 Mn light motor vehicles or LMVs older than 20 years in India. Around 34 vehicles are LMVs older than 15 years, while the number of medium and heavy commercial vehicles less than 15 year-old stands at 1.7 Mn.
- In September 2018, National Health Protection Scheme was launched under Ayushman Bharat to provide coverage of up to Rs 500,000 (US\$ 7,723) to more than 100 million vulnerable families. The scheme is expected to increase penetration of health insurance in India from 34% to 50%.
- Crop insurance scheme in the name of Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched on 13th January 2016. Even during the COVID-19 lockdown period, nearly 7 Mn farmers benefitted and claims worth INR 8,741 Crore were transferred to the beneficiaries.

d) Economic Scenario

For the fiscal year 2020-21, India's GDP contraction is estimated at 8.5 per cent as against growth of 4 per cent during FY 2019-20. Growth estimate for FY 2021-22 is "depending on how the ongoing vaccination campaign proceeds, whether new restrictions to mobility are required, and how quickly the world economy recovers. India is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. The uptick in economic growth has come from various economic reforms undertaken by the government such as improvement in ease of doing business, opening up to foreign direct investments, the push for infrastructure development and a stable and decisive policy environment.

The economic growth has a direct relation to the growth of general insurance sector, which was growing @ 11.3 percent in FY 2019-20 and crossed INR 189,302 Crore in terms of Gross Direct Premium Income (GDPI), with a CAGR growth rate of approx. 14.48 percent between FY 2015 to FY 2020. However, for FY 2020-21, the growth is muted due to the ongoing pandemic situation. General insurance sector will continue to be one of the fastest growing sectors in the Indian economy, once the country and overall economy returns to normalcy. With a penetration rate of less than 1%, there is huge potential for growth in the Indian General insurance sector in the coming years.

e) Micro environment

Motor insurance continued to be the largest segment in Indian General insurance sector, however it has de-grown by 3.83% (YTD Feb 21) due to the COVID19 pandemic.

The swift recovery in the personal vehicle segment in FY 20-21 was a singular event that did not translate to the other automotive segments, indicating that the worst is not over yet for an industry that is still reeling under the hard impact of Covid-19.

As the two important segments of the automobile industry – two wheeler and commercial vehicle segments failed to keep pace with the passenger vehicle segment, the overall automotive market that accounts for 8% of the GDP is now closer to its FY-15 level. The overall sales (Cars+ Two wheelers+ Commercial vehicles and three wheelers) for 2020-21 are pegged at 18.8 million units even lower than the 19.7 million units reported in FY-15.

At the peak, India had seen sales of about 26 million vehicles in FY19.

The sales of commercial vehicles and three-wheelers are at a decadal low, as the economy came to a standstill in the Q1 of FY-21. The passenger vehicle sales for FY-21 is estimated at 2.71 million, a level seen in FY-15, knocking off almost half a million units from its peak and the two-wheeler sales are estimated at 15.1 million almost 5-7 million units less from its peak.

Improved penetration due to the COVID-19 apprehension witnessed Health insurance segment to grow @ 13% in FY 2020-21 (YTD Feb 21).

As per the YTD February 2021 numbers, the size of the health insurance industry increased from INR 46,777 Crores in FY 2019-20 to approx. INR 52,886 Crores in FY 2020-21. The Government of India has launched National Health Protection Scheme called “Ayushman Bharat” in September 2018, to provide health benefits to socio-economically underprivileged sections of the society, potentially benefitting 50 Crore individuals. Government also launched retail health product called “Arogya Sanjeevani” in April 2020 and COVID products (Corona Kavach and Corona Rakshak) to ensure uniform and simple products are available.

Growth in Fire, Engineering and Liability insurance also contributed to the overall growth of the industry.

Performance of our various business channels:

Bharti AXA GI has three broad business units as below:

a. Retail Business:

- Achieved GWP of INR 1,916 Crore
- Negative 2% growth owing to low vehicle sales, reduced bank lending and negligible international travel.
- Group Health business and Retail health business have shown a very good growth. However, mortgagee linked UPP business was impacted due to low bank lending during the lockdown period.

- b. Corporate Business:
- Achieved GWP of INR 462 Crore
 - Corporate business growth was at 26% and almost achieved the plan numbers (98% achievement) led by Group health and Property insurance.
 - Correction in property pricing, business mix for commercial lines and leveraging the better loss ratios for Group Health led to achieving the plan numbers.
- c. Crop/ Agricultural Business:
- Achieved GWP of INR 804 Crore vs the plan of INR 950 Crore.

3. Investments

The Investment portfolio of Your Company as on March 31, 2021 stood at INR 5491 crores. The portfolio has earned a return of 7.90% for the FY 2020-21 despite an extremely challenging market environment lead by Covid-19 pandemic. The investment portfolio of Your Company predominantly, comprises of fixed income investments with 86% of the portfolio invested in government securities and top rated instruments. Your Company has started investing in equities with aim to enhance long term risk adjusted returns.

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

Fixed Income market was dominated by RBI actions in terms of providing significant liquidity, Long Term Repo Operations (LTRO), Open Market Operations (OMO), relaxations in CRR etc. Yields softened during April'20 – Dec'20 on back of various liquidity measures. Corporate bond yields stabilised due to actions such as LTRO and TLTRO. Inflation during the year was higher than Monetary Policy Committee (MPC) target with average inflation at 6.2% i.e. 150 bps higher than FY20. RBI expects inflation to be at ~5% in FY22. Central Statistics Office (CSO) has pegged the FY21 GDP at -8% yoy. RBI initiated the policy normalization process in Q4FY21 by way of long term Variable Rate Reverse Repos (VRRR) leading to upside in bond yields. Yield on benchmark 10 year G-sec went up by 32 bps during Q4FY21.

Outbreak of covid-19 pandemic and resultant lockdowns adversely impacted the world economy in Q1FY21. Unlocking started in Q2 and growth indicators improved significantly due to factors such as support from central banks in terms of liquidity and bond buying programs, relief packages from governments and roll out of vaccines. In India, government announced INR 20 lakh crore of relief packages which included various liquidity measures taken by RBI.

Your Company was able to anticipate opportunities and take interest rate decisions which contributed to the outperformance and protected the portfolio yield. Equity exposure, though small, has yielded strong returns during FY2021.

Disruption by second wave of covid-19, pace of rollout of vaccinations, global yield scenario and policy normalization by central banks shall be the key drivers of market in FY2022.

4. Distribution Network

As on March 31, 2021, Your Company has a PAN India network of 167 branch offices.

Business Segments:

The Company has recorded a GWP of INR 3,183 Crores for FY 20-21, a 1% growth over INR 3,156 Crores of FY 19-20. The contribution by various insurance lines of business in our Company is as shown below:

A) Motor Insurance

Motor Insurance continues to be the largest segment with 34% share of the total insurance premium for the Indian general insurance market. The Indian market motor insurance segment de-grew at around 3.83% in the Financial Year 2020-21, with the own damage premium witnessing de-growth of 3.37% and Third party liability de-growing by 4.12% due to decrease in new vehicle sales during the lockdown.

The Financial Year 2020-21 for India was not a good year for the vehicle sales. The overall vehicle sales (Cars+ Two wheelers+ Commercial vehicles and three wheelers) for 2020-21 are pegged at 18.8 million units even lower than the 19.7 million units reported in FY-15. During the pandemic, opening of dealerships in July 20 and further during the festive season, the private car sales witnessed growth, largely owing to the pent-up demand.

Our Company de-grew at 8% in overall motor insurance (Private Car, Two Wheeler and Commercial Vehicle) compared to FY19-20, however, the private car premium grew by 2%. Two wheeler and commercial vehicle insurance de-grew by 18% and 47% respectively.

Our new partnerships across channels and bancassurance tie-ups have seen enhanced service capability with a state of art policy issuance platform 'Spectrum (AVO)' designed as a single point solution for all policy related requirements. New claims management system, has also gone live this year to further enhance our claims servicing ability.

B) Health and Lifestyle

Company continued the growth momentum in Group Health and Retail Health insurance, also contributed due to increase in awareness due to pandemic and Government initiatives to ensure that the medical insurance for employees is available during this period. Mortgage insurance grew @ 25%, but lower than the expectations due to negligible lending from April 20 to July 20 attributed to a complete lockdown during this period.

The Company has grown by 35% on the group health line of business and focus continues to be on SME business covering less than 300 lives and on affinity groups, where we insure customers of bank and NBFC partners. Our mortgage business has grown by 25% despite the lockdown effect, where there was negligible lending.

Retail health business products launched in the previous year have started gaining traction. In addition to this, we launched a flagship retail health product "HealthAdvantage" and also re-priced the old retail health product. We had a significant growth at 137% in FY21 as compared to 44% of FY20. With new retail products in the pipeline the outlook continues to be positive going forward.

Travel Insurance business growth impacted the most during the lockdown due to negligible international travel. Against Gross premium of INR 98 Crore for FY 20, we could achieve only INR 15 Crore for FY21. Both Domestic and Overseas travel continue to dampen for few more months in FY22, due to the pandemic.

C) Commercial Lines

The commercial lines segment registered a market growth of 17%, against the overall general insurance industry growth of 3.60% during FY 2020-21. Factors contributing to the commercial line growth are property price increase mandated by the reinsurers. However the COVID impact on marine cargo and infrastructure growth continues to be a challenge for the commercial insurance business.

Our commercial lines business grew impressively at 29% against the industry growth of 17%. Fire portfolio grew very well with 42% growth, Engineering at 29%, and Liability Insurance at 18%, however Marine Cargo de-grew at 7%. Key areas which supported this growth were, portfolio approach driven by profit centre concept with dedicated teams in sales and underwriting approaching large corporates, multinational accounts and adopting differential strategy for retail commercial segment working with agents and SME clients focussing on their specific insurance needs by offering quick quotation modules and providing online platform such as QMS, Package policies, Single transit marine cargo insurance and Employee Compensation insurance.

Pricing revision for FY 21 for all the risk occupancies was the key highlight of the fire insurance business. The Regulator came up with 3 simple and standard products with effect from 1st April 2021 in Home, Small and Micro segment with respect to the standard fire and allied perils insurance, which will help in growing these segments further.

New Product Development:

Product development was a focus area in FY 2020-21, especially for health insurance and to enable underwriting commercial lines global accounts. Despite the merger situation, we ensured approval of below products.

Health	Arogya Sanjeevani Policy, Bharti Axa General Insurance Company
Health	Corona Kavach Policy, Bharti AXA General Insurance Company Limited
Health	Short Term health insurance
Health	Corona Rakshak Policy
Health	SHIP Revision
Health	Universal Protection plus Insurance
Health	Smart HealthAdvantage
Commercial	Political Violence Insurance (Commercial)
Commercial	Clinical Trials Insurance Policy (Commercial)
Commercial	All Risks Insurance Policy
Commercial	Warranty Protect Insurance (For Appliances)
Commercial	Bharti AXA Bharat Griha Raksha Policy
Commercial	Bharti AXA Bharat Laghu Udyam Suraksha Policy
Commercial	Bharti AXA Bharat Sookshma Udyam Suraksha Policy
Sand box (Motor)	Pay as you Drive (Sandbox Initiative)
Sand box (Health)	Short Term health insurance

Underwriting Results 2020-21:

- Overall Loss ratio @63% better than plan loss ratio @76%

This is attributed to the lower claims frequency for Motor and Health business and a tight control on business sourcing with respect to risk preference and geographical mix.

- Higher loss ratio in Fire (88%), Liability Insurance (118%)

Fire loss ratio is adverse due to multiple catastrophic events such as Amphan, Nisarg and Hyderabad flood. However, liability loss ratio is impacted due to few large claim reserves.

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

Underwriting Actions Taken:

a. Motor:

- Portfolio monitoring with a strong emphasis on sourcing matrices with analytic study.
- Levering better loss ratio cohorts to grow the portfolio in the desired segments
- Correction in pricing and premium sourcing for negative locations
- Frequency and Average claim size of portfolio monitoring and using these inputs for risk selection
- Third party focus on faster settlement, Exonerations and control, sourcing quality

b. Commercial Lines:

- Fire: Improvement in the mix of preferred and non- preferred risks. Focus on growing the Banca business to improve the Net written premium.
- Marine: Reduced exposure in accounts with high frequency of claims and high hazard commodities.
- Engineering: Reduced exposure to road projects and risk in high catastrophic geographies.
- Liability: Reduced exposure to product recall and product guarantee cover within casualty book. Exit high exposure such as US exposure, Financial institutions etc.
- Employee Compensation: Reduced exposure in Gujarat State and in Ceramic Industry

c. Group Health:

- Focus on profitable segment such as family group size 1+3 and not 1+5.
- Increase in the SME portfolio

d. Crop:

- Loss ratio for Kharif season portfolio in Karnataka and Maharashtra in control and below the forecast estimate.

Note: Period for market data is YTD February 2021.

5. Claims

The Company successfully maintained high standards of customer service in the claims function and proved its ability to service to the satisfaction of both individual retail customers as well as large corporate clients through a committed and focused team of claims professionals with requisite claims settlement authority. The claims team acted on the 'Customer First' principle to provide a seamless service experience to its customer. Major thrust has been to improve settlement ratio, turnaround time of claim lifecycle and reducing the number of outstanding cases. During this financial year, the Company experienced multiple catastrophic events i.e. Cycle Amphan, Cyclone Nisarga, Cyclone Nivar and floods affected districts in the states of Telangana, Andhra Pradesh and Maharashtra. The Company had formed help desks to support and guide customers and instructed offices to fast-track claim settlement processes introducing documents waivers, survey waivers for minor losses and expedite claim settlement. The complaint resolution time for claims related areas was 3.66 days which continued to be significantly better than the industry average despite COVID pandemic.

6. Human Resource

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

In line with the Talent Strategy agenda, your Company recruited four key leadership positions, namely Chief Human Resource Officer, Head – PMO, Head - Administration & Procurement and Chief Financial Officer. Further, in its endeavour to build talent depth, your company hired 5 employees at levels of Deputy Vice President and above, more specifically in the areas of Underwriting & Reinsurance, Retail Distribution, Finance and Corporate Sales.

COVID-19 Pandemic

Financial year 2020-21 witnessed a major pandemic event impacting 185+ countries in the world. Indian Government ordered country wide lockdown with effect from 24th March 2020 and this resulted in slowdown in the business activities. Major impact on General Insurance was seen on motor insurance, as the motor vehicle dealerships were completely closed during the complete lockdown period. Similarly, the travel insurance went down by almost 85%. Thus, lockdown during April 20 and July 20 witnessed substantial decrease in business volumes. The claims reporting during this lockdown period has also come down drastically, with reduction in claims frequency for motor and health insurance. However, during the festive season and lesser restriction on mobility, the motor insurance business grew substantially as new vehicle sale went up in Q2 of 2020-21 compared to the Q1 of 2020-21.

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

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

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

The Company believes in the philosophy of conducting business through fair and ethical means. The true spirit of corporate governance emanates from the strong values that the Company believes and practices.

Further, the Company is in compliance with Guidelines on "Indian Owned and Controlled" in accordance with the Guidelines on Indian Owned and Controlled stipulated by IRDAI.

A detailed report on Corporate Governance is as follows:

BOARD STRUCTURE

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

CONSTITUTION OF THE BOARD

The Board has a mix of executive, non-executive and independent directors. The Board comprises of competent and qualified directors. Your Company has eleven (11) Directors, out of whom 3 are Independent Directors, 4 are Bharti representatives and 3 are AXA representatives and a CEO and Managing Director.

BOARD PROCEDURES

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

The Board also reviews:

- Strategic Plans and Business plans;
- All the organizational policies such as Investment Policy, Agency Policy, Policy on Maintenance of Insurance Records etc. on an annual basis;
- The information on recruitment and remuneration of Key Managerial Persons;
- Show cause, demand, prosecution notices and penalty notices which are materially important;
- Any material point for financial obligation and discipline to and by Your Company;
- Compliance with statutory/regulatory requirements and review of major legal issues;
- The audited quarterly / half yearly results and audited annual accounts of Your Company for consideration and adoption in the format specified under Insurance Laws;
- Delegation of powers to the management, as and when required;
- Transaction pertaining to sale or purchase of material nature or Investments which is not in normal course of business;
- Major accounting provisions and write-offs;
- Corporate restructuring;
- Minutes of meeting of the Board Committees;
- Issuance of shares and share transfers.

The notice of each Board and Committee meeting is given in writing through email to each Director, Appointed Actuary, members of Senior Management and Statutory and Internal Auditors, as and when required.

The Company also makes arrangements for participation of Directors in the meeting through Video-Conferencing (VC), if for any reason they are unable to participate in the meeting in person. In view of the Coronavirus outbreak, MCA vide its Notification dated March 19, 2020, allowed Companies to hold meetings through video conferencing or other audio visual means to consider the matters as stated under Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014.

The Company Secretary in consultation with the Executive Board prepares a detailed agenda for the meetings in line with the Rolling Agendas approved by the Board. All departments communicate with the Company Secretary in advance with regard to matters requiring approval of the Board to enable inclusion of the same in the agenda for the meetings. In case of matters requiring urgent consideration by the Board and arising post the dispatch of agenda, the same is taken up for discussion by the Board as part of any other business with the permission of the Chairman and consent of majority of Directors present at the meeting.

The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. The draft minutes of each Board and Committee meetings are circulated to the members of the Board / Committee within fifteen days from the date of meeting and the comments, if any on the draft minutes are received within seven days of its circulation. The minutes are finalized within thirty days and thereafter recorded in the Minutes Book.

The Board has constituted the following Committees with specific terms of reference:

- Board Audit and Compliance Committee (BACC);
- Board Investment Committee (BIC);
- Risk Management Committee (RMC);
- Policyholder Protection Committee (PPC);
- Board Nomination and Remuneration Committee (BNRC)

The Board Committees focus on specific areas and take informed decisions on the specific businesses assigned to them in the best interest of the Company. The Committees also make specific recommendations to the Board on various matters whenever required.

The Chairperson of the respective Committees briefs the Board on deliberations taken place at the Committee Meetings in relation to important discussions, noting and approvals.

Number of Board Meetings held and attendance of directors during the Financial Year 2020-21

During the FY 2020-21, 7 Board meetings were held on May 13, 2020; July 29, 2020; August 21, 2020; November 4, 2020; January 13, 2021; February 11, 2021 and March 24, 2021.

The attendance of Directors during the Board meetings held in FY 2020-21 is given below:

Name of the Director	No. of Board Meeting Attended	May 13, 2020	July 29, 2020	August 21, 2020	November 4, 2020	January 13, 2021	February 11, 2021	March 24, 2021
Rakesh Bharti Mittal (Chairman)	7	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Akhil Gupta	7	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Harjeet Kohli	7	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Rajesh Sud	7	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹

Bharat S. Raut	7	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Jitender Balakrishnan	7	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Uma Relan	7	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Jean Drouffe	5	Leave of absence	✓ ¹	✓ ¹	Leave of absence	✓ ¹	✓ ¹	✓ ¹
Marc Audrin [*]	5	✓ ¹	✓ ¹	Leave of absence	✓ ¹	✓ ¹	✓ ¹	Leave of absence
Garance Wattez-Richard	5	✓ ¹	✓ ¹	Leave of absence	✓ ¹	Leave of absence	✓ ¹	✓ ¹
Christophe Knaub [#]	1	NA	NA	NA	NA	NA	NA	✓ ¹
Sanjeev S.	7	✓	✓ ¹	✓ ¹	✓	✓	✓ ¹	✓ ¹

¹Attended meeting through video conference

^{*}Ceased to be a Director with effect from March 24, 2021

[#]Appointed as a Director with effect from March 24, 2021

Board Audit and Compliance Committee

Terms of Reference:

The Committee shall consider and report to the Board on each of the following matters on an annual or other periodic basis as it deems appropriate:

- Oversee the financial statements, financial reporting, statement of cash flow and disclosure processes both on an annual and quarterly basis. It shall set-up procedures and processes to address all concerns relating to adequacy of checks and control mechanisms.
- Oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.
- Recommendation of the appointment, remuneration, performance and oversight of the work of the auditors (internal/statutory/Concurrent/others). In case of statutory audit, the independence of the external auditors shall be ensured (although the approval of appointment, remuneration and removal of the statutory auditors shall be done by the shareholders at the general body meeting).

- Oversight on the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the insurer, whether raised by the auditors or by any other person.
- Discussions with the statutory / internal auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussions to address areas of concern.
- Act as a Compliance Committee to discuss the level of compliance in the Company and any associated risks and to monitor and report to the Board on any significant compliance breaches.
- Any additional work other than statutory/internal audit that is entrusted to the auditor or any of its associated persons or companies shall be specifically approved by the Board keeping in mind the necessity to maintain the independence and integrity of the audit relationship. All such other work entrusted to the auditor or its associates shall be specifically disclosed in the Notes to Accounts forming part of the annual accounts of the insurance companies. However, it may be ensured that insurance companies comply with Section 144 of the Companies Act, 2013 before deciding to provide any additional work to the Statutory Auditors.
- Approval or any subsequent modification of transactions of the company with related parties or group entities;
- Consider omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed.
- Provided further that in case of transaction, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board:
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.

To fulfil its duties, the Committee may at any time in its discretion:

- Request, at the Company's expense, the engagement of external experts to perform investigations into any matter within its scope of responsibility to the extent that it deems necessary or appropriate.
- Request any information it desires from the Company, including calling any employee to provide information at a meeting of the Committee.

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

During the FY 2020-21, 6 Board Audit and Compliance Committee meetings were held on May 13, 2020; July 29, 2020; August 21, 2020; November 4, 2020; February 11, 2021 and March 24, 2021.

The attendance of Members during the Board Audit and Compliance Committee meetings held in FY 2020-21 is given below:

Name of the Members	No. of Committee Meetings attended	May 13, 2020	July 29, 2020	August 21, 2020	November 4, 2020	February 11, 2021	March 24, 2021
Bharat S. Raut (Chairman)	6	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Jitender Balakrishnan	6	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Uma Relan	6	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Jean Drouffe	6	✓ ¹	✓ ¹	✓ ¹	✓ ¹⁺	✓ ¹	✓ ¹
Rajesh Sud	6	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹

¹ Attended meeting through video conference

+ Marc Audrin attended the meeting as an Alternate Member to Jean Drouffe

Board Investment Committee

Terms of Reference: The duties of the Committee are as follows:

Review biannually the Investment Policy incorporate the changes required and place the same before the Board of Directors for approval. The Policy should:

- Include prudential norms, exposure limits, stop loss limits in securities trading, management of all investment & market risks, management of assets liabilities mismatch, duration, investment audits and investment statistics, etc. and be in line with the provisions of the Insurance Act, 1938 and Insurance Regulatory and Development Authority (Investment) Regulations, 2000.
- Ensure an adequate return on Policyholders' & Shareholders' funds consistent with the protection, safety and liquidity of such funds.
- ensure that funds are invested in equity shares, preference shares and other instruments that enjoy a minimum rating made by a national agencies as per regulations and in the absence of a rating for an asset, the committee shall lay down clearly the norms that will be followed to ensure that the safety and liquidity of the policyholders' funds within the limits allowed by IRDA regulations.

- Implement the investment policy as approved by the Board and keep the Board informed periodically about the performance of the funds under management.
- Employ the services of an external agency for advisory services.
- Review the investment policy and its implementation on an half-yearly basis or at such short intervals as it may decide and make such modifications in the existing investment policy as are necessary to bring them in tune with the requirements of law and regulations, with regard to protection of policyholders' interest and pattern of investments.
- Deal with any other matters referred to the Committee by the Board.
- Ensure that adequate accounts and records are maintained which reflect investment positions and results
- Ensure that systems of internal control as prescribed by IRDA guidelines are in place and running effectively
- Review periodical reports with regard to –
 - Portfolio cash flow & liquidity
 - Value of Portfolio
 - Duration of portfolio
 - Portfolio Performance
- Roles of local and regional person in charge of investment –
 - the regional person in charge of investment reviews investment strategies, proposes asset class allocation, specific investment instruments, and monitors the investment portfolio performance.
 - when proposing a decision, regional person in charge of investment must mention the potential impacts on the various financial risk metrics.
- Roles of local and regional risk manager –
 - identifies financial risks
 - proposes financial risk metrics
 - reviews proposed investments strategies, and monitors risk exposures
 - validates the asset class allocation rather than each investments within the asset classes
 - agrees on asset duration
 - monitors credit risk management

The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties.

