



**20<sup>TH</sup>  
ANNUAL  
REPORT**  
For the year 2019-20



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## BOARD OF DIRECTORS



**Mr. K. Srinivasa Gowda**  
Chairman



**Mr. Noboru Yamagata**  
Vice Chairman



**Mr. Balwinder Singh Nakai**  
Director



**Dr. U.S. Awasthi**  
Director



**Mr. Rakesh Kapur**  
Director



**Dr. P.S. Gahlaut**  
Director



**Mrs. Mira Mehrishi**  
Independent Director



**Mr. Sudhakar Rao**  
Independent Director



**Mr. Amar Sinha**  
Independent Director



**Mr. Chisato Kojima**  
Director



**Mr. Shinjiro Hamada**  
Director



**Mr. Allen Po Hsu Juang**  
Director



**Mrs. Anamika Roy Rashtrawar**  
Managing Director & CEO



**Mr. Mitsutaka Sato**  
Director (Operations)





## MANAGEMENT TEAM ||



**Mrs. Anamika Roy Rastrawar**  
Managing Director & CEO



**Mr. Mitsutaka Sato**  
Director (Operations)



**Mr. H.O. Suri**  
Financial Advisor



**Mr. Sanjeev Chopra**  
Executive Director & CFO



**Mr. Ramesh Kumar**  
Executive Director



**Mrs. Seema Gaur**  
Executive Director



**Mr. Abhay Kumar**  
Executive Director



**Mr. Sanjay Seth**  
Executive Vice President



**Mr. Sumesh Mahendra**  
Executive Vice President



**Mr. V. Rajaraman**  
Executive Vice President

# MANAGEMENT TEAM



**Mr. Abhijeet Chatterjee**  
Executive Vice President



**Mr. Gunashekhar Boga**  
Executive Vice President



**Mr. Subrata Mondal**  
Executive Vice President



**Mr. Rajeev Chawdhary**  
Executive Vice President



**Mr. Deepak Prinjha**  
Executive Vice President



**Mr. N. Neelakantan**  
Executive Vice President



**Mr. Manabu Hirama**  
Executive Vice President



**Mr. P.R. Venugopal**  
Executive Vice President



**Mr. Amit Jain**  
Vice President & Company Secretary



**Mrs. Isha Khara**  
Vice President &  
Appointed Actuary



**Mr. Abhishek Sharma**  
Vice President &  
Chief Investment Officer



## **NOTICE OF THE TWENTIETH ANNUAL GENERAL MEETING**

### **TO THE MEMBERS**

NOTICE is hereby given that the **TWENTIETH ANNUAL GENERAL MEETING** of the Members of **IFFCO-TOKIO General Insurance Company Limited** will be held on Monday, the 20<sup>th</sup> July, 2020 at 11 AM IST at its **Registered Office at IFFCO Sadan, C-1, District Centre, Saket, New Delhi -110017 through Video Conferencing (“VC”) / other Audio Visual Means (“OAVM”)** to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements and Consolidated Financial Statements of the Company as at 31<sup>st</sup> March, 2020 together with Auditor’s Report thereon and the Report of the Board of Directors to the Members.
2. To appoint Director in place of Dr. U.S. Awasthi (DIN No. 00026019) who retires by rotation and is eligible for reappointment.
3. To appoint Director in place of Mr. Rakesh Kapur (DIN No. 00007230) who retires by rotation and is eligible for reappointment.
4. To appoint Director in place of Mr. Shinjiro Hamada (DIN No. 07855559) who retires by rotation and is eligible for reappointment.

### **Registered Office**

IFFCO Sadan,  
C-1, District Centre, Saket,  
New Delhi - 110017  
Dated: 25<sup>th</sup> June, 2020

By Order of the Board,

**(AMIT JAIN)**  
Company Secretary

**NOTES:**

1. In view of the continuing COVID -19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its Circular dated 5<sup>th</sup> May, 2020 read with Circulars dated 8<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020 permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at this AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since this AGM is pursuant to the MCA Circulars through VC / OAVM, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and the Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and 113 of the Act, representatives of the Members may be appointed for the purpose of voting or for participation in the Meeting held through VC or OAVM. The Board or Governing body resolution / Authorization etc. authorizing its representative to attend the AGM through VC / OAVM on its behalf can be sent to Mr. Amit Jain at his mail id [amit.jain@iffcotokio.co.in](mailto:amit.jain@iffcotokio.co.in)
3. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 containing all the relevant annexures is being sent through electronic mode to all the Members at the email ids registered with the Company.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Though the Meeting is conducted through Video Conferencing (“VC”) / OAVM, in terms of Clarification issued by the Institute of Company Secretaries of India (ICSI), on 15<sup>th</sup> April, 2020 the proceedings of AGM shall be deemed to be made at Registered Office.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this notice.
7. Instructions of joining the AGM are as follows:
  - Members will be able to attend the AGM through VC / OAVM for which the link will be circulated separately through email.
  - Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the Meeting and shall not be closed till the expiry of 15 minutes after the scheduled time.
  - Keep all your other Electronic devices on mute/ silent/ switched off mode so as to avoid interference of any type.
  - All the participants will be Muted at the start of the Meeting. You may switch on your Cameras.
  - Roll Call will be done soon after, Members can raise their hands to confirm their participation.
  - After the Meeting has started, Members are expected to raise their hands if they wish to say something. The speaker would be unmuted.
  - After each Agenda Item, Chairman would speak to conclude the point.

Participants / Members who need any assistance before or during the AGM, can contact Mr. Amit Jain, Vice President and Company Secretary at +91 9810735897. In case of poll, members can cast their vote by sending email at [amit.jain@iffcotokio.co.in](mailto:amit.jain@iffcotokio.co.in).



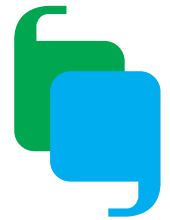
## "Digital Transformer for India and Omni-Experience Innovator for India Awards"

at the IDC DX Awards, 2019





# DIRECTORS' REPORT



## Honourable Members,

Your Directors have the pleasure to present the Twentieth Annual Report and Audited Financial Statements of the Company for the Financial Year 2019-20.

The Key Performance Indicators of the Company for the fiscal of 19-20 is highlighted below:

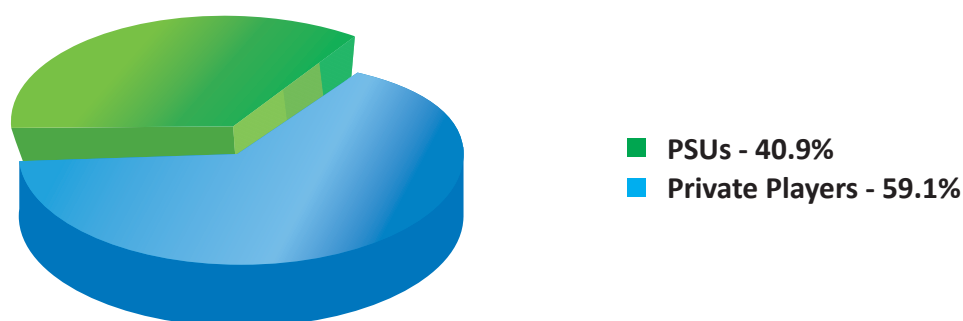
S. No.	Particulars	2018-19	2019-20	Growth %
1.	Gross Written Premium (In ₹ crores)	7070	8070	14%
2.	Profit Before Tax (In ₹ crores)	235	268	14%
3.	No. of Policies Issued (No. in lakhs)	68.0	78.5	15%
4.	No. of Claims Settled (No. in lakhs)	8.0	10.1	26%

Amidst the economic slow down, the teams performed exceedingly well to continue being one of the major insurance companies in the country, contributing significantly to GWP of the industry.

The general insurance industry has been growing consistently over the last few years. In FY 19-20 the industry has generated ₹ 1,89,302 Crores of premium registering a growth of 11.7%. Motor, Crop and Health insurance continue to be the three major lines of business of the industry.

However, penetration of the general insurance industry being less than 1% of GDP, there is hope that better times are ahead of us. The COVID-19 pandemic has made many people think about buying health insurance and this portfolio will continue to see growth in the coming years. Various reports from leading industry watchers indicate that health will be the largest line of business shortly in the Indian General Insurance Industry.

### Market Share of Private Players



### IFFCO-TOKIO Share Among Private Insurers



## FINANCIAL PERFORMANCE:

The Company has achieved a GWP of ₹ 8070 Crores in 19-20, which is an increase of ₹ 1000 Crores of premium over 18-19. There is a significant increase in the net premium from ₹ 4188 Crores in 18-19 to ₹ 4741 Crores in 19-20.

The Profit Before Tax (PBT) for the year is ₹ **268 Crores** as compared to ₹ **235 Crores** of PBT earned in the previous year and the Profit After Tax (PAT) for the year is ₹ **205 Crores** against ₹ **179 Crores** in the previous financial year. There is an increase of ₹ 26 Crores of PAT in 19-20 as compared to last year.

The highlights of the financial performance of the Company are summarized as under:

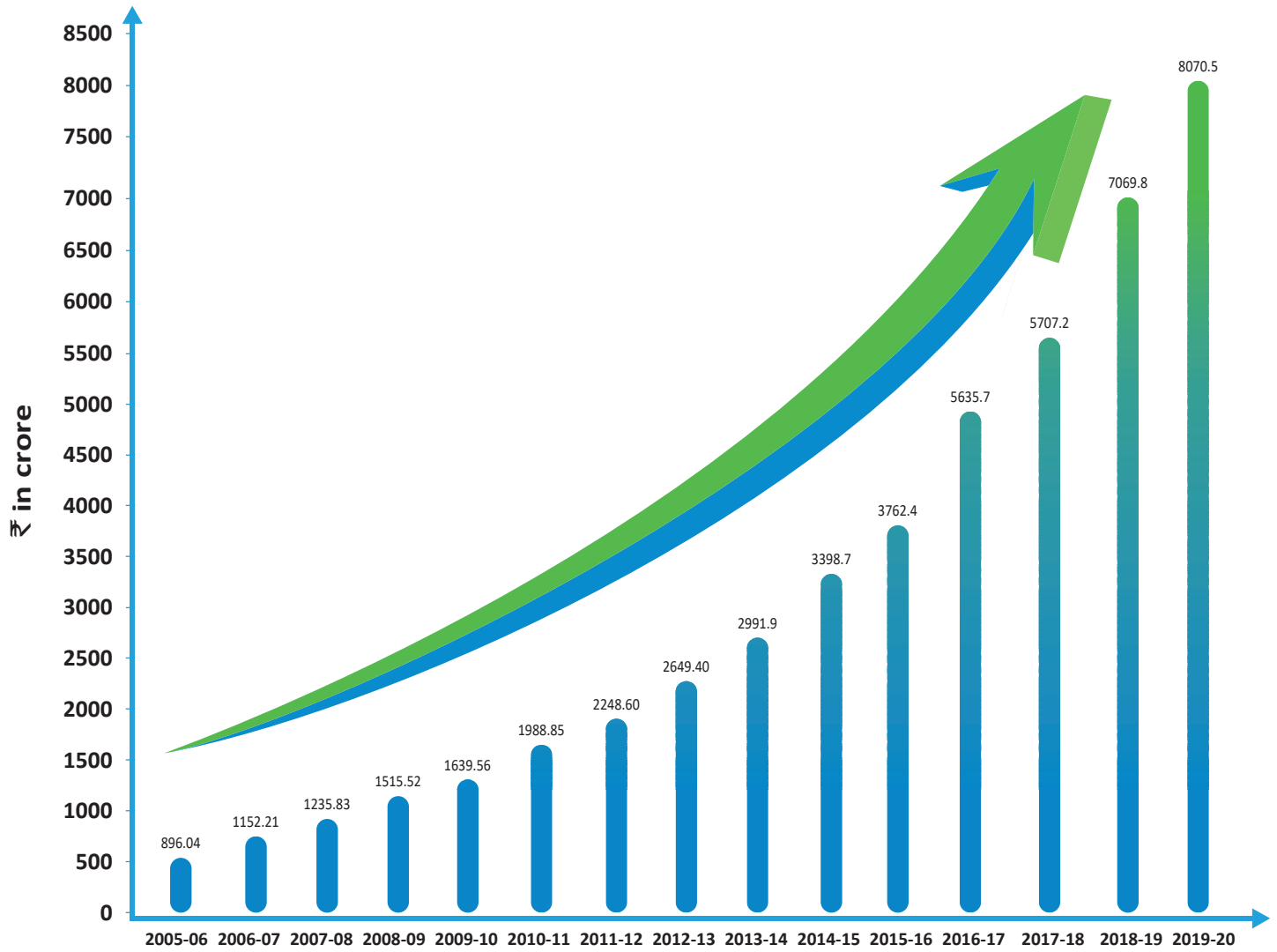
(₹ in Crore)

Particulars	2019-20	2018-19
Gross Written Premium	8,070	7,070
Less: Reinsurance Premium	3,329	2,882
Net Premium	4,741	4,188
Less: Adjustment for changes in Reserve for Unexpired Risk	116	158
<b>Earned Premium (A)</b>	<b>4,625</b>	<b>4,030</b>
Net Commission Expense/(Income)	165	214
Net Incurred Claims	4,099	3,558
Expenses of Management	744	557
Other Underwriting Expense/(Income)	1	(0)
<b>Total Underwriting Expenses (B)</b>	<b>5,009</b>	<b>4,329</b>
<b>Underwriting Profit/(Loss) (A) – (B)</b>	<b>(384)</b>	<b>(299)</b>
Investment Income allocated to Revenue Accounts	539	439
<b>Operating Profit/(Loss)</b>	<b>155</b>	<b>140</b>
Investment Income allocated to P & L A/C	174	138
Provision towards Investment Exposure	(45)	(40)
Others Income/(Expense)	(16)	(3)
<b>Profit/(Loss) before Tax</b>	<b>268</b>	<b>235</b>

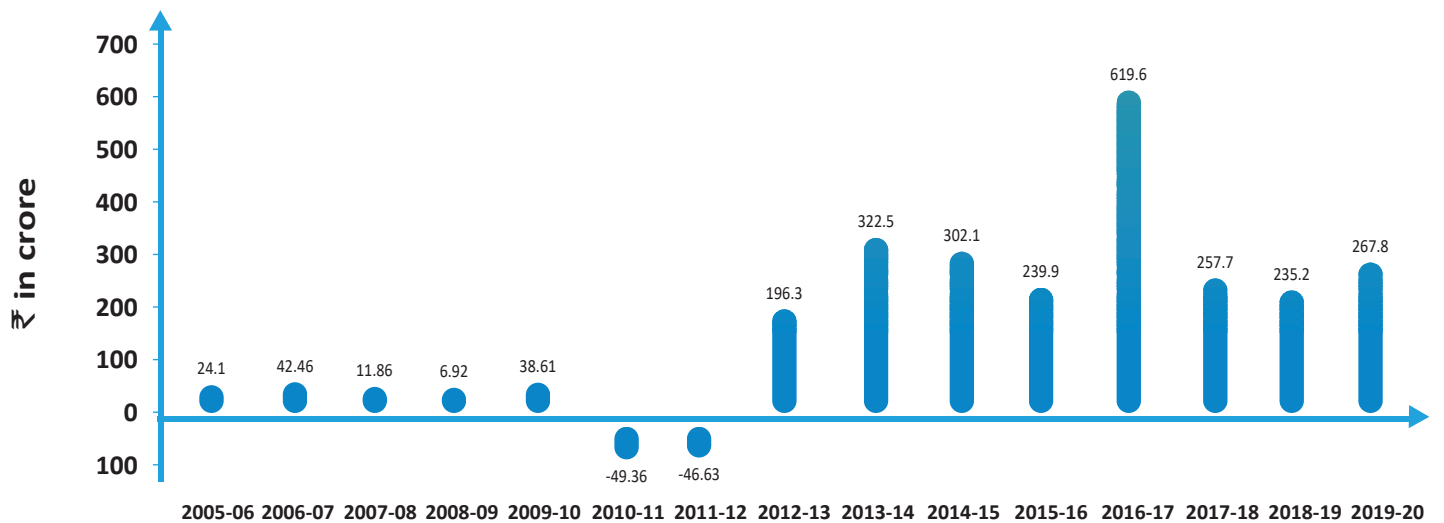
The Company has further provided an amount of ₹ **40 Crores** towards diminution in value of IL&FS investments and ₹ **5 Crores** towards diminution in value of DHFL investments during the year 2019-20. The total provision on IL&FS investments is ₹ **80 Crores** and DHFL Investment is ₹ **5 Crores** as on 31<sup>st</sup> March, 2020.