In connection with its duties, the Committee is authorised by the Board to obtain outside legal or other independent professional advice (on a case to case basis) and clearly documenting the need for such advise prior to the meeting calling such advice and not contravening the outsourcing provisions and guidelines of IRDA in this regard including the advice of independent consultants and to secure the attendance of external professional advisers at its meetings if it considers this necessary.

The committee is authorised to take decisions (except where board / board committee approval is required) for day to day investment decisions.

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

During the FY 2020-21, 4 meetings of the Board Investment Committee were held on May 12, 2020; July 28, 2020; November 3, 2020; and February 10, 2021.

The attendance of Members during the committee meetings held in FY 2020-21 is given below:

Name of the Member	No. of Committee Meetings attended	May 12, 2020	July 28, 2020	November 3, 2020	February 10, 2021
Harjeet Kohli (Chairman)	4	✓ ¹	✓ ¹⁺	✓ ¹	✓ ¹⁺
Jean Drouffe	4	✓ ¹	✓ ¹	✓ ^{1§}	✓ ¹
Uma Relan	4	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Sanjeev S.	4	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Manoj Jaju	4	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Rahul Ahuja*	3	✓ ¹	✓ ¹	✓ ¹	NA
Karni Arha^	1	NA	NA	NA	✓ ¹
Banashree Satpathy	3	✓ ¹	✓ ¹	Leave of Absence	✓ ¹
Jignesh Sangoi@	4	✓ ¹	✓ ¹	✓ ¹	✓ ¹

¹ Attended meeting through video conference

* Ceased to be a Member with effect from December 29, 2020

^ Appointed as a Member with effect from January 15, 2021

@ Ceased to be a Member with effect from February 16, 2021

+ Rajesh Sud attended the meetings held on July 28, 2020 and February 10, 2021 as an Alternate Member to Harjeet Kohli

§ Marc Audrin attended meeting held on November 3, 2020 as an Alternate Member to Jean Drouffe

Risk Management Committee

Terms of Reference:

The powers and responsibilities of the Risk Management Committee include:

- assist the Board in effective operation of the risk management system by performing specialised analyses and quality reviews;
- maintaining a group-wide and aggregated view on the risk profile of the insurer in addition to the solo and individual risk profile;
- report to the Board on details of the risk exposures and the actions taken to manage the exposures;
- advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, mergers and acquisitions and related matters;
- To review the Outsourcing policy of the Company on an annual basis and provide its recommendation to Board;
- To review the Whistle Blower policy of the Company and provide its recommendation to the Board;
- To review Company policy on “Maintenance of Insurance Records” on an annual basis and provide its recommendation to Board.
- To review the performance of third party service providers’ of the Company and also to review and ratify the Outsourced contracts executed by the Company;
- To review the solvency position of the Company on regular basis.
- To formulate fraud monitoring policy and framework, monitor implementation of Anti-fraud policy for deterrence, prevention and detection of frauds and review compliance for same.
- such other powers and perform such other functions as prescribed under the Corporate Governance Guidelines issued by IRDAI, any other law for the time being in force, by the Articles of Association of the Company or such other functions as may be assigned by the Board from time to time

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

During the FY 2020-21, 4 meetings of Risk Management Committee were held on May 12, 2020; July 28, 2020; November 3, 2020; and February 10, 2021.

The attendance of Members during the committee meetings held in FY 2020-21 is given below:

Name of the Member	No. of Committee attended	May 12, 2020	July 28, 2020	November 3, 2020	February 10, 2021
Uma Relan (Chairperson)	4	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Harjeet Kohli	1	✓ ¹	Leave of absence	Leave of absence	Leave of absence
Rajesh Sud	4	✓ ¹	✓ ¹	✓ ¹	✓ ¹

Jean Drouffe	1	Leave of absence	✓ ¹	Leave of absence	Leave of absence
Marc Audrin ^{&}	4	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Jignesh Sangoi [*]	1	NA	NA	NA	✓ ¹
Christophe Knaub [%]	NA	NA	NA	NA	NA

1 Attended meeting through video conference

** Appointed as a Member with effect from November 4, 2020; and Ceased to be a Member with effect from February 16, 2021*

& Ceased to be a Member with effect from March 24, 2021

% Appointed as a Member with effect from March 24, 2021

Policyholders' Protection Committee

Terms of Reference: The powers and responsibilities of the Policyholder Protection Committee include:

- Putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including misselling by intermediaries.
- Ensure compliance with the statutory requirements as laid down in the regulatory framework.
- Review of the mechanism at periodic intervals.
- Ensure adequacy of disclosure of “material information” to the policyholders. These disclosures shall, for the present, comply with the requirements laid down by the Authority both at the point of sale and at periodic intervals.
- Review the status of complaints at periodic intervals to the policyholders.
- Provide the details of grievances at periodic intervals in such formats as may be prescribed by the Authority.
- Provide details of insurance ombudsmen to the policyholders.
- Review of unclaimed amounts of Policyholders
- Put in place a framework for review of awards given by Insurance Ombudsman/Consumer Forums, analyse the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any.
- Review all the awards given by Insurance Ombudsman/Consumer Forums and those remaining unimplemented for more than three (3) months with reasons therefor and report the same to the Board for initiating remedial action, if necessary.
- Review Claims Report, including status of Outstanding Claims with ageing of outstanding claims and repudiated claims with reasons for repudiation.
- Such powers and perform such other functions as prescribed under the Corporate Governance Guidelines issued by IRDA amended from time to time, any other law for the time being in force, by the Articles of Association of the Company or such other functions as may be assigned by the Board from time to time.

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

During the FY 2020-21, 4 meetings of Policyholders' Protection Committee were held on May 12, 2020; July 28, 2020; November 3, 2020; and February 10, 2021.

The attendance of Members during the committee meetings held in FY 2020-21 is given below:

Name of the Member	No. of Committee Meetings attended	May 12, 2020	July 28, 2020	November 3, 2020	February 10, 2021
Jitender Balakrishnan	4	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Bharat S. Raut	4	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Garance Wattez-Richard	4	✓ ¹	✓ ^{1*}	✓ ^{1^}	✓ ¹
Rajesh Sud	4	✓ ¹	✓ ¹	✓ ¹	✓ ¹

¹ Attended meeting through video conference

*Jean Drouffe attended meeting held on July 28, 2020 as an Alternate Member to Garance Wattez-Richard

^Marc Audrin attended meeting held on November 3, 2020 as an Alternate Member to Garance Wattez-Richard

Board Nomination and Remuneration Committee

Terms of Reference: The powers and responsibilities of the Nomination and Remuneration Committee shall include:

- Organization Capability / Skill Building Strategies
- Retention strategies
- Employee Development strategies
- Focused Training & Development (including Leadership Development) initiatives, across levels, for the year
- Compensation (including salaries and salary adjustments, incentives/benefits, Long Term Incentive Plan [LTIP] / Stock Options) for CEO, COO and Executive Committee Members / First line direct reportees of CEO
- LTIP / ESOP framework, detailed Plan document and implementation process details
- Other key Human Resources related issues/matters as may be referred by the Board or as the Committee may feel appropriate to bring up for discussions from time to time.
- Based on the Key Performance Indicators (KPIs), corrective measures to be discussed, wherever necessary.
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.

- To carry out evaluation of every director's performance.
- To exercise such powers and perform such other functions as prescribed under the Corporate Governance Guidelines issued by IRDAI amended from time to time, Companies Act, 2013 and the Rules framed thereunder, any other law for the time being in force, by the Articles of Association of the Company or such other functions as may be assigned by the Board from time to time.

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

During the FY 2020-21, 7 meetings of Board Nomination and Remuneration Committee were held on May 13, 2020; July 29, 2020; August 21, 2020; November 4, 2020; January 13, 2021; February 11, 2021 and March 24, 2021.

The attendance of Members during the committee meetings held in FY 2020-21 is given below:

Name of the Member	No. of Committee Meetings attended	May 13, 2020	July 29, 2020	August 21, 2020	November 4, 2020	January 13, 2021	February 11, 2021	March 24, 2021
Bharat S. Raut (Chairman)	7	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Jitender Balakrishnan	7	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹
Jean Drouffe	7	✓ ¹	✓ ¹	✓ ¹	✓ ^{1*}	✓ ¹	✓ ¹	✓ ¹
Rajesh Sud	7	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹	✓ ¹

¹ Attended meeting through video conference

* Garance Wattez-Richard attended meeting held on November 4, 2020 as an Alternate Member to Jean Drouffe

Details of sitting fees paid to Directors during the FY 2020-21

(in INR)

Sr. No.	Name of the Independent Director	Nature of Directorship	Sitting fees per Meeting		Total sitting fees paid during the FY 2020-21	
			Committee Meetings	Board Meeting	Committee Meetings	Board Meetings
1.	Bharat S. Raut	Independent Director	15,000	45,000	255,000	3,15,000
2.	Jitender Balakrishnan	Independent Director	15,000	45,000	255,000	3,15,000
3.	Uma Relan	Independent Director	15,000	45,000	210,000	3,15,000
	Total Remuneration				720,000	945,000

COMPANY POLICIES

Whistle Blower Policy

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

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

Code of Conduct for Prevention of Insider Trading

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

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

As per the Regulations issued by the Insurance Regulatory Development Authority (IRDAI), insurance companies are required to prepare financial statements (Revenue account and Balance sheet) separately for different line of businesses. The Company has thus, established a methodology for attributing or allocating costs to various business segments for the preparation of segmental financial statements and the same shall be used for preparation of return of expenses of management for the FY 2021 as required by the Regulator as per the notification dated May 9, 2016 (ref. F.No. IRDAI/Reg/14/126/2016).

Details of Directors and their status of Directorship and qualifications:

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

Name	Status of Directorship	Area of Specialisation	Qualifications
Christophe Knaub*	Non-Executive Director	Insurance Industry Professional	a) ACCA-Qualified Accountant-Fellow of the Association of Chartered Certified Accountants, 2018 b) École des Mines de Paris – with Highest Honours (French)
Sanjeev S.	CEO and Managing Director	General Management Marketing and Finance	MDP, IIM Ahmedabad, General Management; MBA, Rohilkhand University, Bareilly; B.Sc., Rohilkhand University, Bareilly

**Appointed as Non-Executive Director with effect from March 24, 2021*

Acknowledgements

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

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

RAKESH
BHARTI MITTAL

Digitally signed by
RAKESH BHARTI MITTAL
Date: 2021.05.02 15:23:24
+05'30'

**Rakesh Bharti Mittal
Chairman
DIN: 00042494**

**“CERTIFICATION FOR COMPLIANCE OF CORPORATE GOVERNANCE
GUIDELINES FOR FINANCIAL YEAR 2020-21”**

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

A handwritten signature in black ink, appearing to read 'Amit Raheja', is positioned above the printed name and title.

Amit Raheja
Head – Legal & Compliance and Company Secretary

Date: April 30, 2021

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

1. SCOPE OF APPLICATION

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

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

2. KEY OBJECTIVES

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

The key objectives of Policy are:

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

The Remuneration Philosophy aims to:

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

3. **DEFINITIONS**

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

4. POLICY

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

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

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

5. APPOINTMENT CRITERIA AND QUALIFICATIONS

5.1. Non-Independent Director and KMP

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

5.2. Independent Directors

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

Companies Act, 2013 as may be amended from time to time, for determining the Independence of Independent Directors

6. PERFORMANCE EVALUATION OF DIRECTORS

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

7. REMOVAL / VACATION OF OFFICE/SUPERANNUATION/RESIGNATION

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

- 7.4. The Director, KMPs and Senior Management person, unless re-appointed, shall vacate their office on retirement / expiry of their term as per the terms and conditions of their appointment / employment and the applicable provisions, rules and regulations of the Companies Act, 2013 and other applicable laws.
- 7.5. KMPs shall lay down their office on the date of attainment of the age of superannuation as per their Employment Contract or upon the expiry of the term of their appointment.
- 7.6. An Independent Director shall lay down his/her office, unless re-appointed for another term as per the applicable provisions of Companies Act, 2013 and rules thereunder.
- 7.7. A director may resign from his office by giving a notice in writing to the Company and the Board and such resignation of a director shall take effect from the date on which the notice is received or such further date as may be mentioned.

8. TERM AND TENURE

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

REMUNERATION PRINCIPLES

The remuneration Policy is based on the following key principles:

- 8.4. Simple, consistent and transparent.
- 8.5. Achieving a balance between pay and performance, such that:
 - 8.5.1. 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;
 - 8.5.2. 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.
- 8.6. 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.

9. REMUNERATION OF DIRECTORS

9.1. Independent Directors:

- 9.1.1. 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.
- 9.1.2. 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.
- 9.1.3. 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.
- 9.1.4. The Independent Directors may, be paid profit related commission, as prescribed under the Guidelines, after Nomination & Remuneration Committees and Board

9.2. Non-Executive Directors:

- 9.2.1. None of the director representing the shareholders of the Company shall be paid any remuneration for attending the Board / Committee meetings of the Company.
- 9.2.2. 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.

10. REMUNERATION FRAMEWORK

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

10.1. Total Fixed Pay:

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

10.2. Variable Pay:

- 10.2.1. 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.
- 10.2.2. 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.
- 10.2.3. 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.

- 10.2.4. 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.

10.3. Total Remuneration:

- 10.3.1. 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.
- 10.3.2. Total Remuneration does not include ESOPs.
- 10.3.3. 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
- 10.3.4. Any of the following types of compensation may be provided to an MD/WTD/ED/CEO after the approval of Board of Directors subject to the

prior approval of IRDAI.

10.3.5. The MD/ WTDs / CEO of the Company shall not be paid remuneration by any promoter/investor or group companies of the promoters'/investors'.

10.4. ESOP:

10.4.1. 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.

10.4.2. 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.

10.4.3. If the ESOPs of Bharti AXA General Insurance are offered to CEO & MD or a WTD, such offer shall be in compliance of the applicable regulatory requirements and the manner of pricing of shares shall be disclosed upfront to the IRDAI.

10.5. 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.

10.6. Guaranteed Bonus:

10.6.1. In compliance with IRDAI guidelines, guaranteed bonuses will not be part of the compensation structure for MD/CEO/WTD. 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.

10.6.2. Sign on / Joining Bonus, Retention Bonus, Deferred bonus, other one-time payouts, may be offered with appropriate claw backs.

10.7. Deferral Pay:

10.7.1. In case of deferral arrangement of variable pay for MD/CEO/WTD, the deferral period should not be less than 3 years.

10.7.2. Remuneration paid under deferral arrangements should vest no faster than on pro rata basis.

10.7.3. 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.

10.7.4. The claw back norms will be driven by observable and verifiable measures of risk outcomes defined for calculation of variable pay

11. SEVERANCE PAY

12.1.1. Without the prior approval of the Board, the Company will not grant any severance pay to MD & CEO other than accrued benefits (gratuity, pension, etc.)

12.1.2. Severance Pay does not include notice period pay.

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

The Remuneration Philosophy of the Company aims to:

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

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

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

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

- Total Deferred Pay (LTI) Granted to KMPs in various years: Rs. 3,81,92,540 (Out of which INR 92,73,738 was granted to now exited KMPs)
- Deferred Pay (LTI) Granted during the year 2020-21: Rs. 15,83,988 (Out of which INR NIL was granted to now exited KMPs)
- Fixed pay paid during the year 2020-21: Rs. 3,29,62,346 (Out of which INR 91,23,717 was paid to now exited KMPs)
- Non Deferred Pay (Bonus) paid: Rs. 97,29,636 (Out of which INR 5,00,000 was paid to now exited KMPs)
- Deferred Remuneration (Deferred Bonus / LTI) Paid out in Financial Year 2020-21 to KMPs: Rs. 59,23,327 (Out of which INR NIL was paid to now exited KMPs)

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

FORM NO. MGT-9

**EXTRACT OF ANNUAL RETURN
as on financial year ended on March 31, 2021**

[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:** U66030MH2007PLC351131
- ii. **Registration Date:** July 13, 2007
- iii. **Name of the Company:** Bharti AXA General Insurance Company Limited
- iv. **Category / Sub-Category of the Company:** General Insurance
- v. **Address of the Registered office and contact details:** Unit No. 1902, 19th Floor, Parinee Crescenzo, 'G' Block, Bandra Kurla Complex, BKC Road, Near MCA Club, Bandra East, Mumbai – 400051
- vi. **Whether listed company:** The Debt Securities (350 NCDs) are listed on the National Stock Exchange of India
- vii. **Name, Address and Contact details of Registrar and Transfer Agent, if any**
—
BGSE Financials Limited
Stock Exchange Tower, No.51,
1st Cross, J. C. Road,
Bangalore 560 027
Phone: 080-41329661

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	5	0	5	0	5	0	5	0	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1,023,050,416	-	1,023,050,416	51	1,04,85,50,416	-	1,06,80,62,612	51	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	1,023,050,416	-	1,023,050,416	51	1,04,85,50,416	-	1,04,85,50,416	51	-
(1) Foreign									
a)NRI - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	982,930,795	-	982,930,795	49	1,00,74,30,795	-	1,00,74,30,795	49	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub total (A) (2)	982,930,795	-	982,930,795	49	1,00,74,30,795	-	1,00,74,30,795	49	-
Total sharehold	2,005,981,216	-	2,005,981,216	100	2,05,59,81,216	-	2,05,59,81,216	100	-

ing of Promoter (A) (1) + (A) (2)										
B. Public Shareholding										
1. Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-	-
2. Non-Institutions										
a) Bodies Corp.										
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1	-	-	-	-	-	-	-	-	-	-

lakh									
ii) Individual sharehold ers holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Sharehold ing (B)=(B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodia n for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2,005,981, 216	-	2,005,981, 216	100	2,05,59,81, 216	-	2,05,59,81, 216	100	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Bharti General Ventures Private Limited	1,023,050,416	51	N.A.	1,04,85,50,416	51	N.A.	NIL
2.	Société Beaujon	982,930,795	49	N.A.	1,00,74,30,795	49	N.A.	NIL
3.	Sanjeev S. [#]	1	0	N.A.	1	0	N.A.	NIL
4.	Rohit Puri [#]	1	0	N.A.	0	0	N.A.	NIL
5.	Nilesh Kambli [#]	1	0	N.A.	1	0	N.A.	NIL
6.	Amit Raheja [#]	1	0	N.A.	1	0	N.A.	NIL
7.	Saurav Jaiswal [#]	1	0	N.A.	1	0	N.A.	NIL
8.	Milind Kolhe [#]	0	0	N.A.	1	0	N.A.	NIL

[#]Nominee on behalf of Bharti General Ventures Private Limited

C) Change in Promoters' Shareholding - No change**D) Shareholding Pattern of top ten Shareholders:**

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

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

E) Shareholding of Directors and Key Managerial Personnel:

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

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

(in INR)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	2,550,000,000	Nil	2,550,000,000
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	2,550,000,000	Nil	2,550,000,000
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	2,550,000,000	Nil	2,550,000,000
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	153,448,658		153,448,658
Total (i+ii+iii)		2,70,34,48,658	Nil	2,70,34,48,658

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to CEO and Managing Director:

Managerial Remuneration:

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

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

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

Sr. No.	Gross salary	Sanjeev S.	Total Amount
		CEO & MD	
i.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,08,77,568.00	31,008,524.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
ii.	Stock Option	-	-
iii.	Sweat Equity	-	-
iv.	Commission	-	-
	- as % of profit	-	-
	others, specify...	-	-
v.	Others, please specify	1,30,956.00	1,30,956.00
	Total	31,008,524.00	31,008,524.00

B. Remuneration to other directors

(in INR)

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Bharat Raut	Jitender Balakrishnan	Uma Relan	
1	Independent Directors				
	Fee for attending board / committee meetings	5,70,000	5,70,000	5,25,000	1,665,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	5,70,000	5,70,000	5,25,000	1,665,000
2	Other Non-Executive Directors**				
	Fee for attending board / committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	5,70,000	5,70,000	5,25,000	1,665,000
	Total Managerial Remuneration	5,70,000	5,70,000	5,25,000	1,665,000
	*Overall Ceiling as per the Act	1,00,000 per meeting	1,00,000 per meeting	1,00,000 per meeting	

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

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

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

Particulars of Remuneration	Amit Raheja – Company Secretary	Rahul Ahuja Chief Financial Officer*	Karni Arha Chief Financial Officer^	Total
Gross salary	6,541,695.00	9,732,050.00	1,572,329.00	17,846,074.00
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission	-	-	-	-
- as % of profit	-	-	-	-
others, specify...	-	-	-	-
Others, please specify	-	-	-	-
Total	6,541,695.00	9,732,050.00	1,572,329.00	17,846,074.00

*Resigned with effect from December 29, 2020

^ Appointed with effect from January 15, 2021

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
(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
1902, 19th Floor Parinee Creseenzo,
"G" Block, Bandra Kurla Complex,
BKC Road, Bandra (East)
Mumbai - 400 051.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2021** complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Bharti Axa General Insurance Company Limited** for the financial year ended on **March 31, 2021** according to the provisions of:

- i. The Companies Act, 2013 ("the Act") including The Companies (Amendment) Act, 2020 and the rules made thereunder;
- ii. Foreign Exchange Management Act, 1999 ('FEMA') and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;

Cont...2...



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- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') for listed debt securities viz;
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - c) 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;
 - vi. The list of Acts, Laws and regulations specifically applicable to the Company are given below:
 - a) The Insurance Act, 1938 including amendments and part thereof;
 - b) The Insurance Regulatory and Development Authority Act, 1999 and rules and regulations made thereunder;
 - c) The Rules, regulations, guidelines, circulars and notifications issued by the Insurance Regulatory and Development Authority of India (IRDAI) as are applicable to a General Insurance Company.
- The Company has its own robust compliance system and the Company is also subject to monitoring by and reporting of compliances to IRDAI.
- vii. We have also examined compliance with the applicable clauses of the following:
 - a) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
 - b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for debt securities listed on National Stock Exchange of India Limited.

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

Cont...3...



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

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

We further report that:

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

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

1. The Company has filed a Scheme of Arrangement between Bharti AXA General Insurance Company Limited and ICICI Lombard General Insurance Company Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and Sections 35 to 37 of the Insurance Act, 1938 to transfer, by way of demerger, the entire general insurance business of the Company, on a going concern basis to ICICI Lombard General Insurance Company Limited ("**ICICI Lombard**") effective 1st April, 2020 (Appointed date) with National Company Law Tribunal, Mumbai Bench.

Cont...4...



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2. The Board of Directors of the Company vide Circular Resolution has allotted 5,00,00,000 Equity Shares of Rs.10/- each to the existing shareholders of the Company on Right Basis.
3. The Regional Director, Hyderabad has approved the shifting of Registered Office of the Company from the "State of Karnataka" to "State of Maharashtra" vide Order dated 20th November, 2020. IRDAI has approved the shifting of registered office of the Company to Maharashtra vide their approval received on 11th November, 2020.
4. The Members of the Company have approved the issue of 19,512,196 Equity shares having Face Value of Rs. 10/- at a premium of Rs. 14.60 per share on private placement basis to Bharti (Satya) Trustee Private Limited, however, allotment of the said Equity shares is pending.

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

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]
PARTNER
FCS: 3706 COP: 2324
UDIN : F003706C000232660

PLACE: MUMBAI
DATE: APRIL 30, 2021.

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



ANNEXURE A

To,
The Members,
BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
1902, 19th Floor Parinee Cresezzo,
"G" Block, Bandra Kurla Complex,
BKC Road, Bandra (East),
Mumbai - 400 051.

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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7. We have verified the Documents provided by the Company through Virtual Private Network (VPN) for audit purpose due to COVID-19 restrictions in Maharashtra, Mumbai, physical examination of documents is not possible.

For GMJ & ASSOCIATES
Company Secretaries



[MAHESH SONI]
PARTNER
FCS: 3706 COP: 2324

UDIN : F003706C000232660
PLACE: MUMBAI
DATE: APRIL 30, 2021.



Annexure E

DISCLOSURE OF MANAGERIAL REMUNERATION

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

A) Ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2020-21:

Name	Designation	Ratio of remuneration of each Director to the median remuneration of the employees
Rakesh Bharti Mittal	Chairman & Non-Executive Director	-
Akhil Kumar Gupta	Non-Executive Director	-
Harjeet Kohli	Non-Executive Director	-
Rajesh Sud	Non-Executive Director	-
Jean Drouffe	Non-Executive Director	-
Christophe Knaub	Non-Executive Director	-
Garance Wattez-Richard	Non-Executive Director	-
Bharat S. Raut	Independent Director	-
Jitender Balakrishnan	Independent Director	-
Uma Relan	Independent Director	-
Sanjeev S.	CEO & MD	49:1

B) Percentage increase in the Remuneration of all employees

The average increase in the remuneration of all employees in the Financial Year 2020-21 was 7.6%. The average increase in the remuneration of key managerial personnel stood at 11.4%.

C) Total number of permanent employees as on March 31, 2021

The total number of permanent employees of the Company as on March, 31, 2021 stood at 2418.

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

The average percentile increase in the salaries of the employees other than the Key Managerial Personnel in the last financial year was 7.6%, while the average percentile increase in the salaries of the Key Managerial Personnel in the last financial year was 11.4%.

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

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

Form No. AOC -2

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

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

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

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

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

SL. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	--
b)	Nature of contracts/arrangements/transaction	--
c)	Duration of the Contracts / arrangements / transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	--
e)	Date of approval by the Board	--
f)	Amount paid as advances, if any	--

For and on behalf of the Board

RAKESH
BHARTI
MITTAL

Digitally signed
by RAKESH
BHARTI MITTAL
Date: 2021.05.02
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RAKESH BHARTI MITTAL
(CHAIRMAN)
DIN- 00042494

MANAGEMENT REPORT

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

1. We hereby confirm the validity of Certificate of Registration granted by the Insurance Regulatory and Development Authority of India ("IRDAI") to carry on the business of General Insurance in India.
2. To the best of our knowledge and belief, all the material dues payable to the statutory authorities have been duly paid.
3. We confirm that the shareholding pattern and transfer of shares are in accordance with statutory and regulatory requirements.
4. We hereby declare that the management has not directly or indirectly invested outside India the funds of the holders of policies issued in India;
5. We hereby confirm that the required solvency margin has been maintained as on March 31, 2021.
6. We hereby certify that the values of all the assets have been reviewed on the date of the Balance Sheet and to the best of our knowledge and belief the assets set forth in the Balance-sheet are shown in the aggregate at amount not exceeding their realisable or market value under the several headings – "Loans", "Investments", "Agents balances", "Outstanding Premiums", "Interest, Dividends and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amount due from other entities carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the several items specified under "Other Accounts" except debt securities which are stated at cost/amortised cost.
7. The Company is exposed to a variety of risks associated with General Insurance business in India such as quality of risks undertaken, fluctuations in the value of assets and higher expenses in the initial years of operation. The Company monitors these risks closely and effective remedial action is taken whenever deemed necessary. The Company has through an appropriate reinsurance programme kept its risk exposure at a level commensurate with its capacity;
8. We confirm that there are no operations of the Company outside India.
9. a) For ageing analysis of claims outstanding during the preceding five years, please refer Annexure-I.
b) For Average claims settlement time during the preceding five years, please refer the Annexure- II.
c) For details of claims intimated, please refer Annexure-III.
10. We certify that all debt securities excluding Additional Tier I are considered as 'held to maturity' and accordingly stated at historical cost subject to amortization of premium,/discount. Investments in mutual fund units are accounted at Net Asset Value. Market values of Government securities and other debt instruments have been reported in accordance with guideline INV/GLN/003/2003- 04 dated January 21, 2004 issued by the Authority.

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

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

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

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

restated to that extent

11. The Company has adopted a prudent investment policy with emphasis on optimizing return with minimum risk. Emphasis was towards low risk investments such as Government securities and other rated debt instruments. Investments are managed in consonance with the investment policy laid down by board from time to time and are within the investment guidelines of IRDAI. The Company has carried out periodic review of the investment portfolio. There are non-performing assets as at the end of the financial year, for which detail information and explanation have been given in Notes to Account.
12. We also confirm:
- in the preparation of financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanations relating to material departures, if any ;
 - the management has adopted accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating profit and of the profit of the company for the year ended;
 - the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015(to the extent notified), Companies Act, 1956 & Companies Act, 2013 to the extent applicable, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
 - the financial statements of the Company have been prepared on a going concern basis;
 - the management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.
13. For payments to individuals, firms, Companies and organisations in which directors are interested during the year ended March 31, 2021, please refer to Annexure-IV.

For and on behalf of the Board

RAKESH
BHARTI MITTAL

Digitally signed by
RAKESH BHARTI MITTAL
Date: 2021.05.02
15:21:02 +05'30'

RAKESH BHARTI MITTAL
(CHAIRMAN)
DIN- 00042494

SANJEEV
SRINIVA
SAN

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

AMIT
RAHEJ
A

AMIT RAHEJA
(COMPANY SECRETARY)

RAJESH SUD

Digitally signed
by RAJESH SUD
Date: 2021.05.02
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RAJESH SUD
(DIRECTOR)
DIN- 02395182

KARNI
S ARHA

KARNI ARHA
(CHIEF FINANCIAL OFFICER)

Annexure-I
Details of Ageing analysis of Gross Claim Outstanding

Outstanding as on March 31, 2021

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Credit Insurance		Crop Insurance		Other Miscellaneous		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	48	177,508	186	51,472	-	-	4,202	222,394	553	312,792	34	3,142	7	2,100	25	25,334	-	-	57	2,675	2,462	149,274	2	1,635	25	119	165	16,965	7,766	965,410
30 days to 6 months	161	805,468	211	1,007,829	-	-	2,343	363,164	1,700	972,953	55	29,883	17	24,971	59	39,879	-	-	151	14,426	1,109	75,597	7	3,930	6,667	270,971	152	108,219	12,632	3,717,290
6 months to 1 year	133	674,725	71	140,349	-	-	425	69,606	2,507	1,302,110	19	13,122	16	209,134	30	89,286	-	-	13	7,892	76	13,421	2	2,109	2,327	198,118	50	28,691	5,669	2,748,563
1 year to 5 years	151	715,051	59	180,085	-	-	713	122,016	4,072	3,904,012	16	12,088	17	384,276	33	38,554	-	-	24	18,812	138	68,985	-	-	597	963,965	8	18,655	5,828	6,446,497
More than 5 years	48	53,662	17	9,588	-	-	681	137,308	2,487	2,240,294	32	9,860	3	1,735	28	26,993	-	-	28	9,026	33	8,772	1	651	-	-	14	1,900	3,372	2,499,788
Grand Total	541	2,426,413	544	1,389,322	-	-	8,364	914,488	11,319	8,732,161	156	68,096	60	622,215	175	220,044	-	-	273	52,830	3,818	316,050	12	8,325	9,616	1,453,172	389	174,430	35,267	16,377,547

Outstanding as on March 31, 2020

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Credit Insurance		Crop Insurance		Other Miscellaneous		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	38	51,825	260	106,270	-	-	6,436	269,784	248	128,724	37	6,103	4	1,140	13	18,337	-	-	153	18,787	2,007	98,577	-	-	21	316,711	136	7,193	9,353	1,023,451
30 days to 6 months	164	433,182	189	155,113	-	-	4,228	491,274	1,711	1,097,265	104	25,976	11	13,837	43	40,349	-	-	354	47,350	1,423	104,158	3	4,155	581	29,987	206	72,621	9,017	2,515,267
6 months to 1 year	94	668,467	74	94,959	-	-	341	92,835	1,721	1,121,636	21	13,056	8	95,533	28	251,274	-	-	29	12,526	229	83,041	-	-	62	939,404	25	49,259	2,632	3,421,990
1 year to 5 years	130	517,355	59	59,941	-	-	566	105,812	4,959	4,018,483	20	8,938	11	46,942	39	50,535	-	-	21	15,478	136	46,585	-	-	20	0	7	1,838	5,968	4,871,906
More than 5 years	56	69,202	13	6,198	-	-	525	126,818	2,602	1,716,763	29	4,303	1	1,135	27	46,125	-	-	25	4,873	6	1,851	1	700	-	-	12	1,687	3,297	1,979,655
Grand Total	482	1,740,031	595	422,481	-	-	12,096	1,086,524	11,241	8,082,871	211	58,376	35	158,586	150	406,620	-	-	582	99,014	3,801	334,211	4	4,855	684	1,286,102	386	132,999	30,267	13,812,270

Outstanding as on March 31, 2019

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Credit Insurance		Crop Insurance		Other Miscellaneous		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	29	224,137	143	63,886	-	-	5,791	230,522	335	124,800	28	2,020	2	335	11	4,746	-	-	113	13,329	2,179	112,788	-	-	-	-	120	4,422	8,751	780,985
30 days to 6 months	123	283,245	185	110,635	-	-	3,346	389,508	1,303	589,996	76	17,483	3	13,072	52	74,824	-	-	260	48,061	971	104,249	-	-	2	8,024	91	11,710	6,412	1,650,805
6 months to 1 year	112	302,530	49	83,923	-	-	319	57,818	1,336	653,628	11	5,200	7	23,090	28	245,420	-	-	20	13,420	176	59,974	-	-	31	280,517	14	8,347	2,103	1,733,868
1 year to 5 years	147	263,188	106	38,527	-	-	662	131,478	7,554	4,809,618	20	6,801	11	39,469	36	284,530	-	-	27	13,374	164	31,475	1	780	-	-	8	2,038	8,736	5,621,279
More than 5 years	58	60,862	8	1,965	-	-	348	102,208	2,660	2,240,451	17	573	-	-	60	60,385	-	-	27	2,096	17	2,078	1	150	-	-	10	482	3,206	2,471,250
Grand Total	469	1,133,963	491	298,936	-	-	10,466	911,533	13,168	8,418,492	152	32,077	23	75,966	187	669,905	-	-	447	90,281	3,507	310,564	2	930	33	288,541	243	26,999	29,208	12,258,187

Outstanding as on March 31, 2018

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Crop Insurance		Other Miscellaneous		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	47	60,884	87	10,936	-	-	5,753	223,619	295	62,699	24	3,362	4	1,250	7	550	-	-	73	15,008	1,157	66,702	2	917,580	60	3,402	7,509	1,365,992
30 days to 6 months	52	61,492	211	63,416	-	-	3,516	334,873	1,658	501,798	49	7,592	6	27,775	25	30,703	-	-	163	39,505	492	42,303	-	-	101	23,048	6,273	1,132,506
6 months to 1 year	47	97,016	72	32,314	-	-	594	77,787	1,786	679,133	7	425	4	1,320	26	33,900	-	-	9	5,765	40	12,008	-	-	25	18,043	2,610	957,710
1 year to 5 years	202	380,165	145	245,193	-	-	725	159,291	8,893	4,691,630	22	5,779	10	11,868	42	505,796	-	-	28	5,153	120	50,435	-	-	12	6,101	10,199	6,061,413
More than 5 years	36	39,763	7	7,056	-	-	246	75,348	2,022	2,028,269	11	475	-	-	55	36,868	-	-	16	1,459	3	381	-	-	6	260	2,402	2,189,878
Grand Total	384	639,320	522	358,914	-	-	10,834	870,919	14,654	7,963,529	113	17,632	24	42,214	155	607,817	-	-	289	66,890	1,812	171,829	2	917,580	204	50,854	28,993	11,707,498

Outstanding as on March 31, 2017

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Crop Insurance		Other Miscellaneous		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount

0-30 days	22	9,499	105	16,080	-	-	7,456	220,712	395	77,402	10	990	3	222	16	15,384	-	-	90	6,634	808	34,780	-	-	45	7,120	8,950	388,823
30 days to 6 months	136	170,465	328	80,586	-	-	4,173	388,107	1,767	516,192	62	7,615	7	3,153	37	19,721	-	-	199	24,814	356	18,833	-	-	111	32,682	7,176	1,262,168
6 months to 1 year	99	193,121	234	101,151	-	-	417	75,971	2,157	906,046	22	1,989	2	3,161	58	116,885	-	-	38	9,389	66	9,660	-	-	45	3,642	3,138	1,421,014
1 year to 5 years	197	307,570	139	237,011	-	-	759	186,107	10,566	7,289,822	26	9,227	9	30,118	113	462,603	-	-	31	3,707	130	45,091	-	-	35	34,549	12,005	8,605,804
More than 5 years	31	95,892	5	360	-	-	213	66,394	1,255	776,243	4	53	-	-	28	11,564	-	-	10	2,427	6	633	-	-	4	58	1,556	953,625
Grand Total	485	776,547	811	435,187	-	-	13,018	937,291	16,140	9,565,705	124	19,874	21	36,654	252	626,156	-	-	368	46,971	1,366	108,997	-	-	240	78,051	32,825	12,631,433

Outstanding as on March 31, 2016

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Crop Insurance		Other Miscellaneous		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	28	50,502	97	10,900	-	-	8,029	261,100	546	103,385	46	3,199	1	350	10	1,078	-	-	119	6,852	1,116	60,744	-	-	65	3,397	10,057	501,508
30 days to 6 months	105	204,362	276	3,703,244	-	-	5,961	596,933	2,463	652,966	150	12,590	17	5,159	46	42,651	-	-	305	30,423	357	41,814	-	-	225	125,470	9,905	5,415,613
6 months to 1 year	92	212,284	143	50,118	-	-	2,410	117,850	2,596	942,669	36	7,988	2	625	30	78,495	-	-	43	10,328	69	5,762	-	-	84	17,050	5,505	1,443,170
1 year to 5 years	179	404,729	111	28,492	-	-	8,446	260,217	9,766	6,715,162	22	7,138	7	3,689	132	391,863	-	-	45	6,359	108	11,696	-	-	42	50,637	18,858	7,879,982
More than 5 years	19	32,971	5	175	-	-	125	38,919	486	281,674	3	20	-	-	7	1,178	-	-	8	929	2	282	-	-	2	28	657	356,176
Grand Total	423	904,848	632	3,792,931	-	-	24,971	1,275,020	15,857	8,695,857	257	30,935	27	9,824	225	515,265	-	-	520	54,891	1,652	120,298	-	-	418	196,581	44,982	15,596,449

Outstanding as on March 31, 2015

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability		Engineering		Aviation		Personal Accident		Health Insurance		Crop Insurance		Other Miscellaneous		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	36	83,599	127	38,618	-	-	8,103	236,373	663	139,092	38	2,822	-	-	24	174,604	-	-	187	15,343	2,926	129,324	-	-	254	10,936	12,358	830,712
30 days to 6 months	173	451,877	342	100,201	-	-	10,067	500,001	2,591	671,556	84	12,461	8	3,957	108	76,270	-	-	390	33,122	823	38,145	-	-	416	58,687	15,002	1,946,277
6 months to 1 year	103	299,750	136	56,861	-	-	2,036	169,495	2,658	944,275	29	7,819	3	220	60	1,079,182	-	-	94	9,417	171	13,589	-	-	151	73,423	5,441	2,654,031
1 year to 5 years	121	274,104	56	27,334	-	-	974	242,569	7,241	6,411,406	17	3,927	2	264	121	94,555	-	-	51	8,830	86	7,281	-	-	36	8,166	8,705	7,078,436
More than 5 years	2	11,426	1	31	-	-	29	10,198	117	88,444	2	14	-	-	4	615	-	-	1	8	-	-	-	-	1	10	157	110,744
Grand Total	435	1,120,754	662	223,045	-	-	21,209	1,198,636	13,270	8,254,774	170	27,042	13	4,442	317	1,425,227	-	-	723	66,720	4,006	188,340	-	-	858	151,222	41,663	12,620,201

Annexure-II

Details of Average Claim Settlement Time for the Preceding Five Years										
Period	For the year ended March 31,2021		For the year ended March 31,2020		For the year ended March 31,2019		For the year ended March 31,2018		For the year ended March 31,2017	
Product/Class	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)
Credit Insurance	10	144	3	373	6	190	3	1,268	1	27
Engineering	491	150	339	163	162	265	216	304	162	380
Fire	844	145	739	105	440	231	377	317	337	291
Health	34,529	31	45,275	32	37,054	28	18,129	32	19,225	32
Liability Insurance	16	458	14	276	6	291	7	504	9	385
Marine Cargo & Others	5,672	47	5,861	49	2,096	89	1,537	150	1,373	159
Motor *	1,80,881	24	2,12,876	25	1,66,890	31	1,90,350	32	2,12,595	28
Other Miscellaneous	21,125	30	6,866	78	7,142	22	600	130	708	191
Personal Accident	499	168	1,191	95	961	93	839	104	983	148
Workmen Compensation/ Employer's Liability	241	191	317	119	207	129	141	215	200	252
Grand Total	2,44,308		2,73,481		2,14,964		2,12,199		2,35,593	

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

Annexure -III
Details of Claims Intimated

Period	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Claims Intimated	Amount Rs.('000)	Claims Intimated	Amount Rs.('000)
Fire	1,118	2,19,350	900	3,70,037
Marine Cargo	6,871	4,26,434	6,742	4,90,129
Marine Hull	-	-	-	-
Motor OD	1,88,163	41,84,895	2,23,778	48,08,022
Motor TP	3,920	14,47,001	4,807	19,38,257
Workmen's Compensation	326	26,866	559	30,323
Public/Product Liability	58	21,671	37	10,651
Engineering	568	1,06,135	395	59,081
Aviation	-	-	-	-
Personal Accident	1,046	73,119	2,406	1,08,631
Health Insurance	46,046	39,02,826	60,006	32,69,584
Credit Insurance	21	18,678	5	3,184
Crop Insurance	28,890	17,44,368	6,733	31,11,670
Others	1,869	97,716	1,993	77,443
Grand Total	2,78,896	1,22,69,059	3,08,361	1,42,77,012

Annexure-IV

Details of payments to individuals, firms, Companies and organisations in which directors are interested during the year ended March 31, 2021

Sr No.	Name of the Director	Entity in which Director is interested	Interested As	Expenses Incurred by the Company during the Financial year Rs.('000)
1	Rakesh Bharti Mittal	Bharti AXA Life Insurance Company Limited	Chairman	89,248
		Bharti Overseas Private Limited	Director	15
		Bharti Airtel Limited	Director	26,310
		Bharti Realty Limited	Managing Director	818
		Fieldfresh Foods Private Limited	Chairman	10,658
		Salya Bharti Foundation*	Director & Member	594
2	Akhil Kumar Gupta	Bharti AXA Life Insurance Company Limited	Director	89,248
		Bharti Enterprises Limited	Director	512
		Bharti Overseas Private Limited	Director	15
3	Harjeet Kohli	Bharti AXA Life Insurance Company Limited	Director	89,248
		Fieldfresh Foods Private Limited	Director	10,658
		Bharti Enterprises Limited	Director	512
		Bharti Realty Limited	Director	818
4	Rajesh Sud	Bharti AXA Life Insurance Company Limited	Non-Executive Director	89,248
		Airtel Payments Bank Limited	Director	14,347
		Bharti Life Ventures Private Limited	Managing Director	1,08,023
		Atisaya Partners LLP	Designated Partner	65
5	Bharat S Raut	Bharat S Raut, Advocate, Veritas, Advocates & Solicitors	Sole Proprietor	421
6	Garance Wattez	Bharti AXA Life Insurance Company Limited	Director	89,248
7	Jean Drouffe	Bharti AXA Life Insurance Company Limited	Director	89,248
8	Jitendra Balakrishnan	Bharti AXA Life Insurance Company Limited	Independent Director	89,248
		Polyplex Corporation Limited	Independent Director	9,961
9	Christophe Knaub	Bharti AXA Life Insurance Company Limited	Director	89,248
10	Uma Ajay Relan	Bharti AXA Life Insurance Company Limited	Independent Director	89,248

INDEPENDENT AUDITORS’ REPORT TO THE MEMBERS OF BHARTI AXA GENERAL INSURANCE COMPANY LIMITED
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Report on audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Bharti Axa General Insurance Company Limited (“the Company”)**, which comprise the Balance Sheet as at March 31, 2021, the related Revenue Accounts of fire, marine and miscellaneous insurance business (collectively called ‘Revenue Account’ and also called the “Policyholders’ Account”, or the “Technical Account”), the Profit and Loss Account (also called the “Shareholders’ Account”, or “Non-Technical Account”), and the Receipts and Payments Account for the year then ended, notes to the financial statements including a summary of significant accounting policies and other explanatory information.

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

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021;
- b. in the case of the Revenue Account, of the operating loss so far as it relates to Fire and Marine insurance business and operating profit in so far as it relates to Miscellaneous insurance business for the year ended on that date;
- c. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- d. in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Insurance Act, the IRDA Act and the Regulations,

Companies Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 3.32 to the Financial Statements on the company’s Scheme of Arrangement to demerge the Insurance Business, indicating that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. The company is in the process of taking necessary steps towards commencing alternate business and has prepared the financial statements on a going concern basis. Our opinion is not modified in respect of this matter.

Emphasis of Matter

- a. We draw attention to Note 3.16 to the Financial Statements on accounting of expenses in excess of limits specified by IRDAI Expenses of Management Rules 2016, aggregating to Rs. 2,91,97,03 (‘000) pertaining to FY 2020-21 which is charged to Shareholders Account. The Company is yet to apply for forbearance to IRDAI.
- b. We draw attention to Note 3.30 to the Financial Statements on the possible effects of the COVID 19 Pandemic.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	<p>Valuation of provisions against outstanding claims</p> <p>The estimation of liabilities arising from insurance contracts as disclosed in Note 3.4 to the financial statements, involves a significant degree of usage of assumptions, estimating default reserve</p>	<p>Principal audit procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Verification of process relating to claim processing on test check basis and analytical review of outstanding claims.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	<p>basis the analysis of the historic data, evaluation of ancillary cost related to claim processing, judgment and changes in government regulations.</p> <p>The amount is quite significant and recurring adjustments are carried out based on the number of explicit or implicit assumptions relating to the expected settlement amount and settlement patterns of claims.</p> <p>Note 2.9 and 3.4 can be referred for accounting policy, disclosures of the related broad level judgments / estimates and other details.</p>	<ul style="list-style-type: none"> • Comparison of actual claims paid with the initial default reserve amount and estimates done post assessment of claim. • Substantive testing was performed on test check basis on the claims received during the year, focusing more on the one which may have significant impact on the financial statements, to assess whether the claims are appropriately assessed and documented. • Obtained confirmation from the process owner on the adequacy of the information received and amount recognized as outstanding claim. <p>We have also reviewed whether appropriate disclosures are made in the financial statements with respect to relevant IRDAI guidelines / accounting standards.</p>
2.	<p>Valuation of Investments</p> <p>The Company’s investments represent 69% of the total assets as at March 31, 2021 which are to be valued in accordance with IRDAI guidelines.</p> <p>The Company performs an impairment review of its investments periodically and recognizes impairment charge when the investments meet the trigger/s for impairment provision. The assessment of impairment involves significant management judgment.</p> <p>The valuation and impairment of investments were considered one of the matters of material significance in the financial statements due to the materiality of the total value of investments to the financial statements.</p>	<p>Our audit procedures for this area included but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an understanding from the management with its process and controls to ensure valuation of Investment as per IRDAI Guidelines & their assessment of impairment indicators. • Obtained external confirmation for ownership related to these investments. • Tested on a sample basis valuation of securities which have been valued in accordance with the Investment Regulations and Company’s accounting policies • Examining the rating downgrades by credit rating agencies, reviewing public information and assessing the risk of impairments to various investments. • Reviewed the impairment provisions made by the Company vis-à-vis minimum

Sr. No.	Key audit matters	How our audit addressed the key audit matter
		provisioning requirements specified in the IRDAI Regulations.

Other Matters

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2021 is the responsibility of the Company’s Appointed Actuary (“Actuary”) and has been duly certified by the Actuary. The Appointed Actuary has also certified that in her opinion, the assumptions for such valuation are in accordance with the guidelines and norms, if any, issued by the Insurance Regulatory and Development Authority of India (“the Authority”) and the Actuarial Society of India in concurrence with IRDAI. We have relied upon the Actuary’s certificate in this regard for forming our opinion on the financial statements of the Company.

Our opinion is not modified in respect to this matter.