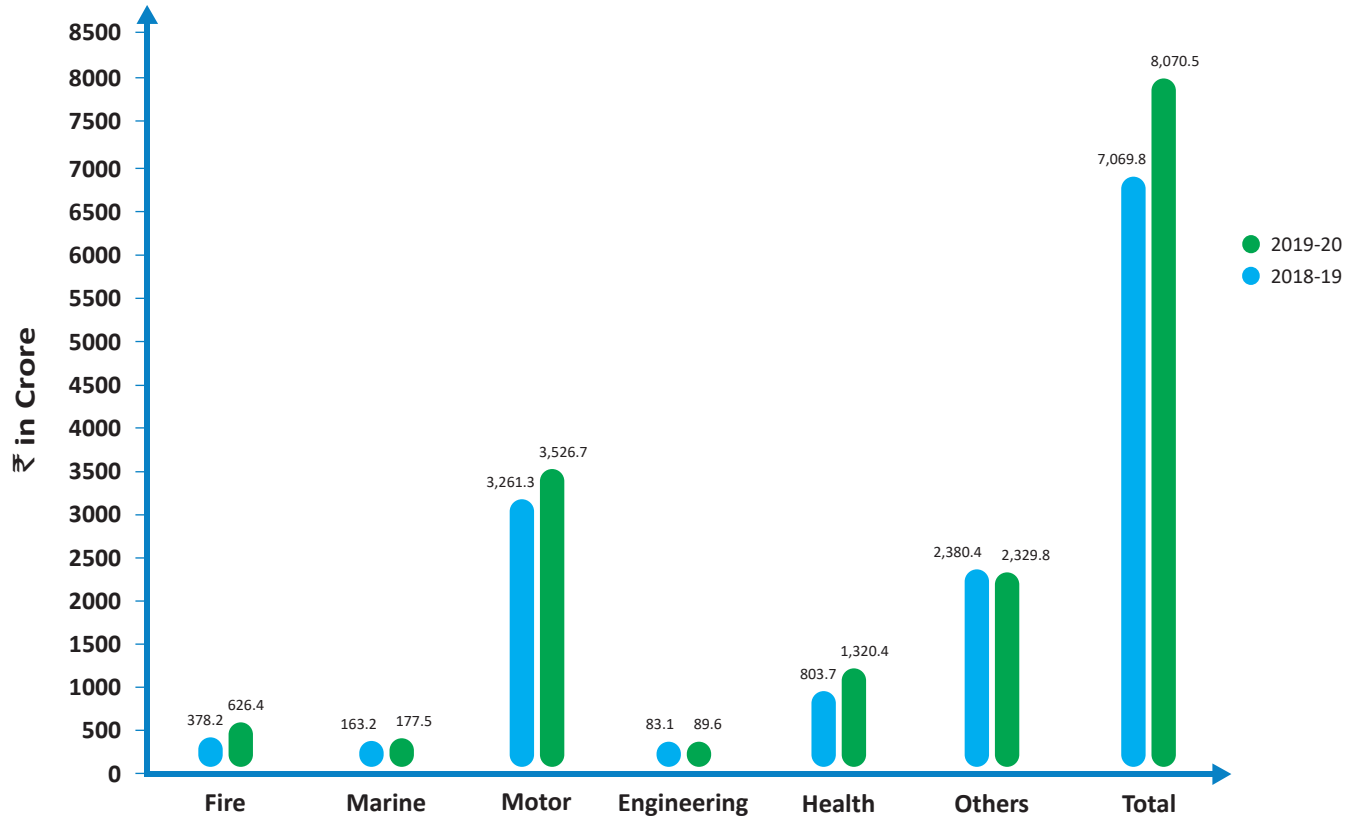
## Gross Written Premium (GWP)



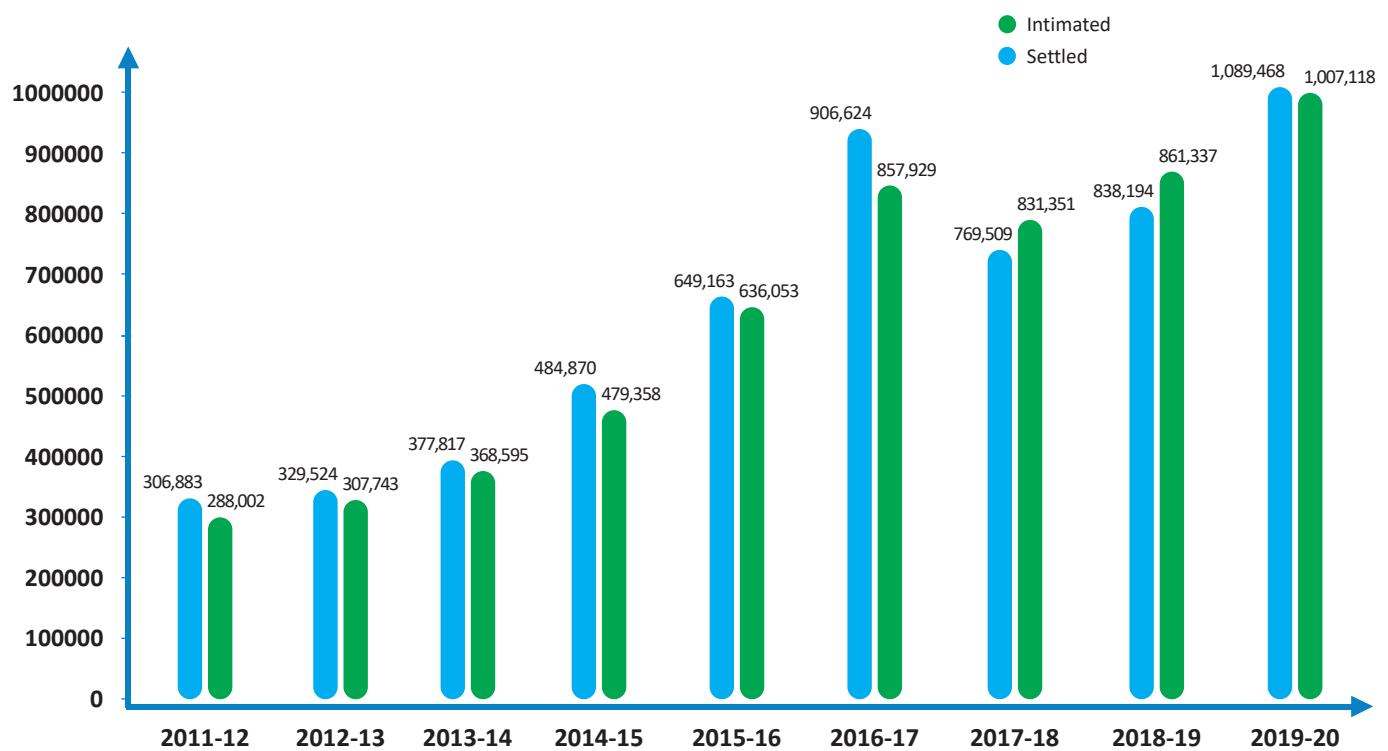
## Profit Before Tax (PBT) Performance



### Class-wise GWP Breakup



### Number of Claims Intimated & Settled



## **SOLVENCY AND SHAREHOLDERS FUND:**

The Solvency ratio of the Company as on 31<sup>st</sup> March, 2020 was 1.58 as against regulatory requirement of 1.50.

The Shareholder's Fund as on 31<sup>st</sup> March, 2020 was ₹ **2458.25 Crores** as compared to ₹ **2253.56 Crores** as on 31<sup>st</sup> March, 2019. The Shareholder's Fund has increased by ₹ 204.69 Crores at the end of 2019 - 2020 as compared to the fund status as on 31<sup>st</sup> March, 2019.

## **DIVIDEND:**

Board of Directors proposed to retain the generated profit of ₹ 205 Crores in the Company to meet the capital requirements for the future business growth and hence have not proposed any dividend for the financial year 2019-20.

## **INVESTMENTS AND INVESTMENT INCOME:**

The total investment portfolio of the Company as on 31<sup>st</sup> March, 2020 increased to ₹ **9677.52 Crores** as compared to ₹ **8909.58 Crores** as on 31<sup>st</sup> March, 2019. The distribution of investments of the Company complied with the limits prescribed in IRDAI Investment Regulations and the approved investment policy of the Company. The investment portfolio of the Company was regularly monitored in line with the duration of liabilities through Assets Liability Management Policy to ensure the availability of funds at all times for settlement of obligations towards policyholders.

The investment income of the Company for the year under review was ₹ **712.55 Crores** with an average investment yield of **7.42%** as against ₹ **577.36 Crores** with a yield of **7.27%** in the previous year. The average yield increased by 0.15% in 19-20 as compared to 18-19.

## **IFFCO-TOKIO INSURANCE SERVICES LIMITED - A WHOLLY OWNED SUBSIDIARY:**

As required under Section 129 (3) of the Companies Act, 2013, a separate Statement in prescribed form AOC-1 containing the salient features of the Financial Statements of IFFCO-TOKIO Insurance Services Ltd., a Wholly Owned Subsidiary of the Company, is enclosed as Annexure to the Financial Statements of the Company.

## **HUMAN RESOURCE DEVELOPMENT:**

We have a great team of employees who have consistently delivered the KPIs. In FY 19-20, our focus

was on training and developing our employees through the Online and Offline medium. With enhanced knowledge and skills, productivity per employee has also increased.

## **INFORMATION TECHNOLOGY:**

The use of technology has gained momentum over the years in the insurance industry. We are now at the forefront of digital innovation in the general insurance business. In 19-20, we have initiated many technological enhancements in our business processes and have embarked on a journey to replace our core systems with a more modern system. With a robust digital infrastructure in place, we are able to manage most of our activities like claim settlements, policy issuance, payments - remotely and efficiently.

## **AWARDS AND RECOGNITIONS**

Your Company was honoured with several awards in recognition of the Company's various initiatives. Some of the prestigious awards won in various categories are as per the details below:

1. "Emerging Asia Business" Award by Indian Chamber of Commerce, Kolkata.
2. "Product Innovator of the Year, 2018" Award for our Bank Locker Protector Policy at the 4<sup>th</sup> Annual Insurance India Summit and Awards 2019.
3. 2019 Digital Transformer for India and 2019 Omni Experience Innovator for India Award in the Ecosystem Engagement Category at the 3<sup>rd</sup> Annual IDC Digital Transformation Awards.
4. P&C Insurer of the Year, 2019 in India by Insurance Asia News Awards for Excellence.
5. Digital Insurer of the Year, 2019 in India by Insurance Asia News Awards for Excellence.
6. BFSI Digital Innovation Award by Express Computers, Indian Express Group.

## **BUSINESS PLAN:**

In line with the performance of the Company in 19-20 and taking into account the economic projections, the Company aims to grow by 11% by achieving a Gross Written Premium of ₹ **9000 Crores** in 20-21. The business plan is focused on identifying the right mix of customer segments who need insurance and can afford to buy insurance. It will also be the Company's endeavor to strengthen the business development in tier 2, 3 cities.

#### **EXTRACTS OF ANNUAL RETURN:**

Pursuant to the Provisions of Section 92(3) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in the prescribed Form **MGT 9** is available on the Company's website at [https://www.iffcotokio.co.in/content/dam/iffcoto\\_kio/iffco-pdf/sites/default/files/extract-of-annual-return-form-MGT-9-2020.pdf](https://www.iffcotokio.co.in/content/dam/iffcoto_kio/iffco-pdf/sites/default/files/extract-of-annual-return-form-MGT-9-2020.pdf)

#### **CORPORATE GOVERNANCE:**

Your Company believes that good Corporate Governance strikes a balance between social and commercial goals. It instils essential vision and structures to make decisions that ensure long term sustainability. Your Company has endeavoured to adopt systems and procedures which would strengthen good corporate governance, transparency, accountability and full disclosure of information to its shareholders and other stakeholders.

The Guidelines on Corporate Governance issued by IRDAI for the Insurance sector were implemented by the Company in letter and spirit. IRDAI has outlined in general terms, corporate governance responsibilities of the Board in the management of the insurance functions under various Regulations notified by it covering different operational areas. IRDAI has also issued comprehensive Corporate Governance Guidelines for adoption by the insurer. In light of the changes brought in by Companies Act, 2013 and amendments thereto, your Company has also streamlined its structure, responsibilities and functions of Board of Directors and Management in accordance with the revised guidelines. The Code of Business Conduct and Ethics for Board Members and Senior Management, Whistle Blower Policy, Constitution of Risk Management Committee, Policy Holders Protection Committee, Investment Committee and Audit Committee, Nomination & Remuneration Committee, CSR Committee, Appointment of Independent Directors and conduct of meetings of Board of Directors and its Committees etc., are fully implemented by the Company.

A Report on Corporate Governance pursuant to IRDAI Guidelines is placed at **Annexure 'A.'**

#### **ENTERPRISE RISK MANAGEMENT AND RISK MANAGEMENT POLICY:**

Your Company has a comprehensive Risk Management Policy & Framework in place to ensure that all the material risk(s) that may affect the Company are identified, assessed, and monitored periodically and the same are reported to the Management in structured manner. In addition to normal Enterprise

Risks, your Company, being in general insurance industry, is exposed to various other risks including the risk of loss due to inadequate pricing, reserving or inadequate reinsurance protection. The revised Corporate Governance Guidelines has widened the scope and responsibilities of the Risk Management Committee and to effectively mitigate these risks, the Company has laid down the following controls and mitigation measures:

- Risks are underwritten based on underwriting guidelines after thorough analysis to enable that the proper price is charged from the proposer.
- The Reinsurance program is designed to ensure optimal protection from financially sound reinsurers.
- Risk Management Committee comprising of Chief Risk Officer and other Senior Executives of the Company meet regularly to identify and assess various Business and other Enterprise risks as well as to suggest and monitor the mitigation measures taken up by the Management.
- The Risk Management Committee also continuously reviews the investments, reinsurance securities, loss reserving and solvency ratio to ensure financial stability of the Company. Gap analysis is conducted with reference to practices being followed globally to identify areas of updation and improvement.
- Business Continuity Plan is being reviewed from time to time and mock drills for measuring the effectiveness of the same are being conducted regularly.
- Formulated a Fraud Monitoring Policy for effective deterrence, prevention, detection and mitigation of frauds.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

During the year, the Internal Audit Team of your Company had assured adequacy and effectiveness of controls encompassing your Company's governance, operations and information systems. The Internal Audit Team executed internal audit plan and periodically reported Internal Audit findings to the Audit Committee of the Board.