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

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Director’s report and Management report but does not include the financial statements and our auditors’ report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements to give a true and fair view of the financial position, financial performance and Receipts and Payments of the Company in accordance with the requirements of the Insurance Act read with IRDA Act, the Regulations orders/ directions/ circulars/

guidelines issued by the Insurance Regulatory and Development Authority of India ('Authority'/'IRDAI') in this regard and in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, further amended by Companies (Accounting Standards) Amendment Rules, 2016 to the extent applicable and in the manner so required.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal

financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Regulations, we have issued a separate certificate with date of issue as April 30, 2021, certifying the matters specified in paragraphs 3 and 4 of Schedule C to these Regulations.
2. As required by paragraph 2 of Schedule C to 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;
 - (b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been maintained by the Company, so far as it appears from our examination of those books;

- (c) As the Company's financial accounting system is centralised, no returns for the purposes of our audit are prepared at the branches of the Company;
- (d) The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account;
- (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, further amended by Companies (Accounting Standards) Amendment Rules, 2016 to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by the IRDA in this regard;
- (f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, 1938, the Regulations and/or orders/directions issued by the Authority in this regard;
- (g) In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013), and the Rules framed thereunder and with the accounting principles as prescribed in the IRDA Financial Statements Regulations and orders/directions issued by the IRDAI in this regard;
- (h) Based on representations received on e-mail (due to lockdown restriction in certain states) from the Directors, as on March 31, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act;
- (i) With respect to requirements of section 197(16) of the Act, as amended, we report that managerial remuneration is governed u/s 34A of the Insurance Act, 1938 and requires IRDAI approval. Accordingly, the provisions of Section 197 read with schedule V to the Act are not applicable, and hence reporting under Section 197 (16) is not required. However, sitting fees paid to the Directors is in compliance with Section 197 (5) of the Companies Act, 2013.
- (j) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in the **Annexure A**;
- (k) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

Singhi & Co.
Chartered Accountants
B2 402B, Marathon Innova, 4th Floor
Off Ganpatrao Kadam Marg, Lower Parel,
Mumbai – 400013, India

M. P. Chitale & Co.
Chartered Accountants
1st Floor, Hamam House,
Ambalal Doshi Marg, Fort
Mumbai – 400 001, India

- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 3.1 of schedule 16 in the Notes to Accounts forming part of financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts.
- (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

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

NIKHIL Digitally signed
by NIKHIL
SINGHI
SINGHI Date: 2021.05.02
21:44:31 +05'30'

Nikhil Singhi
Partner
Membership No: 061567
Date of Issue: April 30, 2021
Place: Mumbai
UDIN: 21061567AAAAAE7294

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

Murtaza
Taher Vajih Digitally signed by Murtaza Taher Vajih
DN: cn=IN, o=Personal, title=1951,
pseudonym=72eead1ab677404fa39a0e34a75328c
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postalCode=400002, st=Maharashtra,
serialNumber=95d1c7852006877b9f62d5415b181
d5c48e726db1ff202c826c6ba0735e27650,
cn=Murtaza Taher Vajih
Date: 2021.05.02 22:12:53 +05'30'

Murtuza Vajih
Partner
Membership No: 112555
Date of Issue: April 30, 2021
Place: Mumbai
UDIN: 21112555AAAABH4469

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

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

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

We have audited the internal financial controls with reference to financial statements **Bharti Axa General Insurance Company Limited (“the Company”)** as of March 31, 2021, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on “the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

Singhi & Co.
Chartered Accountants
B2 402B, Marathon Innova, 4th Floor
Off Ganpatrao Kadam Marg, Lower Parel,
Mumbai – 400013, India

M. P. Chitale & Co.
Chartered Accountants
1st Floor, Hamam House,
Ambalal Doshi Marg, Fort
Mumbai – 400 001, India

Other Matters

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2021 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary, as mentioned in "Other Matter" paragraph of our audit report on the financial statements of the Company as at and for the year ended March 31, 2021. In view of this, we did not perform any procedures relating to internal financial controls over financial reporting in respect of the valuation and accuracy of the actuarial valuation of estimate of claims IBNR and claims IBNER.

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

NIKHIL SINGHI Digitally signed
by NIKHIL SINGHI
Date: 2021.05.02
21:45:19 +05'30'

Nikhil Singhi
Partner
Membership No: 061567
Date of Issue: April 30, 2021
Place: Mumbai
UDIN: 21061567AAAAAE7294

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

Murtaza Taher Vajih Digitally signed by Murtaza Taher Vajih
DN: c=IN, o=Personal, title=1951,
pseudoym=72eead11ab677404a39a0e34a75328c2f898065c,
2.5.4.20=flec1590768d53458f580756eb26613cd99f283ac5af
2096e10b78f95895ca6, postalCode=400002, st=Maharashtra,
serialNumber=95d1c78520068779f9c2a5415b181d5c64be72
6db1ff202826c6ba0735e27650, cn=Murtaza Taher Vajih
Date: 2021.05.02 22:13:28 +05'30'

Murtuza Vajih
Partner
Membership No:112555
Date of Issue: April 30, 2021
Place: Mumbai
UDIN: 21112555AAAABH4469

INDEPENDENT AUDITORS' CERTIFICATE TO THE MEMBERS OF BHARTI AXA GENERAL INSURANCE COMPANY LIMITED

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

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

Management Responsibility

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

Auditors' Responsibility

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

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

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

Opinion

Based on our audit of financial statements for the year ended March 31, 2021 and in accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by Bharti Axa General Insurance Company Limited ("the Company") for the year ended March 31, 2021, we certify that:

Singhi & Co.
Chartered Accountants
B2 402B, Marathon Innova, 4th Floor
Off Ganpatrao Kadam Marg, Lower Parel,
Mumbai – 400013, India

M. P. Chitale & Co.
Chartered Accountants
1st Floor, Hamam House,
Ambalal Doshi Marg, Fort
Mumbai – 400 001, India

1. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2021, and on the basis of our review, there are no apparent mistakes in or material inconsistencies with the financial statements;
2. Based on the management representation and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration stipulated by IRDA;
3. We have verified the cash balances, to the extent considered necessary, and securities relating to the Company's investments as at March 31, 2021, by actual inspection or on the basis of certificates/ confirmations received from the Custodian and/or Depository Participants appointed by the Company, as the case may be;
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938, relating to the application and investments of the Policyholders' Funds.

Restriction on Use

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

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

NIKHIL SINGHI Digitally signed
by NIKHIL SINGHI
Date: 2021.05.02
21:46:00 +05'30'

Nikhil Singhi
Partner
Membership No: 061567
Date of Issue: April 30, 2021
Place: Mumbai
UDIN: 21061567AAAAAE7294

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

Murtaza Taher Vajih Digitally signed by Murtaza Taher Vajih
DN: cn=IN, o=Personal, title=1951,
pseudonym=72ead1ab677404fa39a0e34a75328c2f898065c,
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(2096e10b78f95895ca6, postalCode=400002,
st=Maharashtra,
serialNumber=95d1c7852006877b9fc2d5415b181d5c648e72
6db1ff202c826c9a0735e27650, cn=Murtaza Taher Vajih
Date: 2021.05.02 22:13:56 +05'30'

Murtaza Vajih
Partner
Membership No:112555
Date of Issue: April 30, 2021
Place: Mumbai
UDIN: 21112555AAAABH44



Form B-BS

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

BALANCE SHEET

Particulars	Schedule Ref.	As at Mar 31, 2021	As at Mar 31, 2020
		(Rs. '000)	(Rs. '000)
SOURCES OF FUNDS			
Share Capital	5	2,05,59,812	2,00,59,812
Share Application Money		-	-
Reserves and Surplus	6	17,19,685	17,20,185
Fair Value Change - Shareholder Funds		8,430	(667)
Fair Value Change - Policyholder Funds		43,577	(4,064)
Borrowings	7	25,50,000	25,50,000
Total		2,48,81,504	2,43,25,266
APPLICATION OF FUNDS			
Investments - Shareholders fund	8	89,58,366	67,19,025
Investments - Policyholders fund	8A	4,63,06,075	4,09,33,625
Loans	9	-	-
Fixed Assets	10	1,77,336	1,85,252
Current Assets			
Cash and Bank Balances	11	3,88,388	24,48,776
Advances And Other Assets	12	1,03,90,508	77,46,394
Sub Total (A)		1,07,78,897	1,01,95,170
Current Liabilities	13	4,39,76,658	3,92,58,375
Provisions	14	1,13,22,395	96,12,184
Sub Total (B)		5,52,99,053	4,88,70,559
Net Current Assets (C) = (A - B)		(4,45,20,156)	(3,86,75,389)
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit And Loss Account		1,39,59,883	1,51,62,753
Total		2,48,81,504	2,43,25,266
Significant accounting policies and notes to accounts	16		

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

As per our report of even date

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

NIKHIL SINGHI
Digitally signed by NIKHIL SINGHI
Date: 2021.05.02
20:45:24 +05'30'

NIKHIL SINGHI

(Partner)
Membership No.061567

For M P Chitale & Co
Chartered Accountants

Murtaza Taher Vajhi
Digitally signed by Murtaza Taher Vajhi
DN: cn=Murtaza Taher Vajhi, o=MP Chitale & Co, ou=Chartered Accountants, email=Murtaza.Taher.Vajhi@mpchitale.com, c=IN
Date: 2021.05.02 22:08:42 +05'30'

MURTUZA VAJHI

(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by RAKESH BHARTI MITTAL
Date: 2021.05.02
15:14:45 +05'30'

RAKESH BHARTI MITTAL

(CHAIRMAN)
DIN- 00042494

SANJEEV SRINIVA SAN

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

AMIT RAHEJA
Digitally signed by AMIT RAHEJA
Date: 2021.05.02 15:14:45 +05'30'

AMIT RAHEJA
(COMPANY SECRETARY)

RAJESH H SUD
Digitally signed by RAJESH SUD
Date: 2021.05.02
12:56:04 +05'30'

RAJESH SUD

(DIRECTOR)
DIN- 02395182

KARNI S ARHA

KARNI ARHA
(CHIEF FINANCIAL OFFICER)

Date: 30th April, 2021
Place: Mumbai

Form B-PL

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

PROFIT AND LOSS ACCOUNT

Particulars	Schedule Ref.	For the year ending	For the year ending
		March 2021	March 2020
		(Rs. '000)	(Rs. '000)
OPERATING PROFIT/(LOSS)			
(a) Fire Insurance		(79,057)	1,18,043
(b) Marine Insurance		(33,615)	(2,58,136)
(c) Miscellaneous Insurance		43,75,230	11,88,497
INCOME FROM INVESTMENTS			
(a) Interest, Dividends and Rent -Gross (Net of depreciation on Investment Property)		6,07,427	4,66,645
(b) Profit on sale/redemption of Investments (Net)		80,835	85,699
(c) Amortisation of Discount/(Premium)		(19,114)	(6,089)
OTHER INCOME		-	-
Total (A)		49,31,707	15,94,658
Provisions (Other than taxation)			
(a) For diminution in the value of investments		2,47,500	15,70,000
(b) For doubtful debts		47,846	31,516
(c) Others		-	-
Other Expenses			
(a) Expenses other than those related to the insurance business		2,096	1,454
(b) Bad debts written off		-	-
(c) Others			
- Managerial Remuneration		2,07,714	19,108
- Interest on Debentures		2,34,089	2,31,611
- Debenture related expenses		1,651	1,654
- Business Demerger Expenses (Refer Note No. 3.32)		65,593	-
- Investment related expenses debited to Shareholders Account		2,645	2,341
- Contribution to Policyholders Funds under EOM rules 2016 (Refer Note 3.16)		29,19,703	21,73,245
Total (B)		37,28,637	40,30,929
Profit/(Loss) before tax		12,02,869	(24,36,271)
Provision for Taxation			
- Current Tax		-	-
- Deferred Tax		-	-
Profit/(Loss) after tax		12,02,869	(24,36,271)
Balance of Profit/(Loss) brought forward from last year		(1,51,62,753)	(1,27,26,482)
Appropriations			
(a) Interim dividends paid during the period		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution on tax		-	-
(d) Transfer to reserve/other accounts		-	-
(e) Debenture Redemption Reserve		-	-
Balance carried to Balance Sheet		(1,39,59,883)	(1,51,62,753)
Earning Per Share (Basic and Diluted) (In Rs.) (Refer Note No.3.19 of Schedule 16) (Face Value Rs.10 per share)		0.59	(1.40)

Significant accounting policies and notes to accounts

16

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

As per our report of even date

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

NIKHIL SINGHI
Digitally signed
by NIKHIL SINGHI
Date: 2021.05.02
20:46:49 +05'30'

NIKHIL SINGHI
(Partner)
Membership No.061567

Date: 30th April, 2021
Place: Mumbai

For M P Chitale & Co
Chartered Accountants

**Murtaza
Taher Vajih**
Digitally signed by
Murtaza Taher Vajih
Date: 2021.05.02
15:15:20 +05'30'

MURTUZA VAJIHI
(Partner)

For and on behalf of the Board

**RAKESH BHARTI
MITTAL**
Digitally signed by
RAKESH BHARTI MITTAL
Date: 2021.05.02
15:15:20 +05'30'

RAKESH BHARTI MITTAL
(CHAIRMAN)
DIN- 00042494

**SANJEEV
SRINIVA
SAN**
Digitally signed by
Sanjeev Srinivasan
Date: 2021.05.02
15:15:20 +05'30'

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

**AMIT
RAHEJA**
Digitally signed by
Amit Raheja
Date: 2021.05.02 12:56:55 +05'30'

AMIT RAHEJA
(COMPANY SECRETARY)

**RAJESH
H SUD**
Digitally signed
by RAJESH SUD
Date:
2021.05.02
12:56:55 +05'30'

RAJESH SUD
(DIRECTOR)
DIN- 02395182

**KARNI
S ARHA**
Digitally signed by
Karni Arha
Date: 2021.05.02
12:56:55 +05'30'

KARNI ARHA
(CHIEF FINANCIAL OFFICER)

Form B-RA

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

REVENUE ACCOUNT

Fire Insurance Business

Particulars	Schedule Ref.	For the year ending	For the year ending
		March 2021	March 2020
		Rs. (` 000)	Rs. (` 000)
Premiums earned-(Net)	1	4,87,194	2,86,476
Profit/(Loss) on sale/redemption of Investments (Net)		11,449	12,302
Amortisation of Discount/(Premium)		(2,707)	(874)
Interest, Dividend & Rent-Gross (Net of depreciation on Investment Property)		86,035	66,986
Others:-			
Investment Income from Terrorism Pool		19,133	14,479
Miscellaneous Income		107	30
Contribution from Shareholders Funds under EOM Rules 2016 (Refer Note 3.16)		-	-
Total (A)		6,01,211	3,79,399
Claims incurred (Net)	2	4,25,560	2,15,447
Commission	3	(77,489)	(1,29,446)
Operating Expenses related to Insurance Business	4	3,27,585	1,99,149
Others:-			
Terrorism Pool Expenses		4,612	5,116
Premium Deficiency		-	(28,910)
Total (B)		6,80,268	2,61,356
Operating profit/(Loss) from Fire Business (C)=(A)-(B)		(79,057)	1,18,043
Appropriations			
Transfer to Shareholders' Account		(79,057)	1,18,043
Transfer to catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		(79,057)	1,18,043

Significant accounting policies and notes to accounts

16

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

As per our report of even date

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

NIKHIL SINGHI
Digitally signed
by NIKHIL SINGHI
Date: 2021.05.02
20:49:29 +05'30'

NIKHIL SINGHI

(Partner)
Membership No.061567

For M P Chitale & Co
Chartered Accountants

**Murtaza
Taher
Vajih**
Digitally signed by Murtaza Taher Vajih
DN: cn=Murtaza Taher Vajih, o=MP Chitale & Co, ou=Chartered Accountants, email=murtaza.vajih@mpchitale.com, postalCode=400002, st=Maharashtra, serialNumber=55431762300487799612454
150181d5d464a7248b1f203a236cb0735
e27650, cn=Murtaza Taher Vajih
Date: 2021.05.02 22:32:13 +05'30'

MURTUZA VAJIHI

(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed
by RAKESH
BHARTI MITTAL
Date: 2021.05.02
15:16:51 +05'30'

RAKESH BHARTI MITTAL

(CHAIRMAN)
DIN- 00042494
SANJEEV
SRINIVAS
AN
SANJEEV S
(CHIEF EXECUTIVE OFFICER &
MD)
DIN- 07644073

AMIT RAJEJA

(COMPANY SECRETARY)

RAJESH SUD
Digitally signed
by RAJESH SUD
Date: 2021.05.02
12:51:01 +05'30'

RAJESH SUD

(DIRECTOR)
DIN- 02395182
KARNI
S ARHA
KARNI ARHA
(CHIEF FINANCIAL OFFICER)

Date: 30th April, 2021
Place: Mumbai

Form B-RA

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

REVENUE ACCOUNT

Marine Insurance Business

Particulars	Schedule Ref.	For the year ending	For the year ending
		March 2021	March 2020
		Rs. (` 000)	Rs. (` 000)
Premiums earned (Net)	1	4,56,986	5,31,973
Profit/(Loss) on sale/redemption of Investments (Net)		6,758	7,575
Amortisation of Discount/(Premium)		(1,598)	(538)
Interest, Dividend & Rent-Gross (Net of depreciation on Investment Property)		50,778	41,250
Others:-			
Investment Income from Terrorism Pool		-	-
Miscellaneous Income		76	43
Contribution from Shareholders Funds under EOM Rules 2016 (Refer Note 3.16)		48,481	39,272
Total (A)		5,61,481	6,19,575
Claims incurred (Net)	2	3,79,823	6,17,620
Commission	3	26,795	57,272
Operating Expenses related to Insurance Business	4	1,82,009	1,88,068
Premium Deficiency		6,469	14,751
Total (B)		5,95,096	8,77,711
Operating profit/(Loss) from Marine Business (C)=(A)-(B)		(33,615)	(2,58,136)
Appropriations			
Transfer to Shareholders' Account		(33,615)	(2,58,136)
Transfer to catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		(33,615)	(2,58,136)

Significant accounting policies and notes to accounts

16

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

As per our report of even date

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

NIKHIL SINGHI
Digitally signed by
NIKHIL SINGHI
Date: 2021.05.02
20:50:26 +05'30'

NIKHIL SINGHI
(Partner)
Membership No.061567

For M P Chitale & Co
Chartered Accountants

**Murtaza
Taher
Vajiji**
Digitally signed by Murtaza Taher Vajiji
DN: cn=Murtaza Taher Vajiji, o=MP Chitale & Co, ou=Chartered Accountants, email=murtaza@mpchitale.com, c=IN, postalCode=400002, st=Maharashtra, serialNumber=654118300000706823641, cn=Murtaza Taher Vajiji
Date: 2021.05.02 22:35:10 +05'30'

MURTUZA VAJIHI
(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by RAKESH BHARTI MITTAL
Date: 2021.05.02
15:17:18 +05'30'

RAKESH BHARTI MITTAL
(CHAIRMAN)
DIN- 00042494

SANJEEV SRINIVA SAN
Digitally signed by Sanjeev Sriniva San
DN: cn=Sanjeev Sriniva San, o=AXA General Insurance Company Limited, ou=AXA General Insurance Company Limited, email=sanjeev@bharti-axa.com, c=IN, postalCode=400002, st=Maharashtra, serialNumber=654118300000706823641, cn=Sanjeev Sriniva San
Date: 2021.05.02 11:21:41 +05'30'

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

AMIT RAHEJA
Digitally signed by Amit Raheja
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Date: 2021.05.02 11:21:41 +05'30'

AMIT RAHEJA
(COMPANY SECRETARY)

RAJESH SUD
Digitally signed by RAJESH SUD
Date: 2021.05.02
12:55:15 +05'30'

RAJESH SUD
(DIRECTOR)
DIN- 02395182

KARNI ARHA
Digitally signed by Karni Arha
DN: cn=Karni Arha, o=AXA General Insurance Company Limited, ou=AXA General Insurance Company Limited, email=karni@bharti-axa.com, c=IN, postalCode=400002, st=Maharashtra, serialNumber=654118300000706823641, cn=Karni Arha
Date: 2021.05.02 11:21:41 +05'30'

KARNI ARHA
(CHIEF FINANCIAL OFFICER)

Date: 30th April, 2021
Place: Mumbai

Form B-RA

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

REVENUE ACCOUNT

Miscellaneous Insurance Business

Particulars	Schedule Ref.	For the year ending	For the year ending
		March 2021	March 2020
		Rs. (` 000)	Rs. (` 000)
Premiums earned-(Net)	1	1,73,94,669	1,74,78,123
Profit/(Loss) on sale/redemption of Investments (Net)		3,99,635	5,02,216
Amortisation of Discount/(Premium)		(94,497)	(35,685)
Interest, Dividend & Rent-Gross (Net of depreciation on Investment Property)		30,02,995	27,34,660
Others:-			
Investment Income from Terrorism Pool		3,525	2,921
Miscellaneous Income		5,850	4,023
Contribution from Shareholders Funds under EOM Rules 2016 (Refer Note 3.16)		28,71,222	21,33,973
Total (A)		2,35,83,399	2,28,20,231
Claims incurred (Net)	2	1,07,90,014	1,34,97,887
Commission	3	8,19,606	11,52,061
Operating Expenses related to Insurance Business	4	75,92,074	69,74,578
Premium Deficiency		-	-
Others:-			
Terrorism Pool Expenses		850	1,032
Contribution to Solatium Fund		5,624	6,176
Total (B)		1,92,08,168	2,16,31,734
Operating profit/(Loss) from Miscellaneous Business (C)=(A)-(B)		43,75,230	11,88,497
Appropriations			
Transfer to Shareholders' Account		43,75,230	11,88,497
Transfer to catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		43,75,230	11,88,497

Significant accounting policies and notes to accounts

16

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

As per our report of even date

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

NIKHIL SINGHI
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NIKHIL SINGHI
Date: 2021.05.02
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NIKHIL SINGHI

(Partner)
Membership No.061567

For M P Chitale & Co
Chartered Accountants

Murtaza Taher Vajihi
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MURTUZA VAJIHI

(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL
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Date: 2021.05.02
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RAKESH BHARTI MITTAL

(CHAIRMAN)
DIN- 00042494

SANJEEV SRINIVASAN

SANJEEV S
(CHIEF EXECUTIVE OFFICER & MD)

DIN- 07644073

AMIT RAHEJA

AMIT RAHEJA
(COMPANY SECRETARY)

RAJESH SUD
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Date: 2021.05.02
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RAJESH SUD

(DIRECTOR)
DIN- 02395182

KARNI SARHA

KARNI ARHA
(CHIEF FINANCIAL OFFICER)

Date: 30th April, 2021
Place: Mumbai

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

Receipts and Payments Statement For the Year ended March 31, 2021

Particulars		For the year ending March 2021 (Rs in '000's)	For the year ending March 2020 (Rs in '000's)
A. Cash Flows from the operating activities:			
1	Premium received from policyholders, including advance receipts	3,32,62,324	3,85,32,064
2	Other receipts	11,219	(52,095)
3	Payments to the re-insurers, net of commissions and claims	(74,07,490)	(56,00,037)
4	Receipt/(Payments) to co-insurers, net of claims recovery	6,81,236	2,73,520
5	Payments of claims	(1,16,55,192)	(1,43,18,550)
6	Payments of commission and brokerage	(22,63,830)	(23,08,153)
7	Payments of other operating expenses	(91,13,328)	(86,02,365)
8	Preliminary and other pre operative expenses	-	-
9	Deposits, advances and staff loans	40,246	(82,502)
10	Taxes paid (TDS & Wealth Tax)	(7,69,678)	(9,42,993)
11	Service tax/Goods and Service Tax paid	(12,79,694)	(22,63,439)
12	Other payments	-	-
13	Cash flows before extraordinary items	15,05,812	46,35,450
14	Cash flow from extraordinary operations	-	-
15	Net cash flow from operating activities	15,05,812	46,35,450
B Cash flows from investing activities:			
1	Purchase of fixed assets	(1,01,443)	(81,773)
2	Proceeds from sale of fixed assets	161	1,417
3	Purchases of investments	(2,88,63,396)	(4,51,82,579)
4	Loans disbursed	-	-
5	Sales of investments	2,11,87,588	3,55,26,060
6	Repayments received	-	-
7	Rents/Interests/ Dividends received	35,75,439	30,65,292
8	Investments in money market instruments and in liquid mutual funds (Net)	4,36,301	(3,11,974)
9	Expenses related to investments	(2,645)	(2,341)
10	Net cash flow from investing activities	(37,67,995)	(69,85,898)
C Cash flows from financing activities:			
1	Proceeds from issuance of share capital	5,00,000	38,45,359
2	Proceeds from borrowing	-	3,50,000
3	Repayments of borrowing	-	-
4	Expenses on borrowing	-	-
5	Interest/dividends paid	(2,16,092)	(1,77,804)
6	Net cash flow from financing activities	2,83,908	40,17,555
D Effect of foreign exchange rates on cash and cash equivalents, net			
E Net increase/(decrease) in cash and cash equivalents:			
		(19,78,275)	16,67,106
1	Cash and cash equivalents at the beginning of the reporting period	20,21,852	3,54,746
2	Cash and cash equivalents at the end of the reporting period ¹	43,576	20,21,852

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

Particulars	For the year ending March 2021	For the year ending March 2020
Cash (including cheques, drafts and Remittance in transit) (Refer Schedule 11)	19,126	26,409
Short Term Deposits (Refer Schedule 11)	2,16,372	9,22,362
Bank Balances - Current Accounts (Refer Schedule 11)	1,52,890	15,00,005
Bank Overdraft (As per books) (Refer Schedule 13)	(3,44,812)	(4,26,924)
Total	43,576	20,21,852

As per our report of even date

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

NIKHIL SINGHI
Digitally signed by NIKHIL SINGHI
Date: 2021.05.02
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NIKHIL SINGHI
(Partner)
Membership No.061567

For M P Chitale & Co
Chartered Accountants

Murtaza Taher Vajih
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sn=MurtazaTaher
serialNumber=95d178520068779962
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Date: 2021.05.02 22:11:12 +05'30'

MURTUZA VAJIHI
(Partner)

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by RAKESH BHARTI MITTAL
Date: 2021.05.02
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RAKESH BHARTI MITTAL

(CHAIRMAN)
DIN- 00042494

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

AMIT RAHEJA
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Date: 2021.05.02
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AMIT RAHEJA
(COMPANY SECRETARY)

RAJESH SUD
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Date: 2021.05.02
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RAJESH SUD
(DIRECTOR)
DIN- 08420079

KARNI S ARHA

KARNI ARHA
(CHIEF FINANCIAL OFFICER)

Date: 30th April, 2021
Place: Mumbai

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED																		
SCHEDULES FORMING PART OF AUDITED FINANCIAL STATEMENTS																		
For the year ending March 2021																		
(Rs. '000)																		
Particulars	Fire	Marine			Motor			Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc	Total
		Cargo	Others	Total	Total	OD	TP											
Premium from Direct Business Written :	32,42,152	7,51,227	-	7,51,227	1,36,84,800	80,61,102	56,23,698	1,02,042	3,95,859	4,02,529	-	4,80,339	40,87,473	80,41,400	19,982	3,91,159	2,76,05,664	3,15,99,043
Add : Premium on Reinsurance Accepted	1,95,005	16,869	-	16,869	-	-	-	-	7,656	14,807	-	-	-	-	-	-	22,542	2,24,516
Less : Premium on Reinsurance Ceded	28,08,654	3,24,958	-	3,24,958	9,31,984	5,45,590	3,86,394	16,601	2,84,515	3,44,543	-	28,066	8,26,680	66,44,400	18,759	1,49,533	92,45,082	1,23,78,693
Net Premium	6,29,403	4,42,338	-	4,42,338	1,27,52,816	75,15,512	52,37,304	85,441	1,19,000	72,873	-	4,52,273	32,60,793	13,97,000	1,223	2,41,626	1,63,83,124	1,94,54,855
Adjustment for change in Unexpired Risk Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Reserve created during the period	6,28,249	1,38,304	-	1,38,304	73,11,343	43,17,020	29,94,223	39,019	1,03,143	47,851	-	3,81,521	15,01,064	36,081	320	1,86,091	86,66,433	1,03,72,986
Add: Reserve created during the previous year Written back	4,86,940	1,52,952	-	1,52,952	69,71,707	41,32,641	28,39,866	40,240	89,264	50,462	-	2,65,018	10,71,824	62,795	316	66,351	86,17,977	92,56,969
Total Premium Earned (Net)	4,87,194	4,56,986	-	4,56,986	1,24,13,180	73,31,133	50,82,047	86,662	1,05,121	75,484	-	3,35,776	28,31,553	14,23,794	1,219	1,21,886	1,73,91,669	1,82,38,848

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED																		
SCHEDULES FORMING PART OF AUDITED FINANCIAL STATEMENTS																		
For the year ending March 2021																		
(Rs. '000)																		
Particulars	Fire	Marine			Motor			Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc	Total
		Cargo	Others	Total	Total	OD	TP											
Claims Paid Direct	10,23,318	4,50,073	-	4,50,073	60,19,332	48,14,227	12,05,105	42,272	11,632	1,72,339	-	1,14,576	20,36,364	14,10,638	21,816	1,10,857	99,39,826	1,14,13,217
Add : Reinsurance Accepted	1,09,933	55,107	-	55,107	-	-	-	-	-	2,693	-	-	7,555	-	-	-	10,248	1,75,289
Less : Reinsurance Ceded	8,40,633	1,17,759	-	1,17,759	4,13,364	3,09,454	1,03,910	2,114	1,324	1,44,957	-	6,659	1,13,508	10,97,036	20,726	60,414	18,59,442	28,17,834
Net Claims Paid	2,92,618	3,87,421	-	3,87,421	56,05,968	45,04,773	11,01,195	40,158	10,308	30,735	-	1,07,917	19,30,411	3,13,602	1,090	50,443	80,90,632	87,70,671
Claims Outstanding (including IBNR & IBNER)	4,71,370	4,12,121	-	4,12,121	2,31,61,744	1,16,171	2,20,45,573	1,25,032	3,27,722	1,10,793	-	1,72,030	8,24,312	8,81,101	7,561	1,82,052	2,57,92,346	2,66,75,837
Add : Claims Outstanding at the close of the period (net of Re-insurance)	3,38,428	4,19,719	-	4,19,719	2,07,89,158	13,04,936	1,94,84,222	94,516	2,14,107	1,11,065	-	1,64,894	7,99,396	8,03,691	5,493	1,10,644	2,30,92,964	2,38,51,111
Less: Claims Outstanding at the beginning of the period (net of Re-insurance)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Claims Incurred	4,25,560	3,79,823	-	3,79,823	79,78,554	43,16,008	36,62,546	70,674	1,23,923	30,463	-	1,15,053	19,55,327	3,91,012	3,158	1,21,851	1,07,90,014	1,15,95,397

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED																		
SCHEDULES FORMING PART OF AUDITED FINANCIAL STATEMENTS																		
For the year ending March 2021																		
(Rs. '000)																		
Particulars	Fire	Marine			Motor			Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc	Total
		Cargo	Others	Total	Total	OD	TP											
Commission paid direct	2,52,467	77,347	-	77,347	15,35,908	14,74,544	61,364	10,061	35,202	29,946	-	40,118	3,75,220	-	2,961	38,271	20,67,687	23,97,501
Add : Commission on Re-insurance Accepted	14,001	1,112	-	1,112	-	-	-	-	1,218	746	-	-	-	-	-	-	1,964	17,077
Less : Commission on Re-insurance Ceded	3,43,957	51,664	-	51,664	74,906	60,468	14,438	794	22,390	50,703	-	3,603	4,66,012	6,09,119	4,060	18,458	12,50,045	16,45,666
Net Commission	(77,489)	26,795	-	26,795	14,61,002	14,14,076	46,924	9,267	14,030	(20,011)	-	36,515	(90,792)	(6,09,119)	(1,059)	19,813	8,19,606	7,68,912
Break-up of the commission (Gross) incurred to procure direct business furnished as per details below:																		
Agents	21,698	15,601	-	15,601	71,498	67,036	4,472	2,912	1,864	3,665	-	1,592	16,446	-	4,691	-	1,02,668	1,39,967
Brokers	1,57,159	51,773	-	51,773	8,93,045	8,58,161	34,884	5,561	27,276	22,349	-	8,660	1,08,624	-	1,928	9,601	10,77,044	12,85,976
Corporate Agency	32,658	1,388	-	1,388	1,71,985	1,66,957	5,028	1,011	388	1,186	-	29,232	2,42,341	-	22,329	-	4,68,472	5,02,518
Rewards - Agents/Brokers	40,951	8,885	-	8,885	2,83,612	2,75,382	8,230	577	5,674	2,746	-	7,077	-	-	1,033	1,460	3,03,577	3,53,115
Others (MSP, POSP)	(1)	-	-	-	1,15,768	1,07,018	8,750	-	-	0	-	28	132	-	-	-	1,15,926	1,15,925
Total (B)	2,52,467	77,347	-	77,347	15,35,908	14,74,544	61,364	10,061	35,202	29,946	-	40,118	3,75,220	-	2,961	38,271	20,67,687	23,97,501

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

SCHEDULE-4 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(Rs. '000)

Particulars	For the year ending March 2021																	Total
	Fire	Marine Cargo	Marine Others	Marine Total	Motor Total	Motor OD	Motor TP	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Miscellaneous Total	
Employees' remuneration and welfare benefits	1,22,637	78,278	-	78,278	16,68,138	9,83,070	6,85,068	12,257	30,932	12,432	-	62,087	4,94,943	1,00,330	203	46,134	24,27,456	26,28,371
Travel, conveyance and vehicle running expenses	2,103	1,156	-	1,156	40,555	23,900	16,655	257	325	226	-	1,295	8,616	3,362	2	835	55,473	58,732
Training Expenses	834	586	-	586	16,903	9,961	6,942	113	158	97	-	599	4,322	1,852	2	320	24,366	25,786
Rents, rates and taxes	8,380	5,515	-	5,515	1,62,923	96,014	66,909	1,085	1,557	939	-	5,755	40,889	14,743	14	3,244	2,31,149	2,45,044
Repairs Maintenance	1,191	837	-	837	24,140	14,226	9,914	162	225	138	-	856	6,172	2,645	2	457	34,797	36,825
Printing and stationery	826	509	-	509	20,738	12,221	8,517	93	108	71	-	1,127	8,004	1,623	1	769	32,534	33,869
Communication Expenses	8,547	6,007	-	6,007	1,73,187	1,02,063	71,124	1,160	1,616	990	-	6,142	44,282	18,973	17	3,281	2,49,648	2,64,202
Legal and professional charges	6,606	4,642	-	4,642	1,44,829	85,351	59,478	897	1,249	765	-	4,747	34,223	80,674	13	2,536	2,69,933	2,81,181
Auditor's fees expenses etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor#	201	141	-	141	4,065	2,395	1,669	27	38	23	-	144	1,039	445	-	77	5,859	6,201
(b) as advisor or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Certification Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	82	57	-	57	1,655	975	680	11	15	9	-	59	423	181	-	31	2,385	2,523
Advertisement and Publicity	1,44,093	64,430	-	64,430	25,87,522	15,24,883	10,62,639	16,248	20,008	14,581	-	78,109	4,78,158	37,840	69	56,756	32,89,291	34,97,814
Interest and Bank Charges	2,748	1,931	-	1,931	55,680	32,813	22,867	373	520	318	-	1,975	14,237	6,100	5	1,055	80,263	84,942
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Information technology	11,298	7,940	-	7,940	2,28,917	1,34,906	94,011	1,534	2,136	1,308	-	8,118	58,532	25,078	22	4,337	3,29,982	3,49,220
Exchange (gain) /loss	25	17	-	17	499	294	205	3	5	3	-	18	127	55	-	9	719	760
Miscellaneous Expenses*	843	593	-	593	17,086	10,069	7,017	114	159	98	-	606	4,369	1,872	2	324	24,630	26,066
Office Expenses	12,239	5,903	-	5,903	2,42,053	1,42,647	99,406	1,434	1,588	1,263	-	7,533	48,225	35,975	7	5,399	3,43,477	3,61,619
GST on Exempted Services	1,400	984	-	984	28,371	16,720	11,651	190	265	162	-	1,006	7,254	49,140	3	538	86,929	89,313
(Profit)/ Loss on Discard / Sale of Assets	(2)	(1)	-	(1)	(36)	(21)	(15)	(0)	(0)	(0)	-	(1)	(9)	(4)	-	(1)	(52)	(55)
Depreciation	3,535	2,484	-	2,484	71,616	52,205	29,411	480	668	409	-	2,540	18,812	7,846	7	1,357	1,03,232	1,09,258
3,27,585	1,82,009	-	1,82,009	54,88,841	32,34,693	22,54,148	36,438	61,572	33,833	-	1,82,715	12,72,118	3,88,730	368	1,27,459	75,92,674	81,01,670	

* Miscellaneous expenses does not exceed 1% of the Gross written premium less Reinsurance
Includes reimbursement of Out of Pocket expenses

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

Particulars	Fire	Marine		Total	Motor		Workmen's Compensation	For the year ending March 2020				Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc	Total	
		Cargo	Others		OD	TP		Public Liability	Engineering	Aviation	Total								
Premium from Direct Business Written :	22,15,520	8,18,772	-	8,18,772	1,48,77,912	87,02,166	61,75,746	98,766	3,36,539	3,45,190	-	4,55,276	36,47,854	82,80,579	27,135	2,38,812	2,83,08,885	3,13,42,373	
Add : Premium on Reinsurance Accepted	1,99,067	9,839	-	9,839	-	-	-	-	11,557	10,897	-	-	-	-	-	-	24	22,476	
Less : Premium on Reinsurance Ceded	19,91,105	2,77,435	-	2,77,435	10,47,150	5,27,860	5,19,290	19,795	1,71,845	2,80,406	-	26,547	6,92,463	68,62,465	25,243	1,38,187	92,64,100	1,15,32,640	
Net Premium	4,23,512	5,51,176	-	5,51,176	1,38,30,762	81,74,307	56,56,456	78,971	1,76,252	78,680	-	4,28,729	29,55,390	14,18,115	1,892	1,00,669	1,90,66,466	2,00,61,148	
Adjustment for change in Unexpired Risk Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Less: Reserve created during the period	4,88,040	1,52,952	-	1,52,952	69,71,707	41,32,641	26,38,066	40,240	89,264	50,462	-	2,65,018	10,71,824	62,795	316	66,351	88,57,977	93,56,970	
Add: Reserve created during the previous year Written back	3,49,094	1,33,749	-	1,33,749	56,48,198	33,63,590	22,84,908	39,011	81,303	51,698	-	91,442	19,44,688	42,878	369	30,053	70,29,640	75,12,393	
Total Premium Earned (Net)	2,86,476	5,31,972	-	5,31,972	1,25,07,254	74,04,956	51,02,298	77,741	1,68,291	76,917	-	2,55,154	29,28,255	13,98,198	1,944	64,371	1,74,78,123	1,82,96,571	

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

Particulars	Fire	Marine		Total	Motor		Workmen's Compensation	For the year ending March 2020				Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc	Total	
		Cargo	Others		OD	TP		Public Liability	Engineering	Aviation	Total								
Claims Paid																			
Direct	4,96,315	4,91,767	-	4,91,767	82,07,170	53,33,246	28,73,924	40,935	928	3,20,619	-	1,37,387	21,64,623	19,98,806	2,575	32,919	1,29,05,963	1,38,94,044	
Add : Reinsurance Accepted	61,953	29,997	-	29,997	-	-	-	-	-	706	-	-	-	-	-	-	706	92,656	
Less : Reinsurance Ceded	4,24,360	1,46,415	-	1,46,415	5,90,764	2,46,965	3,23,899	2,218	(7,907)	2,78,777	-	9,376	1,22,318	15,92,849	2,415	14,122	26,04,932	31,75,707	
Net Claims Paid	1,33,909	3,75,350	-	3,75,350	76,16,406	50,66,382	25,50,025	38,717	8,835	42,549	-	1,28,011	20,42,304	4,05,957	160	18,797	1,03,01,738	1,08,10,993	
Claims Outstanding (including IBNR & IBNER)																			
Add : Claims Outstanding at the close of the period (out of Re-insurance)	3,38,428	4,19,719	-	4,19,719	2,07,89,158	13,04,536	1,94,84,222	94,516	2,14,107	1,11,065	-	1,64,894	7,95,396	8,03,691	5,493	1,05,644	2,30,92,964	2,38,51,111	
Less: Claims Outstanding at the beginning of the period (out of Re-insurance)	2,56,889	1,77,448	-	1,77,448	1,81,60,687	10,72,393	1,70,88,294	69,338	1,53,032	1,03,869	-	1,39,306	5,28,073	6,62,025	3,163	77,300	1,98,96,814	2,03,31,150	
Total Claims Incurred	2,15,447	6,17,621	-	6,17,621	1,02,44,877	52,98,925	49,45,953	63,875	69,910	49,745	-	1,53,599	23,13,027	5,47,623	3,489	52,140	1,34,97,885	1,43,30,954	

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

Particulars	Fire	Marine		Total	Motor		Workmen's Compensation	For the year ending March 2020				Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Misc	Total	
		Cargo	Others		OD	TP		Public Liability	Engineering	Aviation	Total								
Commission paid direct	1,61,403	80,354	-	80,354	16,40,100	15,90,804	49,296	9,667	26,006	23,351	-	26,021	3,63,111	-	3,078	22,870	21,34,404	23,55,161	
Add : Reinsurance on Re-insurance Accepted	11,621	600	-	600	-	-	-	-	1,545	271	-	-	-	-	-	2	1,818	14,039	
Less: Commission on Re-insurance Ceded	3,02,470	23,682	-	23,682	1,61,122	85,269	95,853	775	18,753	50,650	-	3,407	3,83,939	3,20,999	5,996	17,500	9,63,159	12,89,313	
Net Commission	(1,29,447)	57,273	-	57,273	14,78,978	15,15,535	(46,557)	8,892	8,798	(27,029)	-	22,613	(20,829)	(3,20,999)	(2,518)	4,153	11,52,062	10,79,887	
Break-up of the commission (Gross) incurred to procure direct business furnished as per details below:																			
Agents	15,200	11,120	-	11,120	96,861	90,277	6,584	3,338	1,806	3,626	-	2,058	15,187	-	41	3,987	1,26,906	1,53,224	
Brokers	1,11,745	64,454	-	64,454	9,42,253	9,07,953	34,300	5,770	26,591	18,655	-	9,735	86,684	-	3,059	10,700	1,03,447	12,79,646	
Corporate Agents	29,562	2,194	-	2,194	1,43,031	1,40,071	2,964	361	314	636	-	14,603	2,64,324	-	6,991	4,29,805	4,57,152		
Rewards + Agents/Brokers	9,406	2,586	-	2,586	3,06,514	3,06,514	-	198	(2,705)	394	-	(424)	(3,210)	-	(22)	790	3,01,535	3,13,527	
Others (INSP, PCD)	-	-	-	-	1,51,457	1,45,880	-	-	-	-	-	-	126	-	-	-	1,51,613	1,51,613	
Total (B)	1,61,403	80,354	-	80,354	16,40,100	15,90,803	49,297	9,666	26,006	23,351	-	26,022	3,63,112	-	3,078	22,870	21,33,404	23,55,161	

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

SCHEDULE-4A OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(Rs. '000)

Particulars	For the year ending March 2020																	
	Fire	Marine Cargo	Marine Others	Marine Total	Motor Total	Motor OD	Motor TP	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Miscellaneous Total	Total
Employees' remuneration and welfare benefits	65,431	79,197	-	79,197	13,32,729	7,87,674	5,45,055	9,673	28,515	9,382	-	47,061	3,65,811	74,933	250	13,351	18,81,704	20,26,333
Travel, conveyance and vehicle running expenses	3,958	4,255	-	4,255	99,970	59,085	40,885	619	1,401	609	-	3,030	22,066	7,544	13	856	1,36,109	1,44,321
Training Expenses	711	926	-	926	23,226	13,727	9,499	133	296	127	-	720	4,963	2,381	3	169	32,019	33,655
Rents, rates and taxes	4,609	6,702	-	6,702	1,26,897	74,999	51,898	819	2,335	773	-	4,476	32,517	13,617	23	1,040	1,82,497	1,93,808
Repairs Maintenance (including Electricity Expenses)	926	1,205	-	1,205	30,228	17,866	12,363	173	385	165	-	937	6,459	3,099	4	220	41,671	43,808
Printing and stationery	472	472	-	472	15,439	9,125	6,314	56	98	50	-	708	6,660	859	1	177	24,048	24,992
Communication Expenses	5,035	6,553	-	6,553	1,64,429	97,181	67,248	939	2,095	900	-	5,097	35,135	16,859	22	1,197	2,26,674	2,38,261
Legal and professional charges	5,474	7,125	-	7,125	2,01,337	1,18,995	82,342	1,021	2,278	978	-	5,542	38,206	30,708	24	1,301	2,81,397	2,93,996
Auditor's fees expenses etc.																		
(a) as auditor	147	191	-	191	4,789	2,830	1,959	27	61	26	-	148	1,023	491	1	35	6,602	6,940
(b) as advisor or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Certification Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	17	22	-	22	559	330	229	3	7	3	-	17	119	57	-	4	771	810
Audit Out of Pocket expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and Publicity	92,579	57,534	-	57,534	25,72,255	15,20,263	10,51,992	13,573	14,968	14,108	-	65,412	4,16,844	40,380	153	20,773	31,58,467	33,08,579
Interest and Bank Charges	1,421	1,849	-	1,849	46,404	27,426	18,978	265	591	254	-	1,438	9,915	51,898	6	338	1,11,109	1,14,379
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Information technology	9,275	12,070	-	12,070	3,02,888	1,79,014	1,23,874	1,729	3,860	1,657	-	9,389	64,722	31,056	41	2,205	4,17,547	4,38,892
Marketing Expenses	425	554	-	554	13,891	8,210	5,681	79	177	76	-	431	2,968	1,424	2	101	19,149	20,128
Exchange (gain) / loss	0	0	-	0	8	4	3	0	0	0	-	0	2	1	-	-	10	10
Miscellaneous Expenses*	366	476	-	476	11,952	7,064	4,887	68	152	65	-	371	2,554	1,226	2	87	16,477	17,318
Office Expenses	4,854	4,446	-	4,446	1,35,418	80,035	55,383	740	1,299	736	-	3,993	29,485	33,992	13	1,145	2,06,820	2,16,121
GST/ST on Exempted Services	1,446	1,882	-	1,882	47,224	27,910	19,313	270	602	258	-	1,464	10,091	81,017	6	344	1,41,275	1,44,603
(Profit)/ Loss on Sale of Assets	26	34	-	34	853	504	349	5	11	5	-	26	182	87	-	6	1,175	1,235
Depreciation	1,978	2,575	-	2,575	64,694	38,182	26,421	369	823	354	-	2,603	13,805	6,624	9	470	89,060	93,613
	1,99,149	1,88,068	-	1,88,069	51,95,100	30,70,424	21,24,672	30,562	59,954	30,526	-	1,52,264	10,63,527	3,98,253	573	43,819	69,74,578	73,61,795

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

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

SCHEDULE -5 SHARE CAPITAL

Particulars	As at Mar 31, 2021 (Rs. '000)	As at Mar 31, 2020 (Rs. '000)
Authorised Capital [4,000,000,000 (As at March 31, 2020 4,000,000,000) Equity shares of Rs. 10 each]	4,00,00,000	4,00,00,000
Issued Capital [2,154,445,324 (As at March 31, 2020- 2,006,445,322 Equity shares of Rs. 10 each) (Refer Note No.3.31 of Schedule 16)]	2,15,44,453	2,00,64,453
Subscribed Capital [2,055,981,216 (As at March 31, 2020- 2,005,981,216 Equity shares of Rs. 10 each)]	2,05,59,812	2,00,59,812
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	2,05,59,812 - - -	2,00,59,812 - - -
Total	<u>2,05,59,812</u>	<u>2,00,59,812</u>

Note - Of the above, 1,048,550,416 shares are held by the holding company, Bharti General Ventures Private Limited (Formely known as Bharti General Private Limited) (as at March 31, 2020 1,023,050,416 shares)

SCHEDULE-5A SHARE CAPITAL

PATTERN OF SHAREHOLDING (As certified by the Management)

Shareholder	As at Mar 31, 2021		As at Mar 31, 2020	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
- Indian	1,04,85,50,416	51.00	1,02,30,50,416	51.00
- Foreign	1,00,74,30,795	49.00	98,29,30,795	49.00
Others - Employee (Others)	5	0.00	5	0.00
Total	<u>2,05,59,81,216</u>	<u>100</u>	<u>2,00,59,81,216</u>	<u>100</u>

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

SCHEDULE-6 RESERVES AND SURPLUS

Particulars	As at Mar 31, 2021 (Rs. '000)	As at Mar 31, 2020 (Rs. '000)
Capital Reserve	-	-
Capital Redemption Reserve	-	-
Share Premium	-	-
Opening Balance	17,20,185	17,20,185
Additions during the year	-	-
Deletions during the year	500	-
Closing Balance	17,19,685	17,20,185
Total	17,19,685	17,20,185
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	17,19,685	17,20,185

SCHEDULE - 7 BORROWINGS

Particulars	As at Mar 31, 2021 (Rs. '000)	As at Mar 31, 2020 (Rs. '000)
Debentures/Bonds (Refer Note No. 3.29 of Schedule 16)	25,50,000	25,50,000
Banks	-	-
Financial Institutions	-	-
Others	-	-
Total	25,50,000	25,50,000

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

SCHEDULE 8 INVESTMENTS - SHAREHOLDERS

Particulars	As at Mar 31, 2021 (Rs. '000)	As at Mar 31, 2020 (Rs. '000)
Long Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	24,58,635	16,68,876
Other Approved Securities	7,67,325	6,33,185
Other Investments	-	-
(a) Shares -	-	-
(aa) Equity Shares	2,76,806	2,56,884
(bb) Preference Shares	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debenture/Bonds	8,94,688	6,07,822
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate (Net off depreciation) (Refer Note No. 3.9 of Schedule 16)	1,19,957	1,06,389
Investments in Infrastructure and Social Sector	28,97,637	24,24,504
Other than Approved Securities	-	1,65,525
Less: Provision for Non-Performing Investment (Refer Note No. 3.8 of Schedule 16)	-	<u>(64,860)</u>
		1,00,665
Short Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	1,21,086	2,817
Other Approved Securities	2,03,149	-
Other Investments	-	-
(a) Shares	-	-
(aa) Equity Shares	33,173	-
(bb) Preference Shares	-	-
(b) Mutual Funds	1,49,388	83,502
(c) Derivative Instruments	-	-
(d) Debenture/Bonds	2,32,788	3,81,203
(e) Other Securities (Fixed Deposit)	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	6,65,949	3,87,613
Other than Approved Securities	1,94,520	98,700
Less: Provision for Non-Performing Investment (Refer Note No. 3.8 of Schedule 16)	<u>(56,735)</u>	<u>(33,135)</u>
	1,37,785	65,565
Total	<u>89,58,366</u>	<u>67,19,025</u>

1. Investments Other than Listed Equities ,Derivative Instruments and Investment Property:

Aggregate Value of Investments as at Mar 31, 2021 Book Value Rs. 8,513,336 thousand and Market Value Rs. 8,689,363 thousand (As at March 31, 2020 Book Value Rs. 6,349,663 thousand and Market Value Rs. 6,392,376 thousand)

2. Investment Properties-Real Estate is shown at cost less accumulated depreciation of Rs. 8,045 thousand (as at March 31, 2020 Rs. 4,951 thousand). The Fair value of Investment Properties - Real estate is Rs 135,759 thousand based on Valuation report as on March 31, 2021

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

4. The historical cost of Investments in Mutual Fund and Equity which are valued on fair value basis is Rs. 466,242 thousand [as at March 31, 2020 Rs. 347,238 thousand] (excluding Policyholders excess).