#### **SECRETARIAL STANDARDS:**

During the year 2019-20, the Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India for Board and General Meetings.



## **BOARD OF DIRECTORS:**

### **Meetings:**

During the year 2019-20, five meetings of Board of Directors of the Company were held on 29<sup>th</sup> April, 2019, 11<sup>th</sup> July, 2019, 9<sup>th</sup> October, 2019, 22<sup>nd</sup> January, 2020 and 11<sup>th</sup> March, 2020, respectively.

### **Changes in the Composition of the Board:**

During the year 2019-20, due to change in nomination from M/s Tokio Marine, its nominee Mr. Akira Harashima, Vice Chairman & Non-Executive Director resigned from the directorship of the Company with effect from 10<sup>th</sup> July, 2019 and Mr. Noboru Yamagata was appointed as Vice Chairman and Tokio Marine Nominee Non-Executive Director of the Company, with effect from 11<sup>th</sup> July, 2019.

During the year, Mr. Warendra Sinha, MD & CEO of the Company, completed his tenure as MD & CEO of the Company on 27<sup>th</sup> March, 2020 (AN) and Mrs. Anamika Roy Rashtrawar was appointed as MD & CEO of the Company w.e.f 27<sup>th</sup> March, 2020 (AN).

During the year, consequent to change in nomination from M/s Tokio Marine, its nominee Mr. Jun Matsui resigned from the position of Director (Operations) / Whole Time Director of the Company with effect from 31<sup>st</sup> March, 2020 and Mr. Mitsutaka Sato has been appointed as Director (Operations) / Whole Time Director of the Company for the period of three years with effect from 1<sup>st</sup> April, 2020.

Your Directors place on record their appreciation for the valuable services rendered by Mr. Akira Harashima, Mr. Warendra Sinha and Mr. Jun Matsui during their tenure as Directors of the Company.

### **Changes in Key Management Persons (KMPs)**

During the year, the Company has appointed and designated various Key Management Persons of the Company including Whole Time Director, MD & CEO/ and the functional heads one level below the MD & CEO.

Mrs. Seema Gaur, Executive Vice President and Head (IT) has been elevated to the position of Executive Director (IT). Her office is one level below the Board of Directors and has been designated as deemed KMP of the Company with effect from 1<sup>st</sup> September, 2019 and the Authority has been intimated about the same. Similarly, Mr. Abhay Kumar, ED (Retail Marketing) and Mr. V. Rajaraman, EVP (Institutional & Govt. Business) have also been recognized as KMP, being one level below the Board.

Mr. Vaibhav Tyagi, Appointed Actuary and KMP of the Company, has resigned and was relieved from the services of the Company with effect from 31<sup>st</sup> January, 2020. Mrs. Isha Khera was appointed as an Appointed Actuary / KMP of the Company and took charge of her responsibilities with effect from 16<sup>th</sup> March, 2020.

Consequent to the appointment of Mr. Mitsutaka Sato as Director (Operations) / Whole Time Director of the Company with effect from 1<sup>st</sup> April, 2020, Mr. Kenji Ino, Tokio Marine Nominee, has been appointed as Chief Risk Officer/ KMP of the Company with effect from 1<sup>st</sup> April, 2020.

### **Declaration by the Directors:**

Your Company has received declarations from all the Directors confirming that they are not disqualified from being appointed as directors under the provisions of Section 164 of the Companies Act, 2013 and they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Your Company has also received declarations from all the Independent Directors confirming that their names have been included in the data bank maintained by the Indian Institute of Corporate Affairs in compliance of sub rule (1) and (2) of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014. All Directors of the Company have submitted their KYC on MCA portal as required under Rule 12A of The Companies (Appointment and Qualification of Directors) Rule, 2014 for the FY 2019-20.

### **Retirement by Rotation:**

In accordance with the provisions contained in Articles 102, 103 and 104 of the Articles of Association of your Company and applicable relevant provisions of the Companies Act, 2013, Dr. U.S. Awasthi, Mr. Shinjiro Hamada and Mr. Rakesh Kapur, Directors shall retire by rotation at the ensuing Annual General Meeting and are eligible for reappointment. The Board recommends the reappointment of the retiring directors at the ensuing Annual General Meeting.

### **STATUTORY AUDITORS & THEIR REPORT:**

The shareholders of the Company appointed M/s ASC & Associates, Chartered Accountants (FRN 011863N) (Formerly M/s Arun Singh & Co., Chartered Accountants) and M/s J C Bhalla & Co., Chartered Accountants (FRN 001111N) at its 18<sup>th</sup> Annual General Meeting (AGM) held on 24<sup>th</sup> July, 2018 as Joint Statutory Auditors of your Company from the conclusion of 18<sup>th</sup> AGM until the conclusion of 23<sup>rd</sup> AGM and 21<sup>st</sup> AGM, respectively.

The Report of the Joint Statutory Auditors to the Shareholders of the Company is annexed to the financial statements for the year ended 31<sup>st</sup> March, 2020. There is no specific qualification, reservation or adverse remarks in the Report of the Joint Statutory Auditors which require clarification.

#### **SECRETARIAL AUDITOR'S REPORT:**

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with Section 134(3) of the Companies Act, 2013, Board had appointed Mr. P.S.R. Murthy as Secretarial Auditor of the Company to conduct the Secretarial Audit for the financial year 2019-20. Secretarial Audit Report in the prescribed form **MR 3** is enclosed at **Annexure 'B'**. Secretarial Audit Report is self-explanatory and there is no specific qualification, reservation or adverse remarks in the Report which require clarification. Suitable clarification, if any, are provided at the respective place.

#### **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:**

The Company has in place a Board approved Policy on 'Appointment and Selection of Directors and members of Senior Management and criteria for determining Directors' Independence (Appointment & Selection Policy)' and 'Policy on Remuneration of Directors, Key Managerial Personnel and other Employees (Remuneration Policy)'. The objective of the policy is inter-alia to provide a framework and set standards for the appointment of high quality directors who should have the capacity and ability to lead the Company towards achieving its strategic objectives, taking into account the interests of the policyholders and employees. Brief extracts containing the features of the above mentioned Policies are available on the website of our Company.\*

#### **ANNUAL EVALUATION OF BOARD, COMMITTEES AND DIRECTORS' PERFORMANCE:**

Pursuant to the provisions of the Companies Act, 2013 as amended by the Companies Amendment Act, 2017, the evaluation of performance of the Board, its Committees and individual directors of the Company is carried out at two levels i.e. by the Independent Directors as required under Schedule IV to the Companies Act, 2013 and by the Nomination & Remuneration Committee with participation of all the Directors on the Board. Nomination & Remuneration Committee has designed the evaluation feedback sheets / forms and circulates the same among the Board of Directors for their feedback. The Independent Directors of the Company also in their separate meeting evaluate the performance of the

Board, as a whole, its Chairman and other Non - Independent Directors. Independent Directors also assess the quality, quantity and flow of information to the Board. The evaluation of performance of the Board, its Committees and Directors, etc., is carried out on the basis of various parameters including qualification, experience, quality, personal attributes, participation, contribution to the Board, preparedness, strengths, etc.

#### **QUALITATIVE AND QUANTITATIVE DISCLOSURES ON REMUNERATION OF MANAGING DIRECTOR / CHIEF EXECUTIVE DIRECTOR / WHOLE -TIME DIRECTOR OF INSURERS PURSUANT TO IRDAI GUIDELINES DATED AUGUST 5, 2016.**

- (i) **Qualitative Disclosures**
- (a) **Information relating to the design and structure of remuneration processes and key features and objectives of the Remuneration Policy**

The Remuneration Policy ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, at all levels, the quality talent required to run the Company successfully. It also ensures that the relationship of remuneration to performance is clear and meets the performance benchmarks and involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

- (b) **Description of the ways in which current and future risks are taken into account in the remuneration processes**

The process of determination of remuneration of Whole Time Directors and Managing Director & CEO includes evaluation of performance against their Key Performance Indicators (KPIs) as defined by Nomination & Remuneration Committee and Board of Directors of the Company.

- (c) **Description of the ways in which the Company seeks to link performance during the performance measurement period with levels of remuneration:**

The level of remuneration of Whole Time Directors including Managing Director & CEO is inter-alia linked to the performance objectives set by NRC which includes the achievement of the Annual Target of GWP, COR & PBT.

\*Policy on director's appointment and remuneration can be accessed at: [www.iffcotokio.co.in](http://www.iffcotokio.co.in) and <https://www.iffcotokio.co.in/sites/default/files/Remuneration-Policy-for-Directors-KMP-and-other-employees.pdf>

**(ii) Quantitative Disclosures:**

The following table sets forth the details of quantitative disclosure of remuneration of Whole Time Directors including Managing Director & CEO:

Particulars	Year ended March, 2020
Number of MD & CEO/ WTDs having received a variable remuneration reward during the financial year	3
Number and total amount of sign-on awards made during the Financial Year	NA
Details of guaranteed bonus, if any, paid as joining/sign on bonus	NA
<b>Breakdown of amount of remuneration awards for the Financial Year (Amount in ₹ Lakhs)</b>	
Fixed	339.70
Variable*	15.47

(\*) Since the proportion of Variable Pay (incentive) in total remuneration does not constitute a substantial portion, therefore, requirement of deferment of Variable Pay is not applicable.

**AUDIT COMMITTEE:**

The Audit Committee of Directors comprises of Mr. Sudhakar Rao, Mrs. Mira Mehrishi, and Mr. Amar Sinha, Independent Directors and Mr. Rakesh Kapur and Mr. Chisato Kojima, Non-Executive Directors. Mr. Sudhakar Rao, Independent Director is the Chairman of the Committee. All the members of the Committee have adequate qualifications to fulfill their duties stipulated under the Companies Act, 2013. The Members of the Audit Committee met four times during the Financial Year 2019-20.

**INFORMATION UNDER RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

Pursuant to the provisions of Section 197 read with Rule 5(2) 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 is placed at **Annexure 'C'**.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:**

As your Company does not carry out any manufacturing activity, the provisions with regard to disclosure of particulars regarding Conservation of Energy and Technology absorption are not applicable to the Company.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars of Foreign Exchange earnings/outgo during the year 2019-20 as required under the Companies Act, 2013 are given below.

**Earnings: ₹ 47.54 Crores** (Previous year ₹ 97.29 Crores)

**Outgo: ₹ 171.19 Crores** (Previous year ₹ 121.03 Crores)

**PUBLIC DEPOSITS:**

The Company has not accepted any Public Deposits during the year under review.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

In terms of provisions of Section 186(11) of the Companies Act, 2013, as amended by the Companies (Removal of Difficulties) Order, 2015 dated 13<sup>th</sup> February, 2015, the provisions of Section 186 except sub section (1) are not applicable to the Company.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013:**

During the year under review, the Company did not enter into any transaction or arrangements with its related parties which were material or not at arm's length. The Company undertook various transactions with related parties at Arm's length in the ordinary course of business as per Policy on Related Party Transactions. The Audit Committee of Directors has given its approval to different types of related party transactions which are in ordinary course of business.

The details of related party transactions entered into by the Company are included in the Notes to Financial Accounts for FY 2019-20.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/ TRIBUNALS:**

There were no significant or material orders passed by the regulators, courts or tribunals.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION:**

There were no material changes and commitments, affecting the financial position of the Company between 31<sup>st</sup> March, 2020 and the date of this report.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The Company is carrying out several CSR Projects/ Activities to fulfill the CSR Obligations under the Companies Act, 2013. We had undertaken all projects as approved by the CSR committee in 2019-2020.

As required under the Companies Act, 2013 and CSR Rules, 2014, CSR Annual Report of the Company containing the brief outline of the CSR Policy, the details of the specified amount allocated for CSR Projects & Activities during the Financial Year 2019-20 and the unspent amount including the reasons thereof, is enclosed in prescribed format as per Annexure 'D'.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

The Board of Directors of the Company confirms that:

- i. in the preparation of the annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departures;
- ii. the Directors had selected such accounting policies and applied them consistently and

made judgments 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 profit and loss of the Company for that period;

- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the annual accounts 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.

**ACKNOWLEDGEMENTS:**

Your Directors express their gratitude to all employees, customers of the Company, partners, shareholders, the Insurance Regulatory & Development Authority of India, General Insurance Council, General Insurance Corporation of India and other statutory authorities for their continued support and guidance.

**Place:** New Delhi  
**Date:** 16<sup>th</sup> June, 2020

For and on behalf of the Board

**K. SRINIVASA GOWDA**  
CHAIRMAN

### REPORT ON CORPORATE GOVERNANCE

IFFCO-TOKIO's Corporate Governance Philosophy harmonizes the best governance principles and procedures. We follow the Corporate Governance guidelines as specified by IRDAI, which are as under:

#### 1.0 Corporate Governance Practices

The Company believes that Corporate Governance is a commitment to conduct business in a fair, transparent and in compliance of applicable laws, rules, regulations, circulars, etc. IFFCO-TOKIO believes that sound Corporate Governance practices are essential for healthy growth of business and to repose confidence in all interested parties. The Company has placed adequate corporate governance practices for improving long term values. The corporate governance philosophy of IFFCO-TOKIO has been further strengthened with the formulation of Code of Conduct for Management, Whistle Blower Policy, Online Grievance Redressal system and implementation of Public Disclosure Guidelines. The Company has also set up mandatory committees as prescribed in the Corporate Governance Guidelines. The Company, through its Board and Committees, endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders.

#### 2.0 Composition of the Board of Directors

The Company has appointed Independent Directors on the Board and Board of the Company consists of both Executive and Non-Executive Directors. The Company has three functional Directors including the Managing Director. All the Members of the Board have executed Deed of Covenants as prescribed in the Guidelines.

#### 3.0 Committees of the Board

The Company has set up mandatory Committees of the Board. The Committees of the Board meet at frequent intervals as per the Guidelines prescribed for holding such meetings. The Company Secretary ensures that the meetings of the Shareholders, Board of Directors and Committees of the Board are held as per the time frame and the minutes of such meetings are properly recorded.

#### 4.0 Board of Directors Meetings

During the year 2019 -20, the Board met five (5) times on 29<sup>th</sup> April, 2019, 11<sup>th</sup> July, 2019, 9<sup>th</sup> October, 2019, 22<sup>nd</sup> January, 2020 and 11<sup>th</sup> March, 2020. Time gap between any two meetings did not exceed 120 days.