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

SCHEDULE 8A INVESTMENTS - POLICYHOLDERS

Particulars	As at Mar 31, 2021 (Rs. '000)	As at Mar 31, 2020 (Rs. '000)
Long Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	1,27,08,760	1,01,67,124
Other Approved Securities	39,66,329	38,57,486
Other Investments	-	-
(a) Shares -	-	-
(aa) Equity Shares	14,30,821	15,64,987
(bb) Preference Shares	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debenture/Bonds	46,24,670	37,02,971
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate (Net off depreciation) (Refer Note No. 3.9 of Schedule 16)	6,20,060	6,48,143
Investments in Infrastructure and Social Sector	1,49,77,976	1,47,70,559
Other than Approved Securities	-	10,08,412
Less: Provision for Non-Performing Investment (Refer Note No. 3.8 of Schedule 16)	-	<u>(3,95,140)</u>
	-	6,13,272
Short Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	6,25,898	17,162
Other Approved Securities	10,50,081	-
Other Investments	-	-
(a) Shares	-	-
(aa) Equity Shares	1,71,474	-
(bb) Preference Shares	-	-
(b) Mutual Funds	7,72,192	5,08,709
(c) Derivative Instruments	-	-
(d) Debenture/Bonds	12,03,289	23,22,364
(e) Other Securities (Fixed Deposit)	-	-
(f) Subsidiaries	-	-
(q) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	34,42,310	23,61,413
Other than Approved Securities	10,05,480	6,01,300
Less: Provision for Non-Performing Investment (Refer Note No. 3.8 of Schedule 16)	<u>(2,93,265)</u>	<u>(2,01,865)</u>
	7,12,215	3,99,435
Total	<u>4,63,06,075</u>	<u>4,09,33,625</u>

1. Investments Other than Listed Equities ,Derivative Instruments and Investment Property:

Aggregate Value of Investments as at Mar 31, 2021 Book Value Rs. 44,005,701 thousand and Market Value Rs. 44,915,591 thousand (As at March 31, 2020 Book Value Rs. 38,683,410 thousand and Market Value Rs. 38,943,623 thousand)

2. Investment Properties-Real Estate is shown at cost less accumulated depreciation of Rs 41,584 thousand (as at March 31, 2020 Rs 30,163 thousand).The Fair value of Investment Properties - Real estate is Rs. 701,741 thousand based on Valuation report as on March 31, 2021

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

4.The historical cost of Investments in Mutual Fund and Equity which are valued on fair value basis is Rs. 2,410,021 thousand [as at March 31, 2020 Rs. 2,115,445 thousand] (excluding Policyholders excess).

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

SCHEDULE-9 LOANS

Particulars	As at Mar 31, 2021 (Rs. '000)	As at Mar 31, 2020 (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	-	-
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	-	-
MATURITY-WISE CLASSIFICATION		
a) Short Term		
b) Long Term	-	-
Total	-	-

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

SCHEDULE 10 FIXED ASSETS									
Particulars	Gross Block			Depreciation			Net Block		(Rs. '000)
	As at April 1, 2020	Additions/ Adjustments	Deductions/ Adjustments	As at Mar 31, 2021	As at April 1, 2020	For the period	On Sales/ Adjustments	As at Mar 31, 2021	As at Mar 31, 2021
	Goodwill	-	-	-	-	-	-	-	-
Intangibles-Computer softwares and License fees	1,99,784	79,437	-	2,79,221	1,64,180	30,185	-	1,94,364	84,857
Leasehold Improvements	1,18,616	1,571	1,430	1,18,757	1,00,213	11,501	1,430	1,10,284	8,473
Furniture, Fixtures & Equipments	38,429	2,467	565	40,331	28,377	2,852	565	30,664	9,667
Information Technology Equipment	3,36,427	25,541	2,068	3,59,900	2,44,870	60,573	1,999	3,03,444	56,456
Vehicles	10,850	-	-	10,850	10,850	-	-	10,850	-
Office Equipment	39,919	4,269	1,741	42,447	30,954	4,143	1,704	33,394	9,053
Total	7,44,025	1,13,285	5,804	8,51,506	5,79,444	1,09,254	5,698	6,83,000	1,68,506
Work-in-progress	20,671	78,249	90,091	8,830	-	-	-	-	8,830
Grand Total	7,64,696	1,91,534	95,895	8,60,335	5,79,444	1,09,254	5,698	6,83,000	1,77,336

As at March 31, 2020

SCHEDULE 10 FIXED ASSETS									
Particulars	Gross Block			Depreciation			Net Block		(Rs. '000)
	As at April 1, 2019	Additions/ Adjustments	Deductions/ Adjustments	As at Mar 31, 2020	As at April 1, 2019	For the period	On Sales/ Adjustments	As at Mar 31, 2020	As at Mar 31, 2020
	Goodwill	-	-	-	-	-	-	-	-
Intangibles-Computer softwares and License fees	2,65,967	14,173	80,356	1,99,784	2,21,639	20,855	78,314	1,64,180	35,604
Leasehold Improvements	1,28,242	11,497	21,123	1,18,616	1,09,042	12,236	21,065	1,00,213	18,403
Furniture, Fixtures & Equipments	33,235	9,134	3,940	38,429	28,902	3,221	3,746	28,377	10,052
Information Technology Equipment	3,18,704	26,802	9,079	3,36,427	1,99,932	53,921	8,983	2,44,870	91,557
Vehicles	10,850	-	-	10,850	10,850	-	-	10,850	-
Office Equipment	41,815	4,785	6,681	39,919	33,991	3,382	6,419	30,954	8,965
Total	7,98,813	66,391	1,21,179	7,44,025	6,04,356	93,615	1,18,527	5,79,444	1,64,581
Work-in-progress	5,289	34,535	19,153	20,671	-	-	-	-	20,671
Grand Total	8,04,102	1,00,926	1,40,332	7,64,696	6,04,356	93,615	1,18,527	5,79,444	1,85,252

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

SCHEDULE-11 CASH AND BANK BALANCES

Particulars	As at Mar 31, 2021 (Rs. '000)	As at Mar 31, 2020 (Rs. '000)
Cash (including cheques, drafts and Remittance in transit)	19,126	26,409
Bank Balances		
(a) Deposit Accounts		
(aa) Short Term (due within 12 months)*	2,16,372	9,22,362
(bb) Others	-	-
(b) Current Accounts	1,52,890	15,00,005
(c) Others	-	-
Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
Others	-	-
Total	<u>3,88,388</u>	<u>24,48,776</u>

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

CASH & BANK BALANCES

1. In India	3,88,388	24,48,776
2. Outside India	-	-
Total	<u>3,88,388</u>	<u>24,48,776</u>

* includes Short Term Fixed deposit of Rs. 1,135 ('000) [Previous Year Rs. Nil] earmarked against bank guarantee

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

SCHEDULE-12 ADVANCES AND OTHER ASSETS

Particulars	<u>As at Mar 31, 2021</u> (Rs. '000)	<u>As at Mar 31, 2020</u> (Rs. '000)
Advances		
Reserve Deposits with Ceding Companies	-	-
Application money for Investments	-	-
Prepayments	72,091	1,11,628
Advances to Directors / Officers	-	-
Advance Tax Paid and Taxes Deducted at Source (Net of Provision for Tax)	55,064	18,745
Others	-	-
- Advance to employees	3,662	
Less : Provision for doubtful debts	<u>(2,965)</u>	6,650
- Sundry Advances / Advance to supplier	27,513	
Less : Provision for doubtful debts	<u>(3,042)</u>	50,772
- Advances receivable in cash or kind	<u>6,404</u>	<u>16,027</u>
Total (A)	<u>1,58,727</u>	<u>2,03,822</u>
Other Assets		
Income accrued on Investments	15,76,117	14,04,321
Money market securities representing unclaimed fund	3,65,759	3,65,759
Fair Value Change - Money market securities representing unclaimed fund	47,178	33,216
Unutilised GST/Service tax carried forward	97,668	2,98,450
Outstanding Premium	70,00,198	39,88,671
Agents' Balances	63,520	90,030
Less : Provision for doubtful debts	<u>(41,681)</u>	<u>(35,482)</u>
		6,25,448
Due from other entities carrying on insurance business (including reinsurers)	5,35,515	
Less : Provision for doubtful debts	<u>(2,31,698)</u>	<u>(2,02,375)</u>
	3,03,818	4,23,073
Deposit with Reserve Bank of India (Pursuant to Section 7 of Insurance Act,1938)	-	-
Others		
- Receivable from Terrorism Pool	4,86,481	4,33,215
Deposits		
- Rental	63,971	67,984
- Others	13,123	15,136
Less : Provision for doubtful debts	<u>(13,119)</u>	<u>(6,800)</u>
	63,974	76,320
Unsettled Investment receivable	-	-
Investments realization receivable	12,75,000	14,75,000
Less : Provision for doubtful debts (Refer Note No. 3.8)	<u>(10,06,250)</u>	<u>(10,10,000)</u>
	2,68,750	4,65,000
Interest Receivable	-	-
Krishi Kalyan cess refund receivable	28,548	28,548
Less: Provision for Krishi Kalyan cess	<u>(28,548)</u>	<u>(28,548)</u>
Total (B)	<u>1,02,31,782</u>	<u>75,42,572</u>
Total (C)=(A)+(B)	<u>1,03,90,508</u>	<u>77,46,394</u>

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

SCHEDULE-13 CURRENT LIABILITIES

Particulars	As at Mar 31, 2021 (Rs. '000)	As at Mar 31, 2020 (Rs. '000)
Agents' Balances	2,34,015	1,66,698
Balances due to other insurance companies	68,10,932	58,38,478
Deposit held on reinsurance ceded	92,658	78,815
Premium Received in Advance	51,09,555	49,70,404
Unallocated Premium	12,84,547	7,96,267
Unclaimed Amount of Policy Holders	1,88,981	2,71,221
Investment Income accruing on Unclaimed Amount	1,01,429	88,058
Sundry Creditors	20,76,606	16,44,057
Claims Outstanding	2,66,75,836	2,38,51,111
Claims Outstanding - Motor Pool	2,33,951	3,30,401
Due to Officers/Directors	-	-
Others		
- Statutory Dues	3,16,716	2,16,469
- Rent Equilisation Reserve	20,438	22,648
- Employee related	11,974	11,772
- Claims Payables	467	-
- Declined Pool	2,64,076	3,41,199
- Interest Accrued but not due - Debentures	1,44,477	1,41,686
- Rental deposits	15,779	15,779
- Book Overdraft (As per books)	3,44,812	4,26,924
- Excess amount received- refundable	49,409	46,388
- Investment payable	-	-
Total	4,39,76,658	3,92,58,375

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

SCHEDULE-14 PROVISIONS

Particulars	As at Mar 31, 2021 (Rs. '000)	As at Mar 31, 2020 (Rs. '000)
Reserve for Unexpired Risk	1,03,72,987	92,56,970
Reserve for Premium Deficiency	21,220	14,751
For taxation	-	-
(Less advance tax paid and taxes deducted at source)	-	-
For proposed dividends	-	-
For dividend distribution tax	-	-
Others		
- Employee Benefits	9,28,188	3,40,463
Total	<u>1,13,22,395</u>	<u>96,12,184</u>

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

Particulars	As at Mar 31, 2021 (Rs. '000)	As at Mar 31, 2020 (Rs. '000)
Discount allowed in issue of shares/debentures	-	-
Others	-	-
Total	<u>-</u>	<u>-</u>



BHARTI AXA GENERAL INSURANCE COMPANY LIMITED

SCHEDULE 16

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1. Background

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

2. Significant accounting policies

2.1. Basis of Preparation of financial statements

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

2.2. Use of estimates

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

2.3. Revenue recognition

Premium Income

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

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

on a gross basis and the remaining premium is accounted as “Advance Premium” and shown under the head “Current Liabilities”.

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

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

Income from reinsurance ceded

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

Income earned on investments

Interest/Rental income

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

Profit/Loss on Sale/Redemption of Investments

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

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

Dividend income

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

Premium/discount on purchase of investments

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

Allocation of Investment Income

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

2.4. Reinsurance premium

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

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

2.5. Reinsurance accepted

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

2.6. Acquisition costs

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

2.7. Reserve for unexpired risk

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

2.8. Premium deficiency

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

2.9. Claims incurred

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

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

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

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

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

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

2.11. Operating expenses related to the insurance business

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

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

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

2.12. Fixed Assets, Intangibles and Depreciation/Amortization

(A) Tangible Assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use, net of GST input credit receivable. Subsequent expenditure related to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are recognized in the revenue account as and when incurred.

(B) Intangible Assets

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

(C) Capital Work in Progress

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

(D) Depreciation/Amortisation

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

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

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

All assets including intangibles individually costing less than 5,000 rupees are fully depreciated in the year of addition.

2.13. Impairment of assets

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

2.14. Leases

i) Finance leases

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

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

ii) Operating leases

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

2.15. Investments

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

Classification

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

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

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

Valuation:

Equity shares and ETF

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

Debt securities

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

Mutual fund units

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

Investment Properties – Real Estate

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

Investments other than those mentioned above are valued at cost.

Fair Value Change Account

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

Impairment of Investments

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

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

2.16. Retirement and other employee benefits

(A) Short Term Employee Benefits

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

(B) Long Term Employee Benefits

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

I. Defined contribution plan

i) Provident fund and family pension schemes

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

II. Defined benefit plan

i) Gratuity

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

ii) Compensated absences and leave entitlements

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

iii) Other Long term benefits

Long term incentive plan

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

The Special Long Term Incentive Plan ('Special LTIP') is a onetime discretionary cash incentive plan that pays certain specified employees at a future date based on the company's valuation as at March 31, 2021

2.17. Foreign currency transactions

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

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

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

2.18. Contributions to terrorism pool



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

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

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

2.20. Solatium fund

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

2.21. Income taxes

Tax expense comprises current tax and deferred tax.

Current tax

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

Deferred tax

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

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

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

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

2.22. Goods and Service tax(GST)

Goods and Service tax collected is considered as a liability against which GST paid for eligible input services, to the extent claimable, is adjusted and net liability is remitted to the appropriate authority as stipulated.. Unutilized GST credits, if any, are carried forward under "Other Assets as 'Unutilised GST/Service tax carried forward'" and disclosed in Schedule 12 for adjustment in subsequent periods. The company assesses whether the unutilized GST credits are eligible for carrying forward as per the related legal provisions and any ineligible GST credit is expensed on such determination. GST liability to be remitted to the appropriate authority is disclosed under "Statutory Dues" in Schedule 13.

2.23. Provisions and contingent liabilities

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

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

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

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

2.24. Earnings per Share

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

Borrowing Costs

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

2.25. Share issue expenses

Share issue expenses are adjusted against share premium account.

2.26. Receipts and Payments Account

a) Receipts and Payments Account is prepared and reported using the Direct Method, in conformity with Para 2.2 of the Master Circular on Preparation of Financial Statements - General Insurance Business dated October 5, 2012, issued by the IRDAI

b) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

3 Notes to accounts

3.1. Contingent liabilities

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
Partly paid up investments	Nil	Nil
Underwriting commitments Outstanding	Nil	Nil
Claims other than those under policies not acknowledged as debts	11,100	10,965
Guarantees given by or on behalf of the Company	1,135	Nil
Statutory demands/liabilities in dispute, not provided for	6,280	Nil
Reinsurance obligations to the extent not provided for in accounts	Nil	Nil
Others(excluding interest and penalty if any)	Nil	Nil

*Contingent liabilities as certified by the management

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

The Company had filed an application under Vivad Se Vishwas (Legacy Dispute Resolution) Scheme, 2020 (the Amnesty Scheme) for the following Income tax matters. The summary of disputed obligations settled under the VSVS, scheme, 2020 has been summarized;

Sr. No.	Assessment Year	Particulars	Amount (Rs.'000)	Closure Order received date
1	2009-10	<ul style="list-style-type: none"> Expenses incurred prior to obtaining the insurance license, Excess depreciation claim on UPS, Delayed employees contribution to PF Provision for marketing expenses. 	Nil	19th January, 2021
2	2010-11	<ul style="list-style-type: none"> Employees contribution to unrecognized PF, Payments made to non-existent company. 	Nil	19th January, 2021
3	2013-14	<ul style="list-style-type: none"> Disallowances of expenses incurred for availing marketing services from dealers. 	Nil	19th January, 2021
4	2014-15	<ul style="list-style-type: none"> Disallowances of expenses incurred for availing marketing services from dealers. 	Nil	19th January, 2021
5	2015-16	<ul style="list-style-type: none"> Disallowances of expenses incurred for availing marketing services from dealers. 	Nil	28th January, 2021

*There is no liability on the above matter.

3.2. Encumbrances on assets

The Company has invested an amount of Rs. 1,135 thousand [As at March 31, 2020 Rs. Nil] in Fixed deposit (shown as short term deposit in Schedule-11) with ICICI bank. The said deposit has been kept under lien with ICICI bank for the purpose of obtaining Bank Guarantee in the favour of Air India. Other than this there are no encumbrances on the owned assets of the Company as at the reporting date.

No assets of the Company are subject to restructuring.

3.3. Capital commitments

- There are no commitments made and outstanding for Investments and Loans.
- Estimated amount of contracts remaining to be executed on capital account, to the extent not provided for as at March 31, 2021 is Rs 21,181 thousand net of advances [as at March 31, 2020 Rs. 3,834 thousand].

3.4. Claims

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

Particulars	Year ended March 31, 2021 (Rs. 000's)	Year Ended March 31, 2020 (Rs. 000's)
In India	8,543,752	10,323,270
Outside India	226,919	487,723
Total	8,770,671	10,810,993

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

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
Outstanding for Less than Six Months	4,682,699	3,536,915
Outstanding for more than Six Months	11,694,848	10,291,114
Total	16,377,547	13,828,029

The above details do not include claims outstanding/IBNR pertaining to Indian Motor Third Party Insurance Motor (IMTPIP) Pool Rs. 1,081,025 thousand [as at March 31, 2020 Rs. 1,133,010 thousand] including IBNR, declined pool claims retained in books as at March 31, 2021 Rs. Nil [as at March 31, 2020 Rs. Nil] and IBNR/IBNER for all lines of business Rs 15,916,184 thousand [as at March 31, 2020 Rs. 13,881,192 thousand].

There are no claims that have been settled and remaining unpaid for a period of more than six months as at March 31, 2021.

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

3.5. Premium

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

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

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

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

Claims outstanding for more than four years

All these claims are already a part of claims data used for protection of ultimate claims. Accordingly they form part of the IBNR (including IBNER) Reserves (ultimate minus reported claims) reserves and thus, no additional provision is required separately for claims older than four years.

Provision for free look period

The Appointed Actuary has certified that the Reserves for Free look policies are part of the ultimate claims liabilities. This is consistent with treatment of Free look policies in the past.

3.7. Extent of risk retained and reinsured

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

Line of Business	Year ended March 31, 2021		Year ended March 31, 2020	
	Ceded Ratio (%)	Retained Ratio (%)	Ceded Ratio (%)	Retained Ratio (%)
Fire	71	29	74	26
Marine Cargo	32	68	26	74
Motor	5	95	6	94
Workmen compensation	5	95	5	95
Public Liability	47	53	38	62
Engineering	76	24	71	29

Line of Business	Year ended March 31, 2021		Year ended March 31, 2020	
	Ceded Ratio (%)	Retained Ratio (%)	Ceded Ratio (%)	Retained Ratio (%)
Personal Accident	5	95	5	95
Health Insurance	20	80	19	81
Crop Insurance	80	20	80	20
Credit Insurance	94	6	93	7
Others	24	76	45	55
Total	35	65	34	66

3.8. Investments

A. Value of contracts in relation to investments for:

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

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

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

(Rs. in 000')

Issuer Name	Security	Face Value	% Provision	Provision for diminution in the value of investments	Accrued Interest Reversal*
IL&FS Financial Services Limited and Infrastructure Leasing & Financial Services Limited	Secured Non-Convertible Debentures	675,000	75%	506,250	12,934
Dewan Housing Finance Corporation Limited	Secured Non-Convertible Debentures	Sold during the year			25,365
Reliance Capital Limited	Secured Non-Convertible Debentures	800,000	50%	400,000	51,906
Yes Bank Limited	Additional Tier I Bonds	450,000	100%	450,000	-
Total		1,925,000		1,356,250	90,205

*For the period YTD Mar-21

In accordance with IRDAI regulations, since the credit rating has been declined, the Additional Tier I Bonds have been classified as “Other than Approved Investments” and presented as Investments in Schedule 8 and 8A. Out of above Investment matured amounting to Rs. 1,275,000 thousand forms part of Schedule 12 as Investment realization receivable.

3.9. Investment property

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

Cost of the Investment property is Rs 7,89,646 thousand. The depreciation on the Investment Property – Real Estate in accordance with IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2000 for the period amounts to Rs. 14,515 thousand [Previous Year Rs. 14,555 thousand] which is adjusted against the Investment Income. The Fair value of Real Estate is Rs. 837,500 thousand which is based on valuation report. Cost, Depreciation and Fair Value thereon is notionally allocated between Policyholders & Shareholders.

3.10. There are no amounts required to be transferred to the Investor Education and Protection Fund by the company for the year ended March 31, 2021. (For March 31, 2020 (NIL))

3.11. Sector wise business [based on Gross Direct written premium]

Business Sector	For the year ended March 31, 2021			For the year ended March 31, 2020		
	GDPI (Rs. 000's)	No. of lives	% of GDPI	GDPI (Rs. 000's)	No. of lives	% of GDPI
Rural	10,064,335	-	32%	10,693,996	-	34%
Social	8,068,996	2,301,242	26%	8,299,954	1,313,584	27%
Urban	13,465,712	-	43%	12,348,424	-	39%
Total	31,599,043	2,301,242	100%	31,342,374	1,313,584	100%

Note:

1. Rural GDPI for the Year ended March 31, 2021 includes crop insurance premium of Rs. 8,041,480 thousand [For the Year ended March 31, 2020 Rs. 8,280,579 thousand]
2. Total Number of Lives is as per report submitted to IRDAI.
3. Bifurcation of GDPI into 3 business sector has been identified and certified by the management.