The names, qualification, specialization and status of the Directors and their attendance at the Board Meetings held during the financial year 2019 -20 are as under:

S. No.	Name of the Director(s)	Qualification	Field of Specialisation	Status of Directorship	No. of Meetings held during their tenure	No. of Meetings attended
1.	Mr. K. Srinivasa Gowda	B.Sc.	Agriculture	Chairman & Non-Executive Director	5	5
2.	Mr. Akira Harashima*	Bachelor of Social Sciences	Insurance	Vice Chairman & Non-Executive Director	1	1
3.	Mr. Noboru Yamagata*	Bachelor of Economics	Insurance/ Automobile	Vice Chairman & Non-Executive Director	4	4
3.	Mr. Balwinder Singh Nakai	Graduate	Agriculture	Non-Executive Director	5	5
4.	Dr. U.S. Awasthi	Ph.D. and Graduate in Chemical Engineering	Management	Non-Executive Director	5	5
5.	Mr. Rakesh Kapur	B. Tech (Mechanical)	Finance	Non-Executive Director	5	5



6.	Dr. P.S. Gahlaut	Ph.D., B.Sc. (Hons.)	Business Management	Non-Executive Director	5	5
7.	Mrs. Mira Mehrishi	Master's degree in Business Administration	Management & Administration	Independent Director	5	5
8.	Mr. Sudhakar Rao	M.A. (Economics)	Management, Administration & Public Affairs	Independent Director	5	5
9.	Mr. Amar Sinha	Economics Graduate	Economic Relations, Trade & Investment Promotion	Independent Director	5	5
10.	Mr. Chisato Kojima	MBA from MIT Sloan Management School and BA of Economics	Business Management & Insurance	Non-Executive Director	5	5
11.	Mr. Shinjiro Hamada	Bachelor of Arts	Corporate Planning	Non-Executive Director	5	5
12.	Mr. Allen Po Hsu Juang	Fellow of Institute of Actuaries, Australia	Actuary	Non-Executive Director	5	4
13.	Mr. Warendra Sinha (**)	Master's in Sociology, All from III, Bachelor's in History	Insurance	Managing Director & CEO (till 27.03.2020)	5	5
14.	Mrs. Anamika Roy Rashtrawar (**)	M.A. English (Hons.), CPCU from The Institutes, USA and FIII from Insurance Institute of India	Insurance	Director (Marketing) (till 27.03.2020) Managing Director & CEO (w.e.f. 27.03.20)	5	5
15.	Mr. Jun Matsui (***)	Majored in Finance and Economics	Commercial Lines Marketing	Director (Operations)	5	5

Note: (\*) Due to change in nomination from M/s Tokio Marine, Mr. Akira Harashima, has resigned from the directorship of the Company w.e.f. 10<sup>th</sup> July, 2019 and Mr. Noboru Yamagata has been appointed as Vice Chairman & Non-Executive Director of the Company w.e.f. 11<sup>th</sup> July, 2019.

(\*\*) Mr. Warendra Sinha completed his tenure as Managing Director & CEO of the Company on 27<sup>th</sup> March, 2020 (AN) and Mrs. Anamika Roy Rashtrawar has been appointed as Managing Director & CEO of the Company w.e.f. 27<sup>th</sup> March, 2020 (AN).

(\*\*\*) Due to change in nomination from M/s Tokio Marine, Mr. Jun Matsui, resigned from the office of Director (Operations) with effect from 31<sup>st</sup> March, 2020 and Mr. Mitsutaka Sato has been appointed as Director (Operations) in his place.

## 5.0. Committee Meetings of the Board of Directors

The details of the Committee Meetings of the Board of Directors held during the financial year 2019 -20 are as under.

### (A) Investment Committee

During the year 2019 -20, the Investment Committee of the Board met four (4) times on 24<sup>th</sup> April, 2019, 10<sup>th</sup> July, 2019, 9<sup>th</sup> October, 2019, and 21<sup>st</sup> January, 2020. The details of Composition of Investment Committee and attendance of the members at the Meetings of the Investment Committee held during the year are as under:

S. No.	Name of the Member(s)	Status	No. of Meetings held during the tenure	No. of Meetings attended
1.	Dr. U.S. Awasthi	Non-Executive Director & Chairman	4	4
2.	Mr. Rakesh Kapur	Non-Executive Director, Member	4	3
3.	Dr. P.S. Gahlaut	Non-Executive Director, Member	4	3
4.	Mr. Warendra Sinha	MD & CEO, Member	4	4
5.	Mr. H.O. Suri	Financial Advisor, Member	4	4
6.	Mr. Abhishek Sharma	Chief Investment Officer, Member	4	4
7.	Mr. Sanjeev Chopra	CFO, Member	4	4
8.	Mr. Vaibhav Tyagi (*)	Appointed Actuary, Member	4	4
9.	Mr. Jun Matsui	Director (Operations), Member	4	4
10.	Mr. Mitsutaka Sato	Chief Risk Officer, Member	4	4

(\*) Mr. Vaibhav Tyagi resigned from the office of Appointed Actuary on 6<sup>th</sup> December, 2019 and has been relieved from the services of Appointed Actuary on 31<sup>st</sup> January, 2020 and Mrs. Isha Khera, was designated as an Appointed Actuary with effect from 16<sup>th</sup> March, 2020.

## (B) Audit Committee

During the year 2019 -20, the Audit Committee of the Board met four (4) times on 29<sup>th</sup> April, 2019, 11<sup>th</sup> July, 2019, 9<sup>th</sup> October, 2019 and 21<sup>st</sup> January, 2020. The details of Composition of Audit Committee and attendance of the members at the Meetings of the Audit Committee held during the year are as under:

S. No.	Name of the Member(s)	Status	No. of Meetings held during the tenure	No. of Meetings attended
1.	Mr. Sudhakar Rao	Independent Director, Chairman	4	4
2.	Mrs. Mira Mehrishi	Independent Director, Member	4	4
3.	Mr. Amar Sinha	Independent Director, Member	4	4
4.	Mr. Rakesh Kapur	Non-Executive Director, Member	4	4
5.	Mr. Chisato Kojima	Non-Executive Director, Member	4	4

## (C) Risk Management Committee

During the year 2019 -20, the Risk Management Committee of the Board met four (4) times on 17<sup>th</sup> June, 2019, 23<sup>rd</sup> September, 2019, 20<sup>th</sup> December, 2019 and 17<sup>th</sup> March, 2020. The details of Composition of Risk Management Committee and attendance of the members at the Meetings of the Risk Management Committee held during the year are as under:

S. No.	Name of the Member(s)	Status	No. of Meetings held during the tenure	No. of Meetings attended
1.	Mr. Jun Matsui	Director (Operations), Chairman	4	3

2.	Mrs. Anamika Roy Rashtrawar	Director (Marketing), Member	4	3
3.	Mr. H.O. Suri (*)	FA, Head Internal Audit, Member	4	4
4.	Mr. Sanjeev Chopra	CFO, Member	4	4
5.	Mr. Mitsutaka Sato	CRO, Member	4	4
6.	Mr. R. Kannan (*)	Head (Claims & UW), Member	1	1
7.	Mr. P.R. Venugopal	VP & Head (Claims), Member	3	2
8.	Mr. Sanjay Seth	VP & Head (Claims), Member	3	2
9.	Mr. Subrata Mondal	EVP (UW), Member	4	4
10.	Mr. Amit Jain	VP, CS & CCO, Member	4	4
11.	Mr. Abhishek Sharma	CIO, Member	4	3

(\*) Consequent to the resignation of Mr. R. Kannan from the office of Head (Claims & Underwriting) w.e.f. 14<sup>th</sup> August, 2019, Mr. P.R. Venugopal, VP & Head (Motor Claims) and Mr. Sanjay Seth, VP & Head (TP & Non Motor Claims) were co-opted as Member of Risk Management Committee Meeting.

#### (D) Policyholders Protection Committee

During the year 2019-20, the Policyholders' Protection Committee of the Board met four (4) times on 17<sup>th</sup> June, 2019, 23<sup>rd</sup> September, 2019, 16<sup>th</sup> December, 2019 and 27<sup>th</sup> February, 2020. The details of Composition of Policyholders' Protection Committee and attendance of the members at the Meetings of the Policyholders' Protection Committee held during the year are as under:

S. No.	Name of the Member(s)	Status	No. of Meetings held during the tenure	No. of Meetings attended
1.	Mr. Sudhakar Rao	Independent Director, Chairman	4	4
2.	Mrs. Anamika Roy Rashtrawar	Director (Marketing), Member	4	4
3.	Mr. Jun Matsui	Director (Operations), Member	4	4
4.	Mr. Rajesh Singh Yadav (*)	Expert and Customer Representative	4	3
5.	Mr. R. Kannan (**)	Head (Claims & UW), Member	1	1
6.	Mr. Ramesh Kumar	ED (HR, Admin. & CSR), Member	4	4
7.	Mr. Abhay Kumar	ED (Retail Marketing), Member	4	2
8.	Mr. P.R. Venugopal (**)	EVP & Head (Claims), Member	3	2
9.	Mr. V. Rajaraman	EVP (Institutional & Govt. Business), Member	4	4
10.	Mr. Arun Pandey	CGO, Member	4	4

- (\*) In compliance with the Corporate Governance Guidelines issued by IRDAI, Mr. Rajesh Singh Yadav was co-opted as an Expert/ Customer's Representative in the Policyholders Protection Committee in its Meeting held on 17<sup>th</sup> June, 2019 for a period of three years. During the FY 2019-20, Mr. Rajesh Singh Yadav attended 3 meetings of the Committee.
- (\*\*) Consequent to Mr. R. Kannan's resignation from the office of Head (Claims & Underwriting) w.e.f. 14<sup>th</sup> August, 2019, Mr. P.R. Venugopal, EVP & Head (Claims) was co-opted as a Member of Policyholders' Protection Committee Meeting.

## (E) CSR Committee

During the year 2019 -20, the CSR Committee of the Board met two (2) times on 19<sup>th</sup> June, 2019 and 21<sup>st</sup> January, 2020. The details of Composition of CSR Committee and attendance of the members at the Meetings of the CSR Committee held during the year are as under:

S. No.	Name of the Member(s)	Status	No. of Meetings held during the tenure	No. of Meetings attended
1.	Mrs. Mira Mehrishi	Independent Director & Chairperson	2	2
2.	Mr. Warendra Sinha	MD & CEO, Member	2	2
3.	Mr. H.O. Suri	Financial Advisor, Member	2	2
4.	Mr. Jun Matsui	Director (Operations), Member	2	2

## (F) Nomination and Remuneration Committee

During the year 2019-20, the Nomination & Remuneration Committee of the Board met four (4) times on 11<sup>th</sup> July, 2019, 9<sup>th</sup> October, 2019, 21<sup>st</sup> January, 2020 and 11<sup>th</sup> March, 2020. The details of Composition of Nomination & Remuneration Committee and attendance of the members at the Meetings of the Nomination & Remuneration Committee held during the year are as under:

S. No.	Name of the Member(s)	Status	No. of Meetings held during the tenure	No. of Meetings attended
1.	Mr. Amar Sinha	Independent Director, Chairman	4	4
2.	Mr. Sudhakar Rao	Independent Director, Member	4	4
3.	Mrs. Mira Mehrishi	Independent Director, Member	4	4
4.	Mr. K.S. Gowda	Non-Executive Director, Member	4	4
5.	Dr. U.S. Awasthi	Non-Executive Director, Member	4	4
6.	Mr. Noboru Yamagata (*)	Non-Executive Director, Member	3	3
7.	Mr. Shinjiro Hamada (**)	Non-Executive Director, (Co-opted Member)	1	1

- (\*) Consequent to the resignation of Mr. Akira Harashima as Vice Chairman and Non-Executive Director of the Company w.e.f 10<sup>th</sup> July, 2019, Mr. Noboru Yamagata was appointed as Vice Chairman and Non- Executive Director of the Company and was nominated as a Member of Nomination & Remuneration Committee.
- (\*\*) In order to comply with quorum requirements of the Committee, Tokio Marine nominee was co-opted as member of the N&R Committee in one meeting.

**(G) Executive Committee**

In accordance with the provisions contained in the Articles of Association of the Company, the Company had constituted, an Executive Committee which is in operation since the inception of the Company. The Committee is primarily responsible for preparation/ monitoring of Business Plan, Annual Budgets, Key initiatives, review of operations, review of human resource related matters and performance of personnel below the Board level and other than KMPs etc. Nine Meetings of the Executive Committee were held during the financial year 2019-20.

**6.0 Separate Meeting of Independent Directors**

During the Financial Year 2019 -20, a separate meeting of Independent Directors was held on 19<sup>th</sup> June, 2019, which was attended by Mrs. Mira Mehrishi, Mr. Sudhakar Rao and Mr. Amar Sinha, Independent Directors. During the meeting, Independent Directors evaluated the performance of Executive Directors, Non-Executive Directors and Chairman. Independent Directors also evaluated the performance of the Committees and the Board as a whole and also assessed the quality, quantity and timeliness of the flow of information to the Board.

**7.0. Code of Business Conduct and Ethics**

The Company promotes ethical behavior in all its business activities. The Company has a Board approved “Code of Business conduct and Ethics for Board Members and Senior Management personnel of the Company”. The code of Business conduct and ethics provides prevention of insider trading, access to confidential information, protection of Company's properties, conflict of interests, information to be placed before Board etc. The Code also provides the role of Compliance Officer and other Senior Management.

**8.0. Whistle Blower Policy**

The Whistle Blower Policy formulated by the Company provides an opportunity to employees to have access, in good faith, to the Chairman of the Company in case they observe any unethical and improper practices or wrongful conduct in the Company. The Board of Directors formulated the whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct. The Policy provides maintenance of confidentiality of data, procedure for reporting improper and unethical practices etc.

**9.0 Disclosure under the Sexual Harassment of Women at 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. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy. During the year under review, the Company has not received any complaint.

**10.0 Compliance Certificate of the Company Secretary**

Certificate from the Company Secretary confirming compliances as stipulated under the Guidelines is attached to the Directors' Report forming part of the Annual Report as per **Annexure I of A.**

**Annexure I of 'A'**

**Certification for compliance of the Corporate Governance Guidelines**

I, Amit Jain, Company Secretary & Chief Compliance Officer hereby certify that the Company has complied with the Corporate Governance Guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed during the period under report.

**Place:** New Delhi  
**Date:** 16<sup>th</sup> June, 2020

**(Amit Jain)**  
Vice President, Co. Secretary  
& Chief Compliance Officer



**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

The Members,  
IFFCO-TOKIO General Insurance Company Limited,  
New Delhi – 110017

Dear Sirs,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IFFCO-TOKIO General Insurance Company Limited (hereinafter called the company) CIN U74899DL2000PLC107621. M/s IFFCO-TOKIO General Insurance Company Limited is an unlisted Public Limited Company under the Companies Act 2013. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the relevant books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of the following Act/Rules.

1. The Companies Act, 2013 and various Rules made thereunder;
2. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Applicable only to the extent of Foreign Director Investment and Overseas Direct Investment);
3. The Depositories Act, 1996 and the Regulations and By-Laws framed thereunder;
4. Insurance Regulatory & Development Authority Act, 1999;
5. Insurance Act, 1938

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India and Corporate Governance Guidelines, 2016 issued by the IRDAI.

During the period under review and based on the replies, assurances, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. Under Section 135 of the Companies Act, 2013, the Company is required to spend 2% of average net profits of the financial years 2018-19; 2017-18 and 2016-17 towards CSR. As per the information provided by the Company, the amount works out to ₹ 7.52 crores approximately. The unspent amount of the year 2018-19 amounting to ₹ 1.52 crores approximately was carried forward. Thus, the proposed amount to be spent during the year 2019-20 works out to ₹ 9.04 crores. As per the

information provided, the Company had spent a sum of ₹ 7.21 crores as on 31<sup>st</sup> March, 2020. The Company, as stated, proposes a provision for balance of ₹ 1.83 crores in the Books of Accounts for the financial year 2019-20.