3.12. Computation of managerial remuneration

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

Details of Payment	For the Year ended March 31, 2021 (Rs. 000's)	For the Year ended March 31, 2020 (Rs. 000's)
Salary and allowances	16,841	17,093
Provident fund	881	881
Bonus	9,326	10,403
Special Long Term Incentive Plan	189,604	-
Long Term Incentive Plan	5,679	5,731
Perquisites	383	-
Total	222,714	34,108

Managerial remuneration in excess of Rs.15,000 thousand [Rs.207,714 thousand (previous year Rs.19,108 thousand)], for MD & CEO has been charged to profit and loss account.

Note:

1. Expenses towards gratuity funding, leave encashment provision and long term incentive plan are determined and accounted as per the actuarial valuation on overall company basis and accordingly will be considered as and when paid.
 2. Bonus amounts stated above includes provisional Bonus (STIC) for the respective year.
 3. Additionally CEO and MD is also covered under group life insurance, group medical insurance, group accident insurance and club membership as per company policy.
 4. Expenses towards Special LTIP are based on Company valuation as on 31st March, 2021 and provided on the basis of Actuarial Valuation. Special LTIP is subject to approval by IRDAI.
- B. The details of remuneration of Key Management Persons as per guidelines issued by IRDAI vide Ref no IRDA/F&A/GDL/CG/100/05/2016 dated May 16, 2016 and as per terms of appointment of Company are as under:

Details of Payment	For the Year ended March 31, 2021 (Rs. 000's)	For the Year ended March 31, 2020 (Rs. 000's)
Salary and allowances	87,338	85,997
Provident fund	4,773	4,482
Bonus	29,983	38,353
Special Retention Plan	23,305	-
Special Long Term Incentive Plan	293,887	-
Long Term Incentive Plan	11,067	14,038
Perquisites	4,325	44
Total	454,678	142,913

Note:

1. Expenses towards gratuity funding, leave encashment provision and long term incentive plan are determined actuarially on the overall company basis annually and accordingly have not been considered in the above information.
2. Bonus amounts stated above includes provisional Bonus (STIC).
3. Additionally KMPs are also covered under group life insurance, group medical insurance, group accident insurance and club membership as per company policy.
4. Expenses towards Special LTIP are based on Company valuation as on 31st March, 2021 and provided on the basis of Actuarial Valuation. Special LTIP is subject to approval by IRDAI.
5. Remuneration stated above includes Remuneration paid to KMP's who has resigned during the period ended March 31, 2021.

3.13. Segment reporting

The Company's primary reportable segments are business segments, which have been identified in accordance with the IRDAI Regulations. Segment revenue and results have been disclosed in the financial statements in **Annexure - I**. There are no reportable geographical segments since the Company provides services only to customers in the Indian market or to Indian interests overseas and does not distinguish any reportable regions within India.

3.14. Related party disclosure

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

A. List of Related Parties*

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

*As certified by the management

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

3.15. Outsourcing, business development and marketing support expenses:

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

Particulars	For the year ended March 31, 2021 (Rs. 000's)	For the year ended March 31, 2020 (Rs. 000's)
Outsourcing costs*	203,965	197,824
Business Development and marketing support expenses	3,497,814	3,326,726
Total	3,701,779	3,524,550

* Outsourcing Return will be filed to IRDAI in accordance with IRDAI (Outsourcing of activities by Indian insurers) regulations, 2017.

3.16. Expenses of Management

The Company has allocated expenses of management as per the policy approved by the Board of Directors dated January 29, 2021.

In accordance with the IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016, operating expenses of Rs 2,919,703 thousand (Previous Year 2,173,245 thousand) in excess of segmental limits pertaining to Marine, Motor & Health segment has been shown as Contribution from Shareholders. Further, On an overall basis during the year company has incurred expenses in excess of allowable limits amounting to Rs 204,582 thousand (Previous Year - Nil) for which company is yet to make an application to IRDAI for forbearance. Such excess of expenses over allowable limit primarily pertains to difficult times on account of Covid-19 pandemic and additional expenses incurred towards proposed demerger transaction comprising of professional fees & employee benefit cost. The company is in the process of initiating application to IRDAI for forbearance

3.17. Ratio Analysis

A. For ratios at March 31, 2021 refer Annexure III-A and at March 31, 2020 refer Annexure III-B

B. The actual solvency ratio of the Company as at March 31, 2021 is 1.59 times [Previous Year Ratio 1.63 times].
(Rs. 000's)

Solvency Margin	As at March 31, 2021	As at March 31, 2020
Required solvency margin under IRDAI Regulations (A)	5,050,354	5,235,207
Available solvency margin (B)	8,034,060	8,525,165
Solvency ratio actual (times) (B/A)	1.59	1.63
Solvency ratio prescribed by Regulation	1.50	1.50

3.18. Leases

Operating lease commitments

i) Office and residential premises

a) As Lessor

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

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
not later than one year	76,672	72,584
later than one but not later than five years	81,643	156,043
later than five years	-	-

An amount of Rs. 80,707 thousand [Previous year Rs. 68,791 thousand] has been recognized in Revenue Account.

b) As Lessee

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

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

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
not later than one year	142,269	141,522
later than one but not later than five years	373,414	394,172
later than five years	37,426	128,860

An amount of Rs.170,714 thousand [Previous year Rs. 156,910 thousand] has been charged to Revenue Account.

ii) Motor vehicles

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

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020(Rs. 000's)
Payable not later than one year	3,018	4,733
Payable later than one but not later than five years	2,690	6,738

The aggregate operating lease rental, charged to the Revenue Account in the current year is Rs. 4,410 thousand [Previous year Rs. 5,772 thousand]. The lease terms do not contain any exceptional/restrictive covenants nor are there any options given to the company to renew the lease or purchase the asset at a price which is expected to be sufficiently lower than the fair value at the date the option becomes exercisable and it is not reasonably certain that the Company will exercise the option.

3.19. Earnings per share

Particulars	Unit	Year ended March 31, 2021	Year ended March 31, 2020
Profit/(Loss) attributable to the Equity Shareholders [A]	Rs. (000's)	1,202,869	(2,436,271)
Number of Equity Shares at the beginning of the reporting year (par value of Rs 10 each)	No's	2,005,981,216	1,621,445,322
Shares issued during the reporting year	No's	50,000,000	384,535,894
Total number of equity shares outstanding at the end of the reporting year	No's	2,055,981,216	2,005,981,216
Weighted average number of equity shares outstanding during at the end of the reporting year [B]	No's	2,052,282,586	1,736,544,892
Diluted weighted average number of equity shares outstanding during the year (C)	No's	2,052,349,709	1,737,724,182
Nominal Value of equity shares	Rs.	10	10
Basic Earnings per share [D= A/B]	Rs.	0.59	(1.40)
Diluted Earnings per share [E= A/C]	Rs.	0.59	(1.40)

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

S.No.	Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
i)	Principal amount due and remaining unpaid to any Supplier as at the end of reporting year	-	-
ii)	Interest due on principal amount remaining unpaid as at the end of reporting year	Nil	Nil
iii)	Amount of Interest along with principal amount paid to Supplier beyond due date of payment	Nil	Nil
iv)	Amount of interest accrued/due and remaining unpaid at the end of reporting year	Nil	Nil
v)	Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil

3.21 Deferred tax

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

3.22 Retirement and other employee benefits

(a) Defined contribution plan

The Company has recognized Rs.94,228 thousand [Previous year Rs. 83,139 thousand] as Provident Fund contribution towards defined contribution plan as an expense in the Revenue and Profit and Loss Account, as applicable.

(b) Defined benefit plan

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

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

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

a. Gratuity Defined benefit obligation

Reconciliation of Defined Benefit Obligation

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
Present value of obligations as at the beginning of the reporting year (A)	83,809	62,883
Transfer in/(out) (B)*	1,259	-
Current service cost (C)	24,312	19,685
Interest cost (D)	4,849	4,213
Actuarial loss/(gain) on obligation (E)	(6,595)	6,083
Benefits paid (F)	(5,873)	(9,055)
Present value of obligations as at the end of the reporting year (G=A+B+C+D+E+F)	101,761	83,809

* During FY 2020-21, four employees were transferred from Bharti AXA Life Insurance Company Limited to this company. The liability transfer for these employees is shown under the heading "Transfer In/ (Out)"

Reconciliation of Fair Value of Plan Assets

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
Plans assets at period beginning, at fair value (A)	51,365	54,599
Expected Return on Plan Assets (B)	3,062	3,354
Actuarial Gain/(Loss) (C)	566	2,467
Contributions (D)	30,000	-
Benefits Settled (E)	(5,873)	(9,055)
Plan Assets at Period End, at fair value [F=A+B+C+D+E]*	79,120	51,365

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

Fair Value of assets and obligations

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
Fair Value of Plan Assets (A)	79,120	51,365
Present value of Obligations (B)	101,761	83,809
Net Asset/(Liability) recognized in Balance Sheet (C = B – A)	(22,641)	(32,444)

Net cost for the reporting year

Particulars	Current Year	Previous Year
	(Rs. 000's)	(Rs. 000's)
Current Service Cost (A)	24,312	19,685
Interest Cost (B)	4,849	4,213
Actuarial loss/(gain) on obligation (C)	(7,727)	6,083
Actuarial (loss)/gain on plan assets (D)	566	(2,467)
Expected Return on Plan Assets (E)	(3,062)	(3,354)
Actuarial Adjustment (F)	-	-
Expenses recognized in Revenue/Profit & Loss Account (G) =(A+B+C+D+E+F)	18,938	24,160

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

Particulars		For the year ended 31-Mar-21	For the year ended 31-Mar-20	For the year ended 31-Mar-19	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Discount Rate		5.30%	5.70%	6.70%	7.22%	6.54%
Salary Growth Rate		6.5%	9%	9%	11%	14%
Mortality rate		Mortality Rate Indian Assured Lives Mortality (2012-14)	Mortality Rate Indian Assured Lives Mortality(2006-08)			
Estimated rate of returns on plan assets		5.70%	6.70%	7.22%	6.54%	6.54%
Retirement Age		58	58	58	58	58
Attrition Rate	Employee under deferred compensation	7%	7%	7%	24%	28%
	Other Employees	28%	28%	28%	-	-

- (c) The Company has a Long Term Incentive Plan ('LTIP') for selected employees. The plan is a discretionary deferred compensation plan with a vesting period of three years from the year of first entitlement of an employee. Provision for LTIP liability is accrued and provided for on the basis of actuarial valuation amounting to Rs. 60,998 thousand [As at March 31, 2020 Rs. 38,050 thousand] as at the reporting date. Once, the liability under the plan is vested on employees, it is carried as liability in the balance sheet till the final disbursement.

The Short Term Incentive Plan (STIC) is payable to employees annually. The Company has recognized liability of Rs. 337,263 thousand [Previous Year Rs. 234,549 thousand] as at the reporting date.

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
Amount at the beginning of the reporting year (A)	272,599	250,321
Amount paid during the year (B)	260,781	272,454
Expense/(Income) during the period (C)	386,443	294,733
Amount at the end of the reporting year (D) = (A-B+C)	398,261	272,599

- (d) The Special Long Term Incentive Plan ("Special LTIP") is a onetime discretionary cash incentive plan that pays certain specified employees at a future date based on the company's valuation as at March 31, 2021. Provision for Special LTIP liability is accrued and provided for on the basis of actuarial valuation amounting to Rs. 294,672 thousand [As at March 31, 2020 Rs. 785 thousand] as at the reporting date.

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
Amount at the beginning of the reporting year (A)	785	10,500
Amount paid during the year (B)	-	-
Expense/(Income) during the period (C)	293,887	(9,715)
Amount at the end of the reporting year (D) = (A-B+C)	294,672	785

- (e) The Special retention plan awarded has been granted on August 26th, 2020, and will be payable in cash. The target cash incentive award under this plan will be a percentage of the fixed pay. The company has recognized the liability amounting of Rs. 167,468 thousand [Previous Year Nil] as at the reporting date.
- (f) The Company has a leave encashment plan. Every employee is entitled to leaves of 20 days in calendar year. Of these, 10 must compulsorily be availed during the year which lapse at the end of the calendar year. The company values Compensated Absences in respect of the employees on the basis of the actuarial valuation

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
Amount at the beginning of the reporting year (A)	34,635	23,681
Amount paid during the year (B)	5,318	3,666
Expense/(Income) during the period (C)	15,830	14,620
Amount at the end of the reporting year (D) = (A-B+C)	45,147	34,635

3.23 SUMMARY OF FINANCIAL STATEMENTS

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

- 3.24 The Company does not have any long term contracts including derivative contracts wherein the company is required to make provision towards any foreseeable losses. Foreign currency exposure as at March 31, 2021 and March 31, 2020 that has not been hedged by any derivative instrument or otherwise is estimated as follows:

Particulars	As at March 31, 2021 (Rs. 000's)	As at March 31, 2020 (Rs. 000's)
Foreign Currency Exposure*	266,182	455,639

*represented by various currencies

3.25 Disclosures on penal actions taken against the Company for the period April 1, 2020 to March 31, 2021

Rs. ('000)

S.No	Authority	Non-Compliance Violation	Penalty Awarded	Penalty Paid	Penalty Waived/Reduced
1.	Insurance Regulatory And Development Authority	Nil (Nil)	Nil (Nil)	500 (Nil)	Nil (Nil)
2.	Service Tax Authorities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3.	Income Tax Authorities	Nil (Nil)	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)

Figures in brackets pertain to year ended March 31, 2020

As certified by the Management

3.26 Disclosure on other work given to auditors.

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

Rs.(000')

Name of Auditor	Services rendered	For the year ended March 31, 2021	For the year ended March 31, 2020
M P Chitale & Co	Tax Audit	335	-
	Certification	514	265
	Certification-Merger	1,350	
Singhi & Co	GST Audit	700	500
	Certification	974	545
	Certification-Merger	250	-

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

(a) Contribution to terrorism pool

The Company is a participant in and has received the Terrorism Pool retrocession of premium in the current financial year. Accordingly, as per the statement received from the Pool managers, the Company has recognized the pool retrocession for the three quarters ended December 31, 2020 including a provisional investment income as provided by GIC vide provisional statement as on March 31, 2021.

(b) Solatium fund

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

Vide letter dated July 26, 2010, the Council recommended the companies w.e.f April 1, 2010 to contribute 0.10% of all the third party premium written as Solatium Fund to the administrator on demand. However, during the year the Company has provided charge to the Revenue Accounts of Rs. 5,624 thousand [Previous year Rs. 6,176 thousand] on an accrual basis (see accounting policy in paragraph 2(u) above) and disclosed under Current Liabilities.

(c) Transfer of amounts to Senior Citizen Welfare Fund

In accordance with the requirement of the Notification no G.S.R 380(E), issued by the Ministry of Finance, dated April 11 2017 read with IRDAI Circular No IRDA/F&A/CIR/MISC/173/07/2017 dated July 25, 2017 the Company transfers amounts outstanding for a period of more than 10 years in Unclaimed amount of Policyholders to the Senior Citizen Welfare Fund (SCWF) on or before March 1 of each financial year. During the year the Company has transferred Rs. 3,188 thousand [Previous year Rs. 728 thousand] in accordance with the requirements.

(d) Contributions to environment relief fund

During the year, an amount of Rs. 1,105 thousand [Previous year Rs. 254 thousand] was collected towards Environment Relief Fund for public liability policies and an amount of Rs. 381 thousand [Previous year Rs. 918 thousand] has been transferred to “United India Insurance Company Limited, Environment Fund Account” as per Notification of Environment Relief Fund (ERF) scheme under the public liability Insurance Act, 1991 as amended. The balance amount of Rs.59 thousand [Previous year Rs. (664) thousand] is included under statutory dues in Schedule 13.

3.28 Unclaimed amount of policyholders

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

W.e.f. 1 April, 2016 separate category of investments corresponding to the unclaimed amounts have been maintained and income of the fund is calculated on actual basis credited to policyholders’ unclaimed amounts account. For this purpose these investments have been transferred at book value. The outstanding unclaimed amounts and the corresponding investments of the fund are disclosed in the balance sheet under Schedule 13 and Schedule 12 respectively as at 31st March 2021

[Amount Rs. 000's]

Authority	Total amount	0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	Beyond 36 months
Claims settled but not paid to the policyholders/insured due to any reasons except under litigation from the insured/policyholders	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Sum due to the insured/policyholders on maturity or otherwise	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any excess collection of the premium/tax or any charges which is refundable to the policyholders either as terms if conditions of the policy or as per law or as the case may be directed by the authority but not refunded so far.	78,191 (83,717)	- (-)	16,718 (22,621)	13,375 (11,090)	5,143 (9,646)	4,987 (6,910)	4,453 (7,111)	33,515 (26,339)
Cheques issued but not encashed by the policyholders/insured	212,220 (275,563)	- (31,087)	25,501 (27,582)	38,270 (38,249)	15,661 (29,434)	15,296 (29,867)	13,615 (11,381)	103,877 (107,962)
Total	290,411 (359,280)	- (31,087)	42,219 (50,203)	51,645 (49,339)	20,804 (39,081)	20,283 (36,777)	18,068 (18,492)	137,392 (134,301)

Figures in brackets pertain to year ended March 31, 2020

The above ageing includes interest payable of Rs 101,429 [Previous year Rs. 88,058] thousand on unclaimed amounts of policyholder.

Statement showing movement of Unclaimed Amount of policyholders due

Particulars	(Rs. 000's)	(Rs. 000's)
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Balance	359,280	318,783
Add: Amount transferred to Unclaimed Amount	21,144	33,898
Add: Cheques issued out of the unclaimed amount but not encashed by the policy holders (To be included only when the cheques are Stale)	33,586	57,296
Add: Investment Income on unclaimed Fund (1)	13,371	25,526
Less: Amount paid during the year (2)	133,782	75,496
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred)	3,188	728
Closing Balance of Unclaimed Amount	290,411	359,280

Note:

1. Net of interest amount paid/ transferred during the year

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

3.29 Borrowings-

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

Type, Nature and Seniority of Instrument	Unsecured, subordinated, fully paid-up, unlisted, redeemable and non-convertible debentures	Unsecured, subordinated, fully paid-up, listed, redeemable and non-convertible debentures
Face Value (per security)	Rs.10,00,000	Rs.10,00,000
Issue Size	Rs. 2,200,000 thousand	Rs. 350,000 thousand
Issue Date/Date of Allotment	August 23, 2017	April 30, 2019
Redemption Date	August 23, 2027	April 30, 2029
Call option Date	August 23, 2022	April 30, 2024
Coupon Rate	8.98% per annum	10.50% per annum
Credit Rating	'AA-' by ICRA and 'AA' by Brickwork rating	'AA-' by ICRA and 'AA' by Brickwork rating
Frequency of the Interest Payment	Annual	Annual

Maturity Pattern from the date of issue

Maturity buckets	(Rs. in 000's)	
	Unsecured, subordinated, fully paid-up, unlisted, redeemable and non-convertible debentures	Unsecured, subordinated, fully paid-up, listed, redeemable and non-convertible debentures
1 to 5 years	-	-
Above 5 years	2,200,000	350,000
Total	2,200,000	350,000

- 3.30 The current second wave of Covid-19 pandemic, where the number of new cases has increased significantly in India, has resulted in re-imposition of localised/regional lockdown measures in various parts of the country. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, tangible & intangible assets, current & non-current investments and claims. In assessing the recoverability of aforesaid assets, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. Based on such estimates, the Company expects the carrying amount of these assets will not be adversely impacted. A definitive assessment of impact is not possible due to economic uncertainty. However, the Company prima facie evaluated the impact of this pandemic on its business operations and based on such evaluation, by being prudent in applying estimates, taking assumptions and account for the impact of the COVID-19 situation on the Financial Statements, the Company believes that it has factored in all significant impacts of COVID 19 on the Financial position and performance of the Company as at March 31,2021. Adjustments to Actuarial assumptions & recoverable amounts that the company has felt necessary due to the pandemic have been made in the Financial Statements. Actual results may vary with the current estimates and assumptions used and may impact future estimates including, but not limited to, Actuarial assumptions, potential future claims, allowance for loan losses, asset impairment charges, cancellation reserves, actuarial losses on our retirement benefit plans and discount rate assumptions. The Company will continue to closely monitor any material changes to future economic conditions. Other than these adjustments, the company believes that there is no significant impact on the Financial Results for the year ended March 31, 2021.



3.31 Issue of Shares

During the period, the Company had issued 50,000,000 equity shares of Rs.10 each at par amounting to Rs. 500,000 thousand. The Company had allotted 25,500,000, equity shares of Rs. 10 each on April 28, 2020 to Bharti General Ventures Private Limited and 24,500,000 equity shares to Societe Beaujon respectively.

3.32 Demerger

a) The Board of Directors of the Bharti AXA General Insurance Company Ltd (“Bharti AXA”), and ICICI Lombard General Insurance Company Ltd. (“ICICI Lombard”) at their respective meetings held on August 21, 2020 have considered and approved a scheme of arrangement which provides inter alia for the demerger of the general insurance business (i.e., the business of providing non-life insurance products and related services to registration number 0139 issued by the IRDAI on June 27, 2008) of Bharti AXA General Insurance (“the Demerged Company”) into ICICI Lombard General Insurance Company (“Resulting Company”) as a going concern. The aforesaid scheme is prepared pursuant to Section 230 to 232, other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder and applicable provisions of the Insurance Act, 1938 (read with rules and regulations framed thereunder). As part of the above Scheme, all the assets and liabilities of the general insurance business of Bharti AXA except the Residual Undertaking which includes investment property (‘Parinee Crescenzo’), brands used by and/or licensed to Bharti AXA and the ICICI Bonds, have been agreed to be transferred to the ICICI Lombard. As consideration for the demerger, the shareholders of Demerged Company i.e., Bharti General Ventures Private Limited (“Bharti”) and Societe Beaujon (“AXA”) shall be issued and allotted fully paid up equity shares of ICICI Lombard of Rs.10 each under the Scheme in the ratio of 2 equity shares for every 115 equity shares of the Bharti AXA. Further, there will be an issue and allotment of non-convertible unsecured debentures of ICICI Lombard to persons holding non-convertible unsecured debentures of Bharti AXA.

The above mentioned Scheme of arrangement is subject to approvals from multiple regulators viz. IRDAI, Competition Commission of India (CCI), Securities and Exchange Board of India (SEBI), National Company Law Tribunal (NCLT). The Demerged Company has received in principle approval from IRDAI vide its letter dated November 27, 2020. Further, CCI vide its order dated November 2, 2020 granted its approval to the Scheme of Arrangement. The Company and ICICI Lombard had jointly filed Company Scheme Application (CAA) before Hon’ble NCLT Mumbai bench on December 3, 2020 and on the basis of direction received from Hon’ble NCLT, the Company had convened the meeting of equity shareholders and individual notices to the creditors having an outstanding balance of INR 1 lac was sent. Joint company scheme petition No. CP (CAA) 32/MB/2021 before Hon’ble NCLT Mumbai bench on February 26, 2021 for obtaining sanction of the Scheme by NCLT. At the hearing held on March 12, 2021, Hon’ble NCLT has admitted the said petition and proceedings are in progress. Till the final IRDAI approval is received, the Demerged Company shall continue to act as an independent company with no intervention/participation in decision making or operations by ICICI Lombard.

During the year ended March 31, 2021, Rs. 65,593 (‘000) has been accounted with respect to expenses relating to demerger and has been charged to profit and loss account under head “Expenses other than those related to insurance business”, the details of which are mentioned below:

(Rs. in 000’s)	
Nature of payment	Amount
Professional Fees	21,710
IRDAI Fees	40,700
Data Room charges	3,183
Total	65,953

b) Post demerger of the Insurance business, the retained entity has plans to start alternate business and is in the process of taking necessary regulatory steps towards commencing such alternate business. The retained company has a positive net worth and has ensured that all obligations to all the stake holders including customers, partners, and creditors are fulfilled in the normal course of business. Considering these factors, financial statements of the company as at March 31, 2021 have been prepared on going concern basis.

3.33 The Indian Parliament had approved the Code on Social Security, 2020 which could impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft Rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will complete its evaluation once the Rules are notified and will give appropriate impact in the financial statements in the period in which the Code and related Rules becomes effective.