2. IRDAI had conducted an onsite inspection of the Company's operations in Financial Years 2014-15 and 2015-16 during the period 06<sup>th</sup> February, 2017 to 17<sup>th</sup> February, 2017 and provided detailed Inspection Report vide its letter dated 05<sup>th</sup> January, 2018. The Company furnished point-wise replies and also furnished additional information which was subsequently solicited. Based on the findings of the above-mentioned Inspection and information provided by the Company, IRDAI issued a Show Cause Notice vide its letter dated 21<sup>st</sup> November, 2019. The Company submitted reply to the Notice vide letter dated 11<sup>th</sup> December, 2019. Considering the merits of the information provided by the Company, the IRDAI has issued an advisory in the matter.
3. IRDAI vide letter dated 13<sup>th</sup> January, 2020 issued a Show Cause Notice on account of incorrect information in Health Insurance Regulatory Returns. The Company submitted detailed reply vide its letter dated 31<sup>st</sup> January, 2020. Further, personal hearing was also conducted on 20<sup>th</sup> March, 2020. Considering the information and personal hearing, IRDAI vide its order dated 04<sup>th</sup> June, 2020 issued warning for furnishing wrong information etc.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the Minutes, all decisions of Board Meetings and Committee Meetings were unanimous, and no member expressed dissenting views.

I further report that based on the review of compliance mechanism established by the Company and on the basis of the compliance certificate taken on record by the Board of Directors at their meeting(s) read with Management Representation provided, I am of the opinion that there are systems and processes in the Company commensurate with the size and operations of the of the Company to monitor and ensure compliance, generally, with applicable laws, rules, regulations and guidelines. The Company reassured to make the compliance reports more specific to the Acts/ Laws that are applicable from time to time.

I further report that during the audit period, there were no specific events/actions having a major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines standards etc.

Place: New Delhi  
Date: 04<sup>th</sup> June, 2020

(P.S.R. Murthy)  
UDIN A005880B000316300

**This Report is to be read with our letter of even date which is annexed as Annexure A and forms integral part of this Report.**

The Members,  
IFFCO-TOKIO General Insurance Company Limited,  
New Delhi -110017

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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, regulations, standards is the responsibility of the management. My 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.

**Place:** New Delhi  
**Date:** 04<sup>th</sup> June, 2020

**(P.S.R. Murthy)**  
**UDIN A005880B000316300**

**Annexure 'C'**

<b>IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED</b>									
Statement under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31 <sup>st</sup> March, 2020									
S. No.	Emp. Code	Name of Employee	Age (Years)	Designation/ Nature of Employment	Remuneration Received (₹ in lakhs)	Qualification & Experience	% of equity shares held	Date of Commencement of Employment	Particulars of Previous Employment
1.	12994	Warendra Sinha	62	MD & CEO (till 27.03.2020)	169.99	Master's in Sociology, Bachelor's in History and AllI from Insurance Institute of India & Exp. 37 years	NIL	28-03-2017	National Ins. Co. Ltd.
2.	13287	Anamika Roy Rashtrawar	57	Director – Mktg. (till 27.03.2020) MD & CEO (from 27.03.2020)	140.48	M.A. English (Hons.), CPCU from The Institutes, USA and FIII from Insurance Institute of India & Exp. 33 years	NIL	01-06-2018	Bajaj Allianz
3.	12980	Vaibhav Tyagi	42	VP & Appointed Actuary	91.31	B. Sc. (H), M. Sc., M. Tech. (Com. Sc.) & Exp. 12.8 years	NIL	14-02-2017	RSA Actuarial Services Pvt. Ltd.
4.	10206	H.O. Suri	66	Financial Advisor & Head of Internal Audit	70.03	B.Com (H), C.A.& Exp. 40 years	NIL	01-04-2001	IFFCO
5.	10033	Abhay Kumar	55	ED (Retail Marketing)	60.03	B.A (H), PGDBM & Exp.31 years	NIL	07-12-2000	Oriental Ins. Co.
6.	10116	Sanjeev Chopra	60	ED & CFO	59.16	B. Com.(H), CA & Exp.35 years	NIL	17-07-2001	Oriental Ins. Co.
7.	10110	Subrata Mondal	55	EVP (Underwriting)	57.98	B Tech (Electrical), Licentiate from Insurance Institute of India Exp. 32 years	NIL	04-07-2001	National Insurance
8.	10916	Ramesh Kumar	60	ED (HR, Admin, Training & CSR)	57.79	Post Graduate in Personnel Management & IR Exp. Years 38 Years	NIL	28-02- 2008	GALPHA Labs Limited
9.	10169	V. Rajaraman	56	EVP (Institution & Govt. Business)	57.56	BSC, LLB, FIII from Insurance Institute of India Exp.: 31 years	NIL	01.03.2002	Oriental Ins. Co.
10.	10796	Sadhna Trehan	60	VP (TP Claims)	57.07	BSC, MA (Eng), AllI from Insurance Institute of India Exp.: 36 years	NIL	08-08-2007	New India Assurance

**Note:** 1. The gross remuneration comprises of salary, allowances, monetary value of perquisites and Company's contribution to Provident Fund.

2. None of the employee mentioned in the above list is relative to any of the Directors of the Company.

**IFFCO-TOKIO General Insurance Co. Ltd.**  
**CORPORATE SOCIAL RESPONSIBILITY REPORT**  
**(FY 2019-20)**

**1. BRIEF OUTLINE OF COMPANY'S CSR POLICY AND OVERVIEW OF THE PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN BY THE COMPANY:**

IFFCO-TOKIO has in place its Corporate Social Responsibility (CSR) Policy in line with the requirements of Companies Act, 2013. The Company's CSR Policy outlines the Company's Responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking activities for the welfare and sustainable development of the Community at large. The CSR Policy of the Company outlines the scope of CSR Activities, Modalities of the execution of the Projects/ Programs and their monitoring & assessment.

The process for implementation of CSR Programs involves identification of programs based on the proposals received through various channels, assessment of the projects in the terms of funding required, due diligence of implementation agency and recommendation to the CSR Committee. The CSR Committee, if found appropriate, approves the proposal and amount of expenditure to be incurred on the same within the overall limit approved by the Board. CSR Policy encompasses the Company's philosophy for delineating its responsibility as a Corporate Social Citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainability development of the Community at large.

Under the CSR Policy of the Company, following programs were proposed to be undertaken by the Company during the financial year 2019-20:

- a. IFFCO-TOKIO Integrated Rural Development Projects
  - Phase II (Baran District in Rajasthan)
  - Phase III (Ajmer District in Rajasthan & Barpeta District in Assam)
- b. IFFCO-TOKIO Education Assistance & Skill Development Projects
  - Transforming schools into Uttam Schools in Uttarakhand & U.P. through M/s Indian Social Responsibility Network (ISRN)
  - Infrastructural support to a school in Mathura for providing quality education through M/s Indian Social Responsibility Network (ISRN)
  - Education Assistance & Skill Development Project – Providing VFX, Graphics & 2D-3D Animation Training Program for unemployed youth through M/s Shakti Foundation
- c. IFFCO-TOKIO Environment Upgradation Project
  - Installation of compost machine in Delhi through Sri Sri Rural Development Trust (SSRDP)
- d. IFFCO-TOKIO Preventive Health Care Service Projects
  - Cancer Awareness, Screening and Early Detection Camps in Delhi, NCR through M/s ROKO Cancer Charitable Trust
  - Financial support for the Cleft Surgery for Children Born with Clefts with focus on East and North East India through M/s Smile Train India
  - Financial support to Homeopathy Dispensary in Gurugram for the benefit of under privileged general public through Shiv Kalyan Sewa Samiti
- e. IFFCO-TOKIO Health Care, Education and Skill Development Projects
  - Providing Medical Equipment to CISF Hospital and Computers for setting up of Library and Computer Laboratory to CISF
  - Infrastructural support for promoting Health Care, Education & Skill Development for underprivileged Children, Women and Farmers through M/s IFFDC



- f. IFFCO-TOKIO Road Safety and Women Empowerment Projects
- Road Safety Awareness and Promotion Program, Motor Cycle Ambulance Project and Child Friendly space at Police Stations in collaboration with Gurugram Police Department
- g. Consumer Awareness and Education - PAN India Insurance Awareness and Education Campaign through General Insurance Council
- h. Disaster Management Project- Distribution of relief material to the stranded labour during COVID 19

CSR Policy of the Company as well as the CSR Plan of the Company for the FY 2019-20 can be viewed at <https://www.iffcotokio.co.in/content/dam/iffcotokio/iffco-pdf/sites/default/files/IFFCO-TOKIO-CSR-POLICY.pdf> and <https://www.iffcotokio.co.in/content/dam/iffcotokio/iffco-pdf/sites/default/files/CSR-PLAN-FOR-THE-FINANCIAL-YEAR-2019-20.pdf> respectively.

## 2. Composition of CSR Committee :

The CSR Committee of the Company comprises of the following Directors:

- |   |   |             |
|---|---|-------------|
| a. Mrs. Mira Mehrishi, Independent Director | - | Chairperson |
| b. Managing Director & CEO                  | - | Member      |
| c. Financial Advisor                        | - | Member      |
| d. Director (Operations)                    | - | Member      |

## 3. AVERAGE NET PROFIT OF THE COMPANY FOR THE LAST THREE FINANCIAL YEARS

Average Net Profit of the Company for the last three financial years worked out to ₹ 3,75,87,93,304/- detailed as under:

Particulars	2018-19	2017-18	2016-17
<b>Profit Before Tax</b>	2,35,23,90,004	2,57,78,35,542/-	6,19,54,99,762/-
Add: Expenses on CSR debited to P/L A/c	6,00,77,107	5,77,83,000/-	3,27,94,496/-
<b>Profit as per Section 198</b>	<b>2,41,24,67,111</b>	<b>2,63,56,18,542/-</b>	<b>6,22,82,94,258/-</b>

A. Total Profit of last three years: ₹ 11,27,63,79,911/-

B. Avg. Profit for CSR [(A)/3]: ₹ 3,75,87,93,304/-

## 4. PRESCRIBED CSR EXPENDITURE FOR THE FY 2019-20

The amount allocated for the CSR for the FY 2019-20 worked out to ₹ 7,51,75,866/- (being 2% of average Profits for the last three financial years).

In addition to the above statutory amount, the Board of Directors of your Company on the recommendation of the CSR Committee decided to bring forward and allocate towards CSR a sum of ₹ 1,51,94,042/- (being the unspent CSR Amount during the FY 2018 -19).

Thus, the total amount allocated for the CSR activities for the FY 2019 -20 worked out to ₹ 9,03,69,908/- being 2% of average profits for the last three financial years and unspent amount of FY 2018 -19.

## 5. DETAILS OF CSR AMOUNT SPENT DURING THE FINANCIAL YEAR 2018-19

- |   |                 |
|---|-----------------|
| a. Total amount to be spent for the Financial Year 2019-20: | ₹ 9,03,69,908/- |
| b. Amount unspent:  | ₹ 1,83,30,720/- |
| c. Actual amount spent on CSR during the FY 2019-20:        | ₹ 7,20,39,188/- |

The manner in which the amount allocated and spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>S. No.</b>	<b>CSR project or activity identified</b>	<b>Sector in which the Project is covered</b>	<b>Projects or programs (1) Local area or other (2) Specify the state and district where projects or program was undertaken [Dist. (State)]</b>	<b>Amount outlay (budget) project or programs wise (Amount in ₹)</b>	<b>Amount spent on the projects or programs subheads: (1) Direct expenditure on projects or programs (2) Overheads (Amount in ₹)</b>	<b>Cumulative expenditure upto the reporting period (Amount in ₹)</b>	<b>Amount spent: Direct or through implementing agency</b>
1.	IFFCO-TOKIO Integrated Rural Development Project (IIRDP) Phase-II	Rural Development Projects	Two villages in Distt. Baran (Rajasthan)	39,36,088/-	NIL	2,81,07,324/-	Indian Farmers Forestry Development Cooperative Ltd., (IFFDC), Gurugram
2.	IFFCO-TOKIO Integrated Rural Development Project (IIRDP) Phase-III	Rural Development Projects	Four Villages in Distt. Ajmer (Rajasthan)	80,00,000/-	80,00,000/-	1,20,00,000/-	Indian Farmers Forestry Development Cooperative Ltd., (IFFDC), Gurugram
			Five Villages in Distt. Barpeta (Assam)	80,00,000/-	80,00,000/-	1,20,00,000/-	
3.	IFFCO-TOKIO Education Assistance & Skill Development Projects	Transforming schools into Uttam Schools	Uttarakhand & U.P.	45,44,500/-	NIL	50,00,000/-	M/s Indian Social Responsibility Network, (ISRN) New Delhi
		Infrastructural support to an identified school in Mathura to the students of North East & other states	Mathura (U.P.)	26,91,000/-	26,91,000/-	56,91,000/-	M/s Indian Social Responsibility Network (ISRN), New Delhi.
		Animation Training Program for unemployed youth	Uttamnagar, New Delhi	17,95,500/-	17,95,500/-	17,95,500/-	M/s Shakti Foundation
4.	IFFCO-TOKIO Environment Up-gradation Project	Installation of composting machine	New Delhi	5,50,000/-	5,50,000/-	18,75,000/-	M/s Sri Sri Rural Development Trust, (SSRDP) Bengaluru
5.	IFFCO-TOKIO Preventive Health Care Project	264 Cleft Surgeries	East and North East India	50,00,000/-	50,00,000/-	50,00,000/-	M/s Smile Train India
		20 Medical Camps for Cancer Awareness	Delhi, NCR	15,00,000/-	15,00,000/-	30,00,000/-	M/s ROKO Cancer Charitable Trust
		Homeopathic Dispensary	Gurugram (Haryana)	4,00,000/-	4,00,000/-	18,00,000/-	M/s Sri Shiv Kalyan Sewa Samiti

6.	IFFCO-TOKIO Road Safety and Women Empowerment Program	Road Safety awareness program, Motor Cycle Ambulance Project and Child friendly space at Four police stations (Gurugram Police)	Gurugram	50,00,000/-	33,61,445/-	33,61,445/-	Direct
7.	IFFCO-TOKIO Health Care, Education and Skill Development Project	Providing Medical Equipment to CISF Hospital and Computers for setting up of Library and Computer Laboratory (CISF)	Mahipalpur, Narela, Bijwasan & IGI Airport, New Delhi	1,00,00,000/-	38,79,813/-	38,79,813/-	Direct
		Infrastructural support for promoting education and Health	Vrindavan, (UP)	1,31,30,000/-	1,30,96,610/-	1,30,96,610/-	Indian Farmers Forestry Development Coop. Ltd. (IFFDC), Gurugram
8.	Consumer Awareness and Education	Pan India Insurance Awareness & Education Campaign	Pan India	2,04,37,600/-	2,04,37,600/-	2,04,37,600/-	General Insurance (GI Council)
9.	Disaster Management Project	Distribution of relief material to stranded labour during COVID-19	Gurugram	20,58,000/-	NIL	NIL	Direct
10.	CSR Capacity Building Expenses & Other Administrative Cost			33,27,220/-	33,27,220/-		
	<b>TOTAL</b>			<b>9,03,69,908/-</b>	<b>7,20,39,188/-</b>		

#### 6. REASONS FOR NOT SPENDING THE PRESCRIBED CSR AMOUNT DURING THE FINANCIAL YEAR 2019 -20

Against the available CSR amount of ₹ 9.04 crores, your Company had disbursed a sum of ₹ 7.21 crores upto 31<sup>st</sup> March, 2020 towards completed CSR project/ activities. The remaining balance of ₹ 1.83 crores pertains to CSR projects already initiated wherein certain activities are yet to be completed due to ongoing lockdown, for which Company has made a provision towards outstanding expenses in its Accounts of FY 2019-20. Out of this provision of ₹ 1.83 crores, an amount of ₹ 1.17 crores has been disbursed to the CSR implementing agencies/ vendors till the date of this report and remaining balance amount of ₹ 0.66 crores shall also be disbursed against the project completion certificate/ verification. Your Company is committed to complete all its ongoing CSR projects and fulfill its CSR Obligations under the Companies Act, 2013.

#### 7. RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE

The CSR Committee hereby declares that the implementation and monitoring of CSR Policy of the Company is in compliance with CSR objectives and is in consonance with section 135 of the Companies Act, 2013. We also undertake to follow the objectives of the Company's CSR Policy in letter and spirit.

**Anamika Roy Rashtrawar**  
(Managing Director & CEO)  
Dated: 11<sup>th</sup> June, 2020

**Mira Mehrishi**  
(Chairperson, CSR Committee)

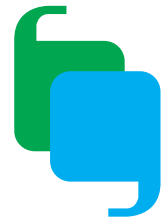


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# AUDITOR'S REPORT





## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED**

#### **Opinion**

We have audited the accompanying standalone financial statements of **IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Revenue Accounts of Fire, Marine and Miscellaneous Insurance (collectively known as the 'Revenue Accounts'), the Profit and Loss Account and the Receipts and Payments Account for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by The Insurance Act, 1938, the Insurance Regulatory and Development Act, 1999 and Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its surplus in revenue accounts, its profit and its receipts and payments accounts for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Information other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and receipts and payments of the Company in accordance with the accounting principles generally accepted in India, Insurance Act, 1938, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulations') including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the

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

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 auditor's report to the related disclosures in the standalone 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 auditor's 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 standalone financial statements, including the disclosures, and whether the standalone 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) This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 (the Order) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
- (2) As required by 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, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Revenue Accounts, Profit and Loss Account, and the Receipts and Payments Account dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2016 to the extent they are not inconsistent with the accounting policies prescribed by IRDAI.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure-A**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on the notes to the Balance Sheet as at 31<sup>st</sup> March, 2020.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- (3) In our opinion and according to the information and explanations given to us, we further report that:
- (a) The accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards referred to under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2016 and with the accounting principles prescribed by the Regulations and orders / directions issued by IRDAI in this behalf;
- (b) Investments have been valued in accordance with the provisions of the Insurance Act, 1938, the regulations and orders / directions issued by IRDAI in this behalf;
- (c) The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR) and those Incurred But Not Enough Reported (IBNER) as at 31<sup>st</sup> March, 2020, has been duly certified by the Appointed Actuary of the Company and relied upon by us. The Appointed Actuary has also certified that the assumptions considered for such valuation are in accordance with the guidelines and norms prescribed by the IRDAI and the Institute of Actuaries of India (formerly known as the Actuarial Society of India) in concurrence with the IRDAI; and
- (4) On the basis of examination of books and records of the Company and according to the information and explanations given to us during the course of our audit and to the best of our knowledge and belief, we further certify that:
- (a) We have reviewed the management report attached to the financial statements for the year ended 31<sup>st</sup> March, 2020 and there are no apparent mistakes or material inconsistencies with the financial statements; and
- (b) Based on information and explanations received during the course of our audit and management representation, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of registration.

**For J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. - 001111N

**Rajesh Sethi**  
(Partner)  
Membership No. - 85669  
UDIN - 20085669AAAABJ6023

Place: New Delhi  
Date: 16<sup>th</sup> June, 2020

**For A S C & Associates**  
Chartered Accountants  
Firm Regn. No. - 011863N

**Vishal Singh**  
(Partner)  
Membership No. - 511451  
UDIN - 20511451AAAAAH2926

## ANNEXURE 'A'

**The Annexure referred to in paragraph 2 (f) of Report on Other Legal and Regulatory Requirements of our Report of even date to the members of IFFCO-TOKIO General Insurance Company Limited on the Internal Financial Controls required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of IFFCO-TOKIO General Insurance Company Limited as of March 31, 2020 in conjunction with our audit of the standalone 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 issued by the Institute of Chartered Accountants of India. 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of

Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

**For J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. - 001111N

**Rajesh Sethi**  
(Partner)  
Membership No. - 85669  
UDIN - 20085669AAAABJ6023

Place: New Delhi  
Date: 16<sup>th</sup> June, 2020

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

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

**For A S C & Associates**  
Chartered Accountants  
Firm Regn. No. - 011863N

**Vishal Singh**  
(Partner)  
Membership No. - 511451  
UDIN - 20511451AAAAAH2926



## AUDITOR'S CERTIFICATE

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of accounts and other records maintained by IFFCO-TOKIO General Insurance Company Limited (the Company) for the year ended March 31, 2020, we certify that:

- (a) We have verified the cash balances and investments of the Company with the dematerialized statement/confirmations received from the custodians as at March 31, 2020. The Company had no secured loans.
- (b) The Company is not a trustee of any trust.
- (c) No part of the assets of the policyholders' funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the policyholder's funds.

This certificate is issued to comply with Schedule 'C' of Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's 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.

**For J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. - 001111N

**For A S C & Associates**  
Chartered Accountants  
Firm Regn. No. - 011863N

**Rajesh Sethi**  
(Partner)  
Membership No. - 85669  
UDIN - 20085669AAAABM7154

**Vishal Singh**  
(Partner)  
Membership No. - 511451  
UDIN - 20511451AAAAAK5528

Place: New Delhi  
Date: 16<sup>th</sup> June, 2020



## **“Most Broker Friendly Insurer”**

by Insurance Brokers Association of India (IBAI)

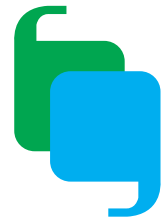


## Awareness Campaign of Pradhan Mantri Fasal Bima Yojana

in Uttar Pradesh, Madhya Pradesh, Sikkim and  
Andhra Pradesh & Telangana



# FINANCIAL STATEMENTS



## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020

(₹ in '000)

S. No.	Particulars	Schedule	As At 31 <sup>st</sup> March, 2020	As At 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)	(5)
	<b>SOURCES OF FUNDS</b>			
1	SHARE CAPITAL	5	2,742,183	2,742,183
2	RESERVES AND SURPLUS	6	21,840,360	19,793,391
3	FAIR VALUE CHANGE ACCOUNT			
	- Shareholders		(5,029)	(1,881)
	- Policyholders		(21,013)	(6,557)
4	BORROWINGS	7	-	-
	<b>Total</b>		<b>24,556,501</b>	<b>22,527,136</b>
	<b>APPLICATION OF FUNDS</b>			
5	INVESTMENTS			
	Investments - Shareholders	8	18,686,597	19,859,914
	Investments - Policyholders	8A	78,088,612	69,235,852
6	LOANS	9	-	-
7	FIXED ASSETS	10	660,456	585,090
8	DEFERRED TAX ASSET (NET)		433,800	384,600
9	CURRENT ASSETS:			
	Cash and Bank Balances	11	3,699,597	729,312
	Advances and Other Assets	12	23,047,878	12,236,860
	<b>Sub-Total (A)</b>		<b>26,747,475</b>	<b>12,966,172</b>
10	CURRENT LIABILITIES	13	78,566,033	60,120,563
11	PROVISIONS	14	21,494,406	20,383,929
	<b>Sub-Total (B)</b>		<b>100,060,439</b>	<b>80,504,492</b>
12	NET CURRENT ASSETS (C) = (A-B)		(73,312,964)	(67,538,320)
13	MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	15	-	-
	<b>Total</b>		<b>24,556,501</b>	<b>22,527,136</b>

## CONTINGENT LIABILITIES

(₹ in '000)

S. No.	Particulars	As At 31 <sup>st</sup> March, 2020	As At 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Partly paid up Investments	-	-
2	Claims, other than against policies, not acknowledged as debts by the Company	-	-
3	Underwriting commitments outstanding (in respect of shares and securities)	-	-
4	Guarantees given by or on behalf of the Company	-	-
5	Statutory demands/liabilities in dispute, not provided for	1,797,066	2,084,301
6	Reinsurance obligations to the extent not provided for in the accounts	-	-
7	Others	-	-
	<b>Total</b>	<b>1,797,066</b>	<b>2,084,301</b>

Notes to Accounts

16

Schedule No. 1 to 16 form an integral part of the financial statements

For and on behalf of Board of Directors

As per our Report of even date attached.

**J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. 001111N

**A S C & Associates**  
Chartered Accountants  
Firm Regn. No. 011863N

**K. Srinivasa Gowda**  
Chairman (DIN 00059811)

**Anamika Roy Rashtrawar**  
Managing Director (DIN 07870227)

**Rajesh Sethi**  
Partner  
M.No. 85669

**Vishal Singh**  
Partner  
M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

**FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(₹ in '000)

S. No.	Particulars	Schedule	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	592,286	471,315
2	Profit/(Loss) on Sale/Redemption of Investments		5,711	2,317
3	Others: Exchange Gain/(Loss)		-	(134)
	Handling Charges		(8,991)	(4,097)
	Contribution from Shareholders Funds towards Excess EoM		-	-
4	Interest, Dividend & Rent - Gross		94,640	85,366
	<b>Total (A)</b>		<b>683,646</b>	<b>554,767</b>
1	Claims Incurred (Net)	2	270,532	305,815
2	Commission	3	(537,062)	(157,337)
3	Operating expenses related to Insurance Business	4	118,377	73,533
4	Premium Deficiency		-	-
	<b>Total (B)</b>		<b>(148,153)</b>	<b>222,011</b>
	<b>Operating Profit/(Loss) from Fire Business C = (A-B)</b>		<b>831,799</b>	<b>332,756</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' Account		831,799	332,756
	Transfer to Catastrophe Reserve		-	-
	Transfer to other Reserves		-	-
	<b>Total (C)</b>		<b>831,799</b>	<b>332,756</b>

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For and on behalf of Board of Directors

As per our Report of even date attached.

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**Vishal Singh**  
Partner  
M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020



## MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> March, 2020

(₹ in '000)

S. No.	Particulars	Schedule	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	736,848	683,071
2	Profit/(Loss) on sale/Redemption of Investments		4,008	1,580
3	Others: Exchange Gain/(Loss)		-	-
	Handling Charges		(965)	(241)
	Contribution from Shareholders Funds towards Excess EoM		-	-
4	Interest, Dividend & Rent - Gross		66,421	58,222
	<b>Total (A)</b>		<b>806,312</b>	<b>742,632</b>
1	Claims Incurred (Net)	2	471,082	413,107
2	Commission	3	(16,136)	(21,251)
3	Operating expenses related to Insurance Business	4	123,561	91,415
4	Premium Deficiency		-	-
	<b>Total (B)</b>		<b>578,507</b>	<b>483,271</b>
	<b>Operating Profit/(Loss) from Marine Business C = (A-B)</b>		<b>227,805</b>	<b>259,361</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' Account		227,805	259,361
	Transfer to Catastrophe Reserve		-	-
	Transfer to other Reserves		-	-
	<b>Total (C)</b>		<b>227,805</b>	<b>259,361</b>

Schedule No. 1 to 16 form an integral part of the financial statements

For and on behalf of Board of Directors

As per our Report of even date attached.

**J.C. Bhalla & Co.**  
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M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

**MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(₹ in '000)

S. No.	Particulars	Schedule	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	44,924,079	39,148,797
2	Profit/(Loss) on sale/Redemption of Investments		296,751	112,066
3	Others: Transfer & Duplicate Fee		4,114	3,708
	Exchange Gain/(Loss)		(715)	(948)
	Handling Charges		(6,817)	(2,508)
	Contribution from Shareholders Funds towards Excess EoM		-	-
4	Interest, Dividend & Rent - Gross		4,917,876	4,128,706
	<b>Total (A)</b>		<b>50,135,288</b>	<b>43,389,821</b>
1	Claims Incurred (Net)	2	40,242,150	34,863,307
2	Commission	3	2,206,873	2,315,474
3	Operating expenses related to Insurance Business	4	7,200,122	5,404,342
4	Premium Deficiency		-	-
	<b>Total (B)</b>		<b>49,649,145</b>	<b>42,583,123</b>
	<b>Operating Profit/(Loss) from Miscellaneous Business C = (A-B)</b>		<b>486,143</b>	<b>806,698</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' Account		486,143	806,698
	Transfer to Catastrophe Reserve		-	-
	Transfer to other Reserves		-	-
	<b>Total (C)</b>		<b>486,143</b>	<b>806,698</b>

Schedule No. 1 to 16 form an integral part of the financial statements

For and on behalf of Board of Directors

As per our Report of even date attached.

**J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. 001111N

**A S C & Associates**  
Chartered Accountants  
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**K. Srinivasa Gowda**  
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**Vishal Singh**  
Partner  
M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(₹ in '000)

S. No.	Particulars	Schedule	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)	(5)
1	<b>OPERATING PROFIT/(LOSS)</b>			
	(a) Fire Insurance		831,799	332,756
	(b) Marine Insurance		227,805	259,361
	(c) Miscellaneous Insurance		486,143	806,698
			1,545,747	1,398,815
2	<b>INCOME FROM INVESTMENTS</b>			
	(a) Interest, Dividend & Rent - Gross		1,641,102	1,348,750
	(b) Profit on sale of Investments		99,026	36,609
	Less: Loss on sale of Investments		-	-
			1,740,128	1,385,359
3	<b>OTHER INCOME</b>			
	(a) Miscellaneous Income		64,502	35,637
	(b) Profit on sale of Fixed Assets		157	234
	<b>Total (A)</b>		<b>3,350,534</b>	<b>2,820,045</b>
4	<b>PROVISIONS (Other than taxation)</b>			
	(a) For diminution in the value of investments		450,000	400,000
	(b) For doubtful debts		-	7,078
	(c) For doubtful Advances		-	-
5	<b>OTHER EXPENSES</b>			
	(a) Expenses other than those related to Insurance business		-	-
	(i) Employees Remuneration Excess transferred from Policyholders' funds		2,208	-
	(ii) Expenses on Corporate Social Responsibility (CSR)		90,370	60,077
	(iii) Fines & penalties		-	500
	(b) Bad Debts/ Advances written off (Net off Provision for Doubtful Debts of ₹ 48,699 Thousand written back)		130,434	-
	(c) Loss on sale of Fixed Assets		-	-
	(d) Contribution to Policyholders' Funds towards Excess EoM		-	-
	<b>Total (B)</b>		<b>673,012</b>	<b>467,655</b>
	<b>Profit Before Tax (A-B)</b>		<b>2,677,522</b>	<b>2,352,390</b>
	Less: Provision for Taxation			
	Current Tax		681,500	638,700
	Deferred Tax		(49,200)	(79,400)
	Less: Short/(Excess) provision for taxation for earlier years			
	Current Tax		(1,747)	143,571
	Deferred Tax		-	(136,700)
	<b>Profit After Tax</b>		<b>2,046,969</b>	<b>1,786,219</b>
	<b>APPROPRIATIONS</b>			
	(a) Interim dividends paid during the year		-	-
	(b) Proposed final dividend		-	-
	(c) Dividend distribution tax		-	-
	(d) Transfer to any Reserves or other Accounts		-	-
	<b>Balance of Profit brought forward from last year</b>		<b>15,272,404</b>	<b>13,486,185</b>
	<b>Balance carried forward to Balance Sheet</b>		<b>17,319,373</b>	<b>15,272,404</b>
	<b>Basic &amp; Diluted Earnings per share</b>			
	(Equity shares of face value of ₹10 each)		<b>7.46</b>	<b>6.54</b>

Notes to Accounts

16

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For and on behalf of Board of Directors

As per our Report of even date attached.

**J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. 001111N

**A S C & Associates**  
Chartered Accountants  
Firm Regn. No. 011863N

**K. Srinivasa Gowda**  
Chairman (DIN 00059811)

**Anamika Roy Rashtrawar**  
Managing Director (DIN 07870227)

**Rajesh Sethi**  
Partner  
M.No. 85669

**Vishal Singh**  
Partner  
M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

**RECEIPTS AND PAYMENTS ACCOUNT (DIRECT BASIS) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Premium received from policyholders, including advance receipts	87,276,722	86,251,426
Other receipts	64,502	35,637
Payment to the re-insurers, net of commissions and claims	(7,600,521)	(4,368,571)
Payments to co-insurers, net of claims recovery	(1,818,007)	538,074
Payments of claims	(52,928,463)	(55,264,603)
Payments of commission and brokerage	(5,770,287)	(5,452,018)
Payments of other operating expenses	(7,413,094)	(5,965,450)
Preliminary and pre-operative expenses	-	-
Deposits, advances and staff loans	(265,088)	(54,994)
Income Taxes paid (Net)	(714,778)	(644,140)
Service Tax/GST paid	(6,276,590)	(5,149,618)
Other payments	-	-
Cash flows before extraordinary items	4,554,396	9,925,743
Cash flows from extraordinary operations	-	-
<b>Net Cash Flows from operating activities</b>	<b>4,554,396</b>	<b>9,925,743</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	(311,477)	(426,079)
Proceeds from sale of fixed assets	291	379
Purchases of investments	(147,522,465)	(224,270,950)
Loans disbursed	-	-
Sales of investments	139,908,924	206,205,985
Repayments received	-	-
Rent/Interest/Dividend received	6,340,616	5,400,645
Investments in money market instruments and in liquid mutual funds (Net)	-	-
Expenses related to investments	-	-
<b>Net Cash Flows from investing activities</b>	<b>(1,584,111)</b>	<b>(13,090,021)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital	-	2,000,000
Proceeds from borrowing	-	-
Repayments of borrowing	-	-
Interest/dividend paid	-	-
<b>Net Cash Flows from financing activities</b>	<b>-</b>	<b>2,000,000</b>
<b>Effect of foreign exchange rates on Cash and Cash Equivalents (Net)</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>2,970,285</b>	<b>(1,164,278)</b>
<b>Cash Equivalents at beginning of the Year</b>	<b>729,312</b>	<b>1,893,591</b>
<b>Cash Equivalents at end of the Year</b>	<b>3,699,597</b>	<b>729,312</b>

For and on behalf of Board of Directors

As per our Report of even date attached.

**J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. 001111N

**A S C & Associates**  
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Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

### SCHEDULE - 1 PREMIUM EARNED (NET)

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020				Year Ended 31 <sup>st</sup> March, 2019			
	Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
Premium from direct business written	5,309,100	1,767,932	72,533,372	79,610,404	3,277,006	1,601,596	65,139,836	70,018,438
Add : Premium on reinsurance accepted	955,209	7,411	131,678	1,094,298	505,164	30,394	143,870	679,428
	<b>6,264,309</b>	<b>1,775,343</b>	<b>72,665,050</b>	<b>80,704,702</b>	<b>3,782,170</b>	<b>1,631,990</b>	<b>65,283,706</b>	<b>70,697,866</b>
Less : Premium on reinsurance ceded	5,509,874	987,603	26,794,835	33,292,312	3,229,119	944,085	24,648,314	28,821,518
<b>Net Premium</b>	<b>754,435</b>	<b>787,740</b>	<b>45,870,215</b>	<b>47,412,390</b>	<b>553,051</b>	<b>687,905</b>	<b>40,635,392</b>	<b>41,876,348</b>
Adjustments for changes in Reserve for Unexpired Risks	162,149	50,892	946,136	1,159,177	81,736	4,834	1,486,595	1,573,165
<b>Total Premium Earned (Net)</b>	<b>592,286</b>	<b>736,848</b>	<b>44,924,079</b>	<b>46,253,213</b>	<b>471,315</b>	<b>683,071</b>	<b>39,148,797</b>	<b>40,303,183</b>

\* For analysis of the segment of Marine business, refer Schedule 1A.

\*\* For analysis of the segment of Miscellaneous business, refer Schedule 1B.

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

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020			Year Ended 31 <sup>st</sup> March, 2019		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Premium from direct business written	1,724,457	43,475	1,767,932	1,551,252	50,344	1,601,596
Add : Premium on reinsurance accepted	7,411	-	7,411	30,394	-	30,394
	<b>1,731,868</b>	<b>43,475</b>	<b>1,775,343</b>	<b>1,581,646</b>	<b>50,344</b>	<b>1,631,990</b>
Less : Premium on reinsurance ceded	964,320	23,283	987,603	905,485	38,600	944,085
<b>Net Premium</b>	<b>767,548</b>	<b>20,192</b>	<b>787,740</b>	<b>676,161</b>	<b>11,744</b>	<b>687,905</b>
Adjustments for changes in Reserve for Unexpired Risks	42,444	8,448	50,892	8,451	(3,617)	4,834
<b>Total Premium Earned (Net)</b>	<b>725,104</b>	<b>11,744</b>	<b>736,848</b>	<b>667,710</b>	<b>15,361</b>	<b>683,071</b>

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

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	16,443,435	18,823,634	35,267,069	847,433	3,142	320,133	902,441	356,875	13,195,089	18,832,567	2,808,623	72,533,372
Add : Premium on reinsurance accepted	-	-	-	48,191	(307)	-	-	45,768	8,860	-	29,166	131,678
	<b>16,443,435</b>	<b>18,823,634</b>	<b>35,267,069</b>	<b>895,624</b>	<b>2,835</b>	<b>320,133</b>	<b>902,441</b>	<b>402,643</b>	<b>13,203,949</b>	<b>18,832,567</b>	<b>2,837,789</b>	<b>72,665,050</b>
Less : Premium on reinsurance ceded	5,748,887	985,637	6,734,524	712,636	2,046	16,011	108,719	149,978	2,536,590	14,810,364	1,723,967	26,794,835
<b>Net Premium</b>	<b>10,694,548</b>	<b>17,837,997</b>	<b>28,532,545</b>	<b>182,988</b>	<b>789</b>	<b>304,122</b>	<b>793,722</b>	<b>252,665</b>	<b>10,667,359</b>	<b>4,022,203</b>	<b>1,113,822</b>	<b>45,870,215</b>
Adjustments for changes in Reserve for Unexpired Risks	(1,754,417)	1,815,577	61,160	(14,264)	(37)	13,022	86,509	7,873	626,368	106,981	58,524	946,136
<b>Total Premium Earned (Net)</b>	<b>12,448,965</b>	<b>16,022,420</b>	<b>28,471,385</b>	<b>197,252</b>	<b>826</b>	<b>291,100</b>	<b>707,213</b>	<b>244,792</b>	<b>10,040,991</b>	<b>3,915,222</b>	<b>1,055,298</b>	<b>44,924,079</b>

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

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2019											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	15,949,301	16,663,247	32,612,548	773,824	6,048	297,229	1,250,304	306,992	8,036,780	19,341,022	2,515,089	65,139,836
Add : Premium on reinsurance accepted	-	-	-	56,674	-	-	-	47,047	-	-	40,149	143,870
	<b>15,949,301</b>	<b>16,663,247</b>	<b>32,612,548</b>	<b>830,498</b>	<b>6,048</b>	<b>297,229</b>	<b>1,250,304</b>	<b>354,039</b>	<b>8,036,780</b>	<b>19,341,022</b>	<b>2,555,238</b>	<b>65,283,706</b>
Less : Premium on reinsurance ceded	2,427,258	2,524,879	4,952,137	617,496	5,983	15,234	238,109	137,261	634,397	16,461,295	1,586,402	24,648,314
<b>Net Premium</b>	<b>13,522,043</b>	<b>14,138,368</b>	<b>27,660,411</b>	<b>213,002</b>	<b>65</b>	<b>281,995</b>	<b>1,012,195</b>	<b>216,778</b>	<b>7,402,383</b>	<b>2,879,727</b>	<b>968,836</b>	<b>40,635,392</b>
Adjustments for changes in Reserve for Unexpired Risks	524,979	955,070	1,480,049	13,437	(68)	(735)	(88,253)	7,870	116,292	(77,034)	35,037	1,486,595
<b>Total Premium Earned (Net)</b>	<b>12,997,064</b>	<b>13,183,298</b>	<b>26,180,362</b>	<b>199,565</b>	<b>133</b>	<b>282,730</b>	<b>1,100,448</b>	<b>208,908</b>	<b>7,286,091</b>	<b>2,956,761</b>	<b>933,799</b>	<b>39,148,797</b>



## SCHEDULE-2 CLAIMS INCURRED (NET)

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020				Year Ended 31 <sup>st</sup> March, 2019			
	Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
<b>Claims Paid</b>								
Direct	2,391,171	1,036,503	45,366,933	48,794,607	1,992,469	1,248,700	47,992,146	51,233,315
Add : Reinsurance accepted	186,012	234	1,760	188,006	119,102	34,150	10,340	163,592
Less : Reinsurance ceded	2,159,340	587,508	16,675,431	19,422,279	1,909,575	859,100	19,751,621	22,520,296
<b>Net Claims Paid</b>	<b>417,843</b>	<b>449,229</b>	<b>28,693,262</b>	<b>29,560,334</b>	<b>201,996</b>	<b>423,750</b>	<b>28,250,865</b>	<b>28,876,611</b>
Add : Claims Outstanding at the end of the year	668,345	584,103	51,930,978	53,183,426	815,656	562,250	40,382,090	41,759,996
Less : Claims Outstanding at the beginning of the year	815,656	562,250	40,382,090	41,759,996	711,837	572,893	33,769,648	35,054,378
<b>Total Claims Incurred</b>	<b>270,532</b>	<b>471,082</b>	<b>40,242,150</b>	<b>40,983,764</b>	<b>305,815</b>	<b>413,107</b>	<b>34,863,307</b>	<b>35,582,229</b>

\* For analysis of the segment of Marine business, refer Schedule 2A.

\*\* For analysis of the segment of Miscellaneous business, refer Schedule 2B.

## SCHEDULE - 2A CLAIMS INCURRED (NET)

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020			Year Ended 31 <sup>st</sup> March, 2019		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
<b>Claims Paid</b>						
Direct	940,940	95,563	1,036,503	839,424	409,276	1,248,700
Add : Reinsurance accepted	16	218	234	34,008	142	34,150
Less : Reinsurance ceded	503,076	84,432	587,508	489,674	369,426	859,100
<b>Net Claims Paid</b>	<b>437,880</b>	<b>11,349</b>	<b>449,229</b>	<b>383,758</b>	<b>39,992</b>	<b>423,750</b>
Add : Claims Outstanding at the end of the year	494,332	89,771	584,103	504,814	57,436	562,250
Less : Claims Outstanding at the beginning of the year	504,814	57,436	562,250	480,819	92,074	572,893
<b>Total Claims Incurred</b>	<b>427,398</b>	<b>43,684</b>	<b>471,082</b>	<b>407,753</b>	<b>5,354</b>	<b>413,107</b>

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

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
<b>Claims Paid</b>												
Direct	12,972,181	8,403,918	21,376,099	269,252	-	98,584	860,429	30,386	11,558,215	9,294,418	1,879,550	45,366,933
Add : Reinsurance accepted	-	-	-	211	-	-	-	-	1,549	-	-	1,760
Less : Reinsurance ceded	2,942,195	2,479,786	5,421,981	172,983	-	5,053	93,525	6,968	2,010,302	7,692,289	1,272,330	16,675,431
<b>Net Claims Paid</b>	<b>10,029,986</b>	<b>5,924,132</b>	<b>15,954,118</b>	<b>96,480</b>	<b>-</b>	<b>93,531</b>	<b>766,904</b>	<b>23,418</b>	<b>9,549,462</b>	<b>1,602,129</b>	<b>607,220</b>	<b>28,693,262</b>
Add : Claims Outstanding at the end of the year	1,831,350	42,746,328	44,577,678	216,850	799	148,295	355,544	191,339	1,494,294	4,264,428	681,751	51,930,978
Less : Claims Outstanding at the beginning of the year	1,953,185	33,589,844	35,543,029	202,514	1,958	147,210	599,720	154,799	1,284,820	1,844,523	603,517	40,382,090
<b>Total Claims Incurred</b>	<b>9,908,151</b>	<b>15,080,616</b>	<b>24,988,767</b>	<b>110,816</b>	<b>(1,159)</b>	<b>94,616</b>	<b>522,728</b>	<b>59,958</b>	<b>9,758,936</b>	<b>4,022,034</b>	<b>685,454</b>	<b>40,242,150</b>

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

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2019											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
<b>Claims Paid</b>												
Direct	11,187,551	9,229,337	20,416,888	364,066	9,222	79,860	996,256	20,735	7,750,401	16,897,337	1,457,381	47,992,146
Add : Reinsurance accepted	-	-	-	10,034	291	-	-	-	12	-	3	10,340
Less : Reinsurance ceded	1,803,369	2,523,751	4,327,120	251,009	9,062	4,273	123,347	6,112	581,413	13,611,147	838,138	19,751,621
<b>Net Claims Paid</b>	<b>9,384,182</b>	<b>6,705,586</b>	<b>16,089,768</b>	<b>123,091</b>	<b>451</b>	<b>75,587</b>	<b>872,909</b>	<b>14,623</b>	<b>7,169,000</b>	<b>3,286,190</b>	<b>619,246</b>	<b>28,250,865</b>
Add : Claims Outstanding at the end of the year	1,953,185	33,589,844	35,543,029	202,514	1,958	147,210	599,720	154,799	1,284,820	1,844,523	603,517	40,382,090
Less : Claims Outstanding at the beginning of the year	2,382,926	26,466,316	28,849,242	251,903	430	118,770	342,306	131,341	1,036,994	2,446,010	592,652	33,769,648
<b>Total Claims Incurred</b>	<b>8,954,441</b>	<b>13,829,114</b>	<b>22,783,555</b>	<b>73,702</b>	<b>1,979</b>	<b>104,027</b>	<b>1,130,323</b>	<b>38,081</b>	<b>7,416,826</b>	<b>2,684,703</b>	<b>630,111</b>	<b>34,863,307</b>

## SCHEDULE - 3 COMMISSION

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020				Year Ended 31 <sup>st</sup> March, 2019			
	Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
<b>Commission Paid</b>								
Direct	482,250	121,041	4,776,504	5,379,795	231,884	115,609	4,541,144	4,888,637
<b>Total (A)</b>	<b>482,250</b>	<b>121,041</b>	<b>4,776,504</b>	<b>5,379,795</b>	<b>231,884</b>	<b>115,609</b>	<b>4,541,144</b>	<b>4,888,637</b>
Add : Commission on reinsurance accepted	43,024	118	14,092	57,234	31,925	1,703	19,281	52,909
Less : Commission on reinsurance ceded	1,062,336	137,295	2,583,723	3,783,354	421,146	138,563	2,244,951	2,804,660
<b>Net Commission</b>	<b>(537,062)</b>	<b>(16,136)</b>	<b>2,206,873</b>	<b>1,653,675</b>	<b>(157,337)</b>	<b>(21,251)</b>	<b>2,315,474</b>	<b>2,136,886</b>
<b>Breakup of the expenses (Gross) incurred to procure business:</b>								
Agents	145,044	49,533	1,184,660	1,379,237	86,313	44,658	1,182,544	1,313,515
Brokers	312,353	71,253	2,982,662	3,366,268	134,049	70,789	2,894,226	3,099,064
Corporate Agency	24,158	80	55,047	79,285	11,182	16	24,427	35,625
Others (Web Aggregator, CSC, IMF, MISP and POS)	695	175	554,135	555,005	340	146	439,947	440,433
<b>Total (B)</b>	<b>482,250</b>	<b>121,041</b>	<b>4,776,504</b>	<b>5,379,795</b>	<b>231,884</b>	<b>115,609</b>	<b>4,541,144</b>	<b>4,888,637</b>

\* For analysis of the segment of Marine business, refer Schedule 3A.

\*\*For analysis of the segment of Miscellaneous business, refer Schedule 3B.

## SCHEDULE - 3A COMMISSION

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020			Year Ended 31 <sup>st</sup> March, 2019		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
<b>Commission Paid</b>						
Direct	118,002	3,039	121,041	109,993	5,616	115,609
<b>Total (A)</b>	<b>118,002</b>	<b>3,039</b>	<b>121,041</b>	<b>109,993</b>	<b>5,616</b>	<b>115,609</b>
Add : Commission on reinsurance accepted	118	-	118	1,703	-	1,703
Less : Commission on reinsurance ceded	135,231	2,064	137,295	134,571	3,992	138,563
<b>Net Commission</b>	<b>(17,111)</b>	<b>975</b>	<b>(16,136)</b>	<b>(22,875)</b>	<b>1,624</b>	<b>(21,251)</b>
<b>Breakup of the expenses (Gross) incurred to procure business:</b>						
Agents	47,795	1,738	49,533	40,668	3,990	44,658
Brokers	69,952	1,301	71,253	69,171	1,618	70,789
Corporate Agency	80	-	80	8	8	16
Others (Web Aggregator, CSC, IMF, MISP and POS)	175	-	175	146	-	146
<b>Total (B)</b>	<b>118,002</b>	<b>3,039</b>	<b>121,041</b>	<b>109,993</b>	<b>5,616</b>	<b>115,609</b>

**SCHEDULE - 3B  
COMMISSION**

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
Commission Paid Direct	3,142,246	294,797	3,437,043	116,669	71	64,017	92,383	86,900	646,507	-	332,914	4,776,504
<b>Total (A)</b>	<b>3,142,246</b>	<b>294,797</b>	<b>3,437,043</b>	<b>116,669</b>	<b>71</b>	<b>64,017</b>	<b>92,383</b>	<b>86,900</b>	<b>646,507</b>	<b>-</b>	<b>332,914</b>	<b>4,776,504</b>
Add : Commission on reinsurance accepted	-	-	-	4,310	-	-	-	4,837	89	-	4,856	14,092
Less : Commission on reinsurance ceded	1,472,224	46,763	1,518,987	95,334	3	2,401	14,128	16,746	155,325	516,535	264,264	2,583,723
<b>Net Commission</b>	<b>1,670,022</b>	<b>248,034</b>	<b>1,918,056</b>	<b>25,645</b>	<b>68</b>	<b>61,616</b>	<b>78,255</b>	<b>74,991</b>	<b>491,271</b>	<b>(516,535)</b>	<b>73,506</b>	<b>2,206,873</b>
<b>Breakup of the expenses (Gross) incurred to procure business:</b>												
Agent	516,236	137,517	653,753	49,402	-	38,754	41,246	13,334	258,715	-	129,456	1,184,660
Brokers	2,160,268	81,954	2,242,222	66,929	71	24,774	45,053	73,372	368,305	-	161,936	2,982,662
Corporate Agency	16,351	5,901	22,252	176	-	54	3,951	43	5,578	-	22,993	55,047
Others (Web Aggregator, CSC, IMF, MISP and POS)	449,391	69,425	518,816	162	-	435	2,133	151	13,909	-	18,529	554,135
<b>Total (B)</b>	<b>3,142,246</b>	<b>294,797</b>	<b>3,437,043</b>	<b>116,669</b>	<b>71</b>	<b>64,017</b>	<b>92,383</b>	<b>86,900</b>	<b>646,507</b>	<b>-</b>	<b>332,914</b>	<b>4,776,504</b>

**SCHEDULE - 3B  
COMMISSION**

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2019											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
Commission Paid Direct	3,079,076	262,257	3,341,333	101,942	441	59,488	142,948	61,265	534,213	-	299,514	4,541,144
<b>Total (A)</b>	<b>3,079,076</b>	<b>262,257</b>	<b>3,341,333</b>	<b>101,942</b>	<b>441</b>	<b>59,488</b>	<b>142,948</b>	<b>61,265</b>	<b>534,213</b>	<b>-</b>	<b>299,514</b>	<b>4,541,144</b>
Add : Commission on reinsurance accepted	-	-	-	5,868	-	-	-	6,502	-	-	6,911	19,281
Less : Commission on reinsurance ceded	555,072	496,179	1,051,251	55,045	577	2,217	20,151	16,566	66,722	801,010	231,412	2,244,951
<b>Net Commission</b>	<b>2,524,004</b>	<b>(233,922)</b>	<b>2,290,082</b>	<b>52,765</b>	<b>(136)</b>	<b>57,271</b>	<b>122,797</b>	<b>51,201</b>	<b>467,491</b>	<b>(801,010)</b>	<b>75,013</b>	<b>2,315,474</b>
<b>Breakup of the expenses (Gross) incurred to procure business:</b>												
Agents	541,948	148,779	690,727	47,228	-	40,427	23,662	14,229	258,688	-	107,583	1,182,544
Brokers	2,168,837	62,946	2,231,783	54,125	441	18,599	116,349	46,757	265,713	-	160,459	2,894,226
Corporate Agency	3,903	1,186	5,089	255	-	44	1,006	149	3,499	-	14,385	24,427
Others (Web Aggregator, CSC, IMF, MISP and POS)	364,388	49,346	413,734	334	-	418	1,931	130	6,313	-	17,087	439,947
<b>Total (B)</b>	<b>3,079,076</b>	<b>262,257</b>	<b>3,341,333</b>	<b>101,942</b>	<b>441</b>	<b>59,488</b>	<b>142,948</b>	<b>61,265</b>	<b>534,213</b>	<b>-</b>	<b>299,514</b>	<b>4,541,144</b>

## SCHEDULE - 4 OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ in '000)

S. No.	Particulars	Year Ended 31 <sup>st</sup> March, 2020				Year Ended 31 <sup>st</sup> March, 2019			
		Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
1	Employees remuneration and welfare benefits	48,450	50,588	2,945,762	3,044,800	29,363	36,523	2,157,442	2,223,328
2	Travel, conveyance and vehicle running expenses	4,348	4,539	264,317	273,204	2,241	2,787	164,632	169,660
3	Training expenses	274	285	16,619	17,178	269	335	19,787	20,391
4	Rent, rates and taxes	6,834	7,135	415,487	429,456	4,977	6,191	365,704	376,872
5	Repairs	2,490	2,600	151,386	156,476	2,096	2,608	154,034	158,738
6	Printing and Stationery	1,537	1,605	93,450	96,592	1,097	1,363	80,546	83,006
7	Communication	2,071	2,161	125,884	130,116	1,568	1,950	115,217	118,735
8	Legal and professional charges	15,216	15,887	925,109	956,212	15,194	18,899	1,116,405	1,150,498
9	Auditor's fees, expenses etc.								
	(a) As Auditor	46	48	2,806	2,900	38	48	2,814	2,900
	(b) As advisor or in any other capacity in respect of								
	(i) Taxation matters	-	-	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-
	(c) In any other capacity (Tax Audit fees)	11	12	677	700	9	12	679	700
10	Advertisement and publicity	19,614	20,479	1,192,513	1,232,606	5,220	6,494	383,566	395,280
11	Interest and Bank charges	2,543	2,655	154,615	159,813	1,679	2,089	123,383	127,151
12	Others:								
	Policy stamps	39	-	5,139	5,178	39	-	4,362	4,401
	Information & Technology expenses	3,895	4,067	236,802	244,764	2,716	3,378	199,549	205,643
	Electricity & Water charges	1,161	1,212	70,574	72,947	739	919	54,265	55,923
	Courtesies & Entertainment	1,321	1,381	80,391	83,093	956	1,189	70,258	72,403
	Others	2,483	2,595	151,055	156,133	899	1,118	66,058	68,075
13	Depreciation	3,818	3,986	232,120	239,924	2,264	2,816	166,361	171,441
14	Service Tax Expense/GST Expense	2,226	2,326	135,416	139,968	2,169	2,696	159,280	164,145
	<b>Total</b>	<b>118,377</b>	<b>123,561</b>	<b>7,200,122</b>	<b>7,442,060</b>	<b>73,533</b>	<b>91,415</b>	<b>5,404,342</b>	<b>5,569,290</b>

\* For analysis of the segment of Marine business, refer Schedule 4A.

\*\*For analysis of the segment of Miscellaneous business, refer Schedule 4B.

## SCHEDULE - 4A OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ in '000)

S. No.	Particulars	Year Ended 31 <sup>st</sup> March, 2020			Year Ended 31 <sup>st</sup> March, 2019		
		Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
1	Employees remuneration and welfare benefits	49,292	1,296	50,588	35,899	624	36,523
2	Travel, conveyance and vehicle running expenses	4,423	116	4,539	2,739	48	2,787
3	Training expenses	278	7	285	329	6	335
4	Rent, rates and taxes	6,952	183	7,135	6,085	106	6,191
5	Repairs	2,533	67	2,600	2,563	45	2,608
6	Printing and Stationery	1,564	41	1,605	1,340	23	1,363
7	Communication	2,106	55	2,161	1,917	33	1,950
8	Legal and professional charges	15,480	407	15,887	18,577	322	18,899
9	Auditor's fees, expenses etc.						
	(a) As Auditor	47	1	48	47	1	48
	(b) As Advisor or in any other capacity in respect of						
	(i) Taxation matters	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-
	(c) In any other capacity (Tax Audit fees)	12	-	12	12	-	12
10	Advertisement and publicity	19,954	525	20,479	6,383	111	6,494
11	Interest and Bank charges	2,587	68	2,655	2,053	36	2,089
12	Others:						
	Policy stamps	-	-	-	-	-	-
	Information & Technology expenses	3,962	105	4,067	3,321	57	3,378
	Electricity & Water charges	1,181	31	1,212	903	16	919
	Courtesies & Entertainment	1,345	36	1,381	1,169	20	1,189
	Others	2,528	67	2,595	1,099	19	1,118
13	Depreciation	3,884	102	3,986	2,768	48	2,816
14	Service Tax Expense/GST Expense	2,266	60	2,326	2,650	46	2,696
	<b>Total</b>	<b>120,394</b>	<b>3,167</b>	<b>123,561</b>	<b>89,854</b>	<b>1,561</b>	<b>91,415</b>

**SCHEDULE - 4B**  
**OPERATING EXPENSES RELATING TO INSURANCE BUSINESS**

(₹ in '000)

S. No.	Particulars	Year Ended 31 <sup>st</sup> March, 2020											
		Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
1	Employees remuneration and welfare benefits	686,799	1,145,547	1,832,346	11,751	51	19,531	50,972	16,226	685,052	258,304	71,529	2,945,762
2	Travel, conveyance and vehicle running expenses	61,625	102,788	164,413	1,054	5	1,752	4,574	1,456	61,468	23,177	6,418	264,317
3	Training expenses	3,875	6,463	10,338	66	-	110	288	92	3,865	1,457	403	16,619
4	Rent, rates and taxes	96,870	161,575	258,445	1,657	7	2,755	7,189	2,289	96,624	36,433	10,088	415,487
5	Repairs	35,295	58,871	94,166	604	3	1,004	2,620	833	35,206	13,275	3,675	151,386
6	Printing and Stationery	21,788	36,341	58,129	373	2	620	1,617	515	21,732	8,194	2,268	93,450
7	Communication	29,350	48,954	78,304	502	2	835	2,178	693	29,275	11,038	3,057	125,884
8	Legal and professional charges	215,687	359,756	575,443	3,690	16	6,134	16,008	5,095	215,139	81,120	22,464	925,109
9	Auditor's fees, expenses etc.												
	(a) As Auditor	654	1,091	1,745	11	-	19	49	15	652	246	69	2,806
	(b) As Advisor or in any other capacity in respect of												
	(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-	-	-	-	-
	(c) In any other capacity (Tax Audit fees)	158	263	421	3	-	4	12	4	157	59	17	677
10	Advertisement and publicity	278,032	463,744	741,776	4,757	20	7,906	20,635	6,569	277,326	104,567	28,957	1,192,513
11	Interest and Bank charges	36,048	60,127	96,175	617	3	1,025	2,674	852	35,957	13,558	3,754	154,615
12	Others:												
	Policy stamps	1,540	2,569	4,109	7	-	169	15	1	63	-	775	5,139
	Information & Technology expenses	55,210	92,088	147,298	945	4	1,570	4,097	1,304	55,070	20,764	5,750	236,802
	Electricity & Water Charges	16,454	27,445	43,899	282	1	468	1,221	389	16,412	6,188	1,714	70,574
	Courtesies & Entertainment	18,743	31,262	50,005	321	1	533	1,391	443	18,695	7,050	1,952	80,391
	Others	35,218	58,742	93,960	603	3	1,001	2,614	832	35,128	13,245	3,669	151,055
13	Depreciation	54,118	90,267	144,385	926	4	1,538	4,017	1,279	53,981	20,354	5,636	232,120
14	Service Tax Expense/GST Expense	31,572	52,660	84,232	541	2	898	2,343	746	31,492	11,874	3,288	135,416
	<b>Total</b>	<b>1,679,036</b>	<b>2,800,553</b>	<b>4,479,589</b>	<b>28,710</b>	<b>124</b>	<b>47,872</b>	<b>124,514</b>	<b>39,633</b>	<b>1,673,294</b>	<b>630,903</b>	<b>175,483</b>	<b>7,200,122</b>

**SCHEDULE - 4B**  
**OPERATING EXPENSES RELATING TO INSURANCE BUSINESS**

(₹ in '000)

S. No.	Particulars	Year Ended 31 <sup>st</sup> March, 2019											
		Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
1	Employees remuneration and welfare benefits	717,922	750,644	1,468,566	11,309	4	14,972	53,740	11,509	393,012	152,892	51,438	2,157,442
2	Travel, conveyance and vehicle running expenses	54,784	57,281	112,065	863	-	1,142	4,101	878	29,990	11,667	3,926	164,632
3	Training expenses	6,584	6,885	13,469	104	-	137	493	106	3,604	1,402	472	19,787
4	Rent, rates and taxes	121,693	127,240	248,933	1,917	1	2,538	9,109	1,951	66,619	25,917	8,719	365,704
5	Repairs	51,257	53,593	104,850	807	-	1,069	3,837	822	28,060	10,916	3,673	154,034
6	Printing and Stationery