3.34 **Risk Management Architecture**

Risk Management Framework:

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

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

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

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

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

The three lines of defense

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

- 1st line of defense – Management and staff:
Line management and staff are responsible for day to day risk taking management and decision making and have primary responsibility for establishing and maintaining an effective control environment
- 2nd line of defense – Risk & Compliance
These functions are responsible for developing, facilitating and monitoring effective risk and control frameworks and strategies
- 3rd line of defense – Internal Audit
Internal Audit provides independent assurance on the effectiveness of the system of internal control

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

I. Definitions and Classification of Risk

Risk is defined as the effect of uncertainty on Bharti Axa General Insurance Companies business objectives. Hence, risk is seen as an event that will have associated consequences, either positive or negative, for financial position,

performance, and/or reputation. Events with a positive impact represent opportunities, while events with a negative impact can erode value or prevent value creation. The table below defines the various kinds of risk categories:

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

II. Risk Appetite

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

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

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

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

III. Annual Risk Assessment Process by Functional Unit

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

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

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

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

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

3.35 Expenditure in Foreign Currency

Particulars	For Year ended March 31, 2021 (Rs.'000)	For Year ended March 31, 2020 (Rs.'000)
Expenditure in foreign currency*	1,221,247	682,650

* denotes actual payments

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

- i) Name: Sanjeev S
 Description: Chief Executive Officer & Managing Director
 Occupation: Service
 Directorship held as at 31 March 2021 – No directorship held other than Bharti AXA General Insurance Company Ltd.

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

Sr. no.	Regrouped from	Regrouped to	Period	Amount (in Rs. 000's)	Reason
1.	Schedule 13 – Current Liabilities – Employee Payable	Schedule 14 – Provision–Provision for Employee benefits	March 2021	234,594	Regrouped for better presentation and to conform with this period's presentation.

For and on behalf of the Board

RAKESH BHARTI MITTAL
Digitally signed by RAKESH BHARTI MITTAL
Date: 2021.05.02 15:19:14 +05'30'

RAKESH BHARTI MITTAL
(CHAIRMAN)
DIN- 00042494

SANJEEV SRINIVASAN
Digitally signed by SANJEEV SRINIVASAN
Date: 2021.05.02 11:08:40'30'

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

AMIT RAHEJA
Digitally signed by AMIT RAHEJA
Date: 2021.05.02 17:50:05 +05'30'

AMIT RAHEJA
(COMPANY SECRETARY)

RAJESH SUD
Digitally signed by RAJESH SUD
Date: 2021.05.02 12:48:48 +05'30'

RAJESH SUD
(DIRECTOR)
DIN- 02395182

KARNI SARHA
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Date: 2021.05.02 17:04:40'30'

KARNI SARHA
(CHIEF FINANCIAL OFFICER)

As per our report of even date

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

NIKHIL SINGHI
Digitally signed by NIKHIL SINGHI
Date: 2021.05.02 20:53:13 +05'30'

NIKHIL SINGHI
(Partner)
Membership No.061567

For M P Chitale & Co
Chartered Accountants

Murtaza Taher Vajih
Digitally signed by Murtaza Taher Vajih
DN: c=IN, o=Personal, title=1951, pseudonym=72ead1ab677404fa39a0e34a75328c2f69805c, 2.5.4.20=bfec15907b8d53458f580756ebf26613cd99f283ac5af2096e10b78f95895ca6, postalCode=400002, st=Maharashtra, serialNumber=95d1c7852006877b9fc2d5415b181d5c648e726db1ff202c826cba0735e27650, cn=Murtaza Taher Vajih
Date: 2021.05.02 22:25:02 +05'30'

MURTUZA VAJIHI
(Partner)

Bharti AXA General Insurance Company Limited

Annexure -1
SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2021

Rs '000'

Particulars	Fire	Marine			Miscellaneous													Total
		Cargo	Others	Total	Motor-OD	Motor-TP	Motor Total	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Miscellaneous Total	
Premium Earned (Net)	4,87,194	4,56,986	-	4,56,986	73,31,133	50,82,047	1,24,13,180	86,662	1,05,121	75,483	-	3,35,770	28,31,553	14,23,794	1,219	1,21,885	1,73,94,668	1,83,38,848
Profit on Sale of Investments	11,449	6,758	-	6,758	64,195	2,83,026	3,47,221	1,765	4,336	1,891	-	5,808	24,782	10,533	81	3,219	3,99,635	4,17,841
Interest and Dividend	86,035	50,778	-	50,778	4,82,384	21,26,755	26,09,139	13,259	32,581	14,207	-	43,641	1,86,221	79,149	607	24,190	30,02,995	31,39,808
Amortisation of Discount/(Premium)	(2,707)	(1,598)	-	(1,598)	(15,179)	(86,924)	(82,103)	(417)	(1,025)	(447)	-	(1,373)	(5,860)	(2,491)	(19)	(761)	(94,497)	(98,802)
Other Income (Including Terrorism pool income/expenses, Premium Deficiency & Contribution to Solatium Fund)	14,629	(6,394)	-	(6,394)	2,393	(3,956)	(1,563)	27	38	2,699	-	144	1,038	445	0	77	2,906	11,140
Contribution from Shareholders Funds under EOM Rules 2016	-	48,481	-	48,481	14,45,867	10,07,575	24,53,442	-	9	-	-	48,084	3,46,677	-	-	23,009	28,71,222	29,19,702
Total Segmental Revenue	5,96,600	5,55,011	-	5,55,011	93,10,793	84,28,823	1,77,39,316	1,01,296	1,41,060	93,833	-	4,32,073	33,84,412	15,11,431	1,889	1,71,619	2,35,76,929	2,47,28,538
Claims Incurred (Net)	4,25,560	3,79,823	-	3,79,823	43,16,008	36,62,546	79,78,554	70,674	1,23,923	30,463	-	1,15,053	19,55,327	3,91,012	3,158	1,21,850	1,07,90,012	1,15,95,395
Commission Paid (Net)	(77,489)	26,795	-	26,795	14,14,076	46,927	14,61,004	9,267	14,030	(20,011)	-	36,515	(90,791)	(6,09,119)	(1,099)	19,813	8,19,609	7,68,915
Operating Expenses related to Insur	3,27,585	1,82,007	-	1,82,007	32,34,890	22,54,146	54,89,836	36,436	61,574	33,835	-	1,82,713	12,72,117	3,88,732	369	1,27,461	75,92,074	81,01,666
Total Segmental Expenditure	6,75,656	5,88,625	-	5,88,625	89,64,774	59,63,620	1,49,28,394	1,16,378	1,99,627	44,287	-	3,34,281	31,36,653	1,70,624	2,427	2,69,123	1,92,01,698	2,04,65,976
Segmental Profit	(79,057)	(33,614)	-	(33,614)	3,46,018	24,64,904	28,10,923	(15,082)	(58,467)	49,547	-	97,791	2,47,759	13,40,807	(538)	(97,504)	43,75,234	42,62,558

Bharti AXA General Insurance Company Limited

Annexure -1
SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2021

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	Motor-OD	Motor-TP*	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather	Credit Insurance	Others	Misc Total	Total
		Cargo	Others	Total														
Outstanding Premium	-	-	-	-	-	-	-	-	-	-	-	-	-	70,00,198	-	-	70,00,198	70,00,198

																	Rs '000'	
Particulars	Fire	Marine			Motor	Motor-OD	Motor-TP*	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather	Credit Insurance	Others	Misc Total	Total
		Cargo	Others	Total														
Claims Outstanding	4,71,370	4,12,121	-	4,12,121	2,36,59,770	11,16,171	2,25,43,600	1,25,032	3,27,722	1,10,793	-	1,72,030	8,24,312	8,81,101	7,561	1,82,052	2,62,90,372	2,71,73,863
Reserve for Premium Deficiency	-	21,220	-	21,220	-	-	-	-	-	-	-	-	-	-	-	-	-	21,220
Reserve for Unexpired Risk	6,28,249	1,38,304	-	1,38,304	73,11,343	43,17,020	29,94,323	39,019	1,03,143	47,851	-	3,81,521	15,01,064	36,081	320	1,86,091	96,06,433	1,03,72,987

*Motor TP - Claims O/s includes Motor pool liability and Declined Pool liability

Bharti AXA General Insurance Company Limited

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

Rs '000'

Particulars	Fire	Marine			Miscellaneous					Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Miscellaneous Total	Total
		Cargo	Others	Total	Motor	OD	Motor	TP	Motor Total											
Premium Earned (Net)	2,86,476	5,31,973	-	5,31,973	74,04,955		51,02,298		1,25,07,253	77,742	1,68,290	76,917	-	2,55,153	29,28,255	13,98,107	1,945	64,371	1,74,78,123	1,82,96,571
Profit on Sale of Investments	12,302	7,575	-	7,575	83,233		3,69,401		4,42,634	2,050	4,533	2,673	-	5,569	29,033	13,247	79	2,397	5,02,216	5,22,093
Interest and Dividend	66,986	41,250	-	41,250	4,53,220		19,57,008		24,10,228	11,180	24,683	14,556	-	30,327	1,58,092	72,133	429	13,053	27,34,660	28,42,896
Amortisation	(874)	(538)	-	(538)	(5,914)		(25,538)		(31,452)	(146)	(322)	(190)	-	(396)	(2,063)	(941)	(6)	(170)	(35,685)	(37,098)
Other Income (Including Terrorism pool income/expenses, Premium Deficiency & Contribution to Solutium Fund)	38,302	(14,708)	-	(14,708)	1,725		(4,982)		(3,257)	17	37	1,905.23	-	90	624	299	0	21	(263)	23,330
Contribution from Shareholders Funds under EOM Rules 2016	-	39,272	-	39,272	11,15,322		7,71,781		18,87,103	-	-	-	-	-	2,46,870	-	-	-	21,33,973	21,73,245
Total Segmental Revenue	4,03,192	6,04,823	-	6,04,824	90,52,842		81,59,968		1,72,12,510	90,823	1,97,221	95,881	-	2,90,744	33,60,811	14,82,935	2,447	79,671	2,28,13,024	2,38,21,037
Claims Incurred (Net)	2,15,447	6,17,620	-	6,17,620	52,98,924		49,45,953		1,02,44,878	63,875	69,910	49,744	-	1,53,599	23,13,628	5,47,623	2,490	52,141	1,34,97,887	1,43,30,955
Commission Paid (Net)	(1,29,446)	57,272	-	57,272	15,25,535		(46,557)		14,78,978	8,892	8,798	(27,028)	-	22,614	(20,828)	(3,20,999)	(2,518)	4,152	11,52,063	10,79,889
Operating Expenses related to Insur	1,99,149	1,38,068	-	1,88,068	30,70,424		21,24,672		51,95,096	30,562	59,954	30,526	-	1,52,264	10,63,527	3,98,253	573	43,819	69,74,571	73,61,787
Total Segmental Expenditure	2,85,150	8,62,960	-	8,62,960	98,94,883		70,24,068		1,69,18,952	1,03,329	1,38,662	53,242	-	3,28,477	33,56,327	6,24,878	545	1,00,112	2,16,24,520	2,27,72,630
Segmental Profit	1,18,043	(2,58,136)	-	(2,58,136)	(8,42,341)		11,35,899		2,93,558	(12,506)	58,559	42,619	-	(37,732)	4,483	8,58,057	1,902	(20,440)	11,88,497	10,48,404

Bharti AXA General Insurance Company Limited

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

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

Assets

Particulars	Fire	Marine			Motor	Motor -OD	Motor -TP*	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather	Credit Insurance	Others	Misc Total	Total
		Cargo	Others	Total														
Outstanding Premium	-	-	-	-	1,097	-	1,097	-	-	-	-	-	416	39,87,158	-	-	39,88,671	39,88,671

Liabilities

Particulars	Fire	Marine			Motor	Motor -OD	Motor -TP*	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather	Credit Insurance	Others	Misc Total	Total
		Cargo	Others	Total														
Claims Outstanding	3,38,428	4,19,719	-	4,19,719	2,14,60,759	13,04,936	2,01,55,822	94,516	2,14,107	1,11,065	-	1,64,894	7,99,396	8,03,691	5,493	1,10,644	2,37,64,564	2,45,22,710
Reserve for Premium Deficiency	-	14,751	-	14,751	-	-	-	-	-	-	-	-	-	-	-	-	-	14,751
Reserve for Unexpired Risk	4,86,040	1,52,952	-	1,52,952	69,71,707	41,32,641	28,39,066	40,240	89,264	50,462	-	2,65,018	10,71,824	62,795	316	66,351	86,17,977	92,56,969

*Motor TP - Claims O/s includes Motor pool liability and Declined Pool liability

Annexure-II

Details of transaction with related parties for the period ended March 31, 2021 are given below:

(` in 000's)

Particulars	Period	Bharti General Ventures Private Limited (Formerly Known as Bharti General Private Limited)	Societe Beaujon	AXA SA	AXA Business Services Private Limited	Key managerial personnel	Total
		Holding Company	Significant Influence	Significant Influence	Significant Influence		
Premium income	Current Period	-	-	-	46,058	-	46,058
	Previous Period	-	-	-	46,083	-	46,083
Claim payments net of claims received	Current Period	-	-	-	34,517	-	34,517
	Previous Period	-	-	-	273	-	273
Remuneration Paid	Current Period	-	-	-	-	2,22,714	2,22,714
	Previous Period	-	-	-	-	34,108	34,108
Professional Charges	Current Period	-	-	-	-	-	-
	Previous Period	-	-	-	4,805	-	4,805
Communication Charges	Current Period	-	-	-	(1,876)	-	(1,876)
	Previous Period	-	-	-	1,112	-	1,112

Balances with related parties at March 31, 2021, are given below:

(` in 000's)

Particulars	Period	Bharti General Ventures Private Limited	Societe Beaujon	AXA SA	AXA Business Services Private Limited	Key managerial personnel	Total
		Holding Company	Significant Influence	Significant Influence	Significant Influence		
LIABILITIES							
Share Capital (Including Share Premium)	Current Period	1,14,97,025	1,07,82,472	-	-	-	2,22,79,497
	Previous Period	1,12,42,284	1,05,37,713	-	-	-	2,17,79,997
Others liabilities/ Payables	Current Period	-	-	-	6,816	1,98,781	2,05,598
	Previous Period	-	-	-	4,173	7,956	12,129

Annexure-III-A

Analytical Ratios as at March 31, 2021

Sr. No.	Particular	Total	Fire	Marine Cargo	Marine Others	Marine total	Motor Total	Motor OD	Motor TP	Workmen compensation	Public Product Liability	Engineering	Aviation	PA	Health	Crop / Weather Insurance	Credit Insurance	Others	Total miscellaneous	Basis of calculations
1	Gross Direct Premium Growth Rate	1%	46%	-8%	-	-8%	-8%	-7%	-9%	3%	18%	17%	-	6%	12%	-3%	-26%	64%		(GDP/ current year- GDP/ previous year)/ GDP/ previous year
2	Gross Direct Premium to Net Worth Ratio	3.80																		GDP/ Net worth
3	Growth rate of Net Worth	26%																		(Net worth current year- Net worth previous year) / Net worth
4	Net Retention Ratio	61%	18%	58%	-	58%	93%	93%	93%	84%	29%	17%	-	94%	80%	17%	6%	62%	67%	NWP / (GDP + Ret accepted)
5	Net Commission Ratio	4%	-12%	6%	-	6%	11%	19%	1%	11%	12%	-27%	-	8%	-3%	44%	-90%	8%	4%	Net commission / NWP
6	Expense of Management to Gross Direct Premium Ratio	33%	18%	35%	-	35%	51%	58%	41%	46%	24%	16%	-	46%	40%	5%	17%	42%	35%	Expenses of management/ GDP
7	Expense of Management to Net Written Premium Ratio	54%	92%	59%	-	59%	55%	63%	44%	54%	81%	88%	-	49%	51%	28%	272%	69%	53%	Expenses of management/ NWP
8	Net Incurred Claims to Net Earned Premium	63%	87%	83%	-	83%	64%	59%	72%	82%	118%	40%	-	34%	69%	27%	259%	100%	62%	Net Incurred Claims / Net Earned Premium
9	Combined Ratio	109%																		((Net Incurred Claims / Net Earned Premium) + ((Net Commission + Operating Expenses) /NWP))
10	Technical Reserves to Net Premium Ratio	1.93																		(Reserve for Unexpired Risk + Reserve for premium deficiency)
11	Underwriting balance Ratio	(0.12)	(0.39)	(0.29)																(0.10)
12	Operating Profit Ratio	7%																		(Underwriting profit/loss) / Net Earned Premium
13	Liquid Assets to liabilities Ratio	0.25																		(Underwriting profit/loss + Investment Income) / Net Earned Premium
14	Net earnings Ratio	6%																		Liquid Assets/ Policyholders liabilities
15	Return on Net Worth Ratio	14.5%																		Profit after tax/ Net Written premium
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	1.59																		Profit after tax/ Net Worth
17	NPA Ratio																			
	Gross NPA Ratio	3.46%																		
	Net NPA Ratio	1.05%																		

Notes :

Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013

1. GDP = Premium from direct business written, NWP = Net written premium
2. Shareholders' funds/ Net worth = (Share capital + Reserve & Surplus) - (Miscellaneous expenditure - Debt balance in profit & loss account)
3. Expenses of management = Commission paid-direct + Operation expenses related to insurance business
4. Liquid asset= Short term investments + Cash and bank balances
5. Policyholders liabilities = Claim outstanding (to be discharged in 12 months) + Reserve for unexpired risk + Reserve for premium deficiency
6. Underwriting profit/ (loss) = Net premium earned - Net claims incurred - Net commission - Operating expense

Annexure-III-A
Analytical Ratios as at March 31, 2020

Sr. No.	Particular	Total	Fire	Marine Cargo	Marine Others	Marine total	Motor Total	Motor OD	Motor TP	Workmen compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Crop / Weather Insurance	Credit Insurance	Others	Total miscellaneous	Basis of calculations
1	Gross Direct Premium Growth Rate	39%	80%	57%	0%	57%	30%	28%	33%	8%	8%	11%	0%	108%	17%	59%	-7%	95%	36%	(GDP current year- GDP previous year/ GDP previous year)
2	Gross Direct Premium to Net Worth Ratio	4.74																		GDP/ Net worth
3	Growth rate of Net Worth	27%																		(Net worth current year- Net worth previous year) / Net worth previous year
4	Net Rejection Ratio	63%	18%	67%	0%	67%	93%	94%	92%	80%	51%	21%	0%	94%	81%	17%	7%	42%	67%	(GDP + RI accepted)
5	Net Commission Ratio	5%	-31%	10%	0%	10%	11%	19%	-1%	11%	5%	-36%	0%	5%	-1%	-23%	-133%	4%	6%	Net commission / NWP
6	Expense of Management to Gross Direct Premium Ratio	31%	16%	33%	0%	33%	46%	54%	35%	41%	26%	16%	0%	39%	39%	5%	13%	28%	32%	Expenses of management/ GDP
7	Expense of Management to Net Written Premium Ratio	48%	85%	49%	0%	49%	49%	57%	38%	51%	49%	71%	0%	42%	48%	28%	193%	65%	48%	Expenses of management/ NWP
8	Net Incurred Claims to Net Earned Premium	78%	75%	116%	0%	116%	82%	72%	97%	82%	42%	65%	0%	60%	79%	39%	128%	81%	77%	Net Incurred Claims / Net Earned Premium
9	Combined Ratio	120%																		(Net Incurred Claims / Net Earned Premium) + (Net Commission + Operating Expenses) /NWP
10	Technical Reserves to Net Premium Ratio	1.69																		(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER) /NWP
11	Underwriting balance Ratio	(0.24)	0.00	(0.62)																(0.24) Underwriting profit/loss / Net Earned Premium
12	Operating Profit Ratio	-6%																		(Underwriting profit/loss + Investment income) / Net Earned Premium
13	Liquid Assets to liabilities Ratio	0.25																		Liquid Assets/ Policyholders liabilities
14	Net earnings Ratio	-12%																		Profit after tax/ Net Written Premium
15	Return on Net Worth Ratio	-37%																		Profit after tax/ Net Worth
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	1.63																		
17	NPA Ratio																			
	Gross NPA Ratio	5.79%																		
	Net NPA Ratio	2.30%																		

Notes :

- Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013
1. GDP = Premium from direct business written, NWP = Net written premium
 2. Shareholders' funds/ Net worth = (Share capital + Reserve + Surplus) - (Miscellaneous expenditure - Debt balance in profit & loss account)
 3. Expenses of management = Commission paid-direct + Operation expenses related to insurance business
 4. Liquid asset= Short term investments + Cash and bank balances
 5. Policyholders liabilities = Claim outstanding + Reserve for unexpired risk + Reserve for premium deficiency
 6. Underwriting profit/ (loss) = Net premium earned - Net claims incurred - Net commission - Operating expense
 7. Gross NPA= (Book Value of NPA)/Total Book value of Investments
Book value of NPA includes Investments realization receivable shown in Schedule 12 of Balance Sheet
 8. Net NPA= (Book Value of NPA - Provision for diminution in value of Investments)/Total Book value of Investments
Book value of NPA includes Investments realization receivable shown in Schedule 12 of Balance Sheet

Annexure - IV Summary of Financial Statements

S.No	Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
		(Rs 000's)	(Rs 000's)	(Rs 000's)	(Rs 000's)	(Rs 000's)
OPERATING RESULTS						
1	Gross Written Premium (1)	3,18,33,558	3,15,73,788	2,28,49,148	1,77,16,892	1,32,59,600
2	Net Premium Income	1,94,54,865	2,00,41,148	1,51,63,823	1,26,83,282	1,16,53,019
3	Income from Investments (net)	34,81,506	33,45,291	25,28,504	22,65,162	25,04,448
4	Other Income	6,033	4,097	17,824	5,714	9,089
5	Total Income	2,29,42,404	2,33,90,536	1,77,10,151	1,49,54,158	1,41,66,556
6	Commission (net)	7,68,912	10,79,887	5,34,483	6,14,439	3,81,344
7	Operating Expenses (3)	51,81,967	51,88,550	39,00,081	36,33,401	39,47,521
8	Claims, Increase in Unexpired Risk Reserve and other outflows	1,27,28,968	1,60,73,695	1,19,56,973	1,06,35,994	1,00,99,548
9	Operating Profit/(Loss)	42,62,557	10,48,404	13,18,614	70,324	(2,61,857)
NON- OPERATING RESULTS						
10	Total Income under shareholders account	(30,59,690)	(34,84,675)	(12,88,195)	(9,96,624)	(10,24,478)
11	Profit/(Loss) before tax	12,02,869	(24,36,271)	30,419	(9,26,300)	(12,86,335)
12	Provision for tax	-	-	-	-	-
13	Profit/(Loss) after tax	12,02,869	(24,36,271)	30,419	(9,26,300)	(12,86,335)
MISCELLANEOUS						
14	Policyholder's Account (2)					
	Total Funds	4,30,02,616	4,09,33,625	3,33,19,105	2,67,49,763	2,86,85,792
	Total Investments	4,63,06,075	4,09,33,625	3,33,19,105	2,67,49,763	2,86,85,792
	Yield on Investments	7.46%	7.98%	7.65%	8.64%	8.49%
15	Shareholder's Account (2)					
	Total Funds	83,19,614	66,17,244	52,08,156	51,77,737	61,04,035
	Total Investments	89,58,366	67,19,025	55,23,363	53,64,723	36,073
	Yield on Investments	7.46%	7.98%	7.65%	6.31%	3.53%
16	Paid up equity capital	2,05,59,812	2,00,59,812	1,62,14,453	1,62,14,453	1,62,14,453
17	Net worth	83,19,614	66,17,244	52,08,156	51,77,737	61,04,036
18	Total Assets	6,62,20,673	5,80,33,072	4,63,44,110	3,87,66,987	3,18,52,528
19	Yield on Total Investments	7.46%	7.98%	7.65%	8.63%	8.57%
20	Earnings Per Share - (INR Rs)	0.59	(1.40)	0.02	(0.57)	(0.80)
21	Book Value Per Share - (INR Rs)	4.05	3.30	3.21	3.19	3.76
22	Total Dividend	-	-	-	-	-
23	Dividend per Share	-	-	-	-	-

Note:

- 1 Gross Written Premium includes Re Insurance Inwards premium and Motor Pool & Terrorism Pool Premium
- 2 Policyholder's fund and Shareholders fund are calculated as per circular IRDA/F&A/CIR/CPM/056/03/2016 dated 4th April 2016
- 3 Operating Expenses are reported net of Expenses of Management transferred from revenue account to profit and loss account under EOM Rules, 2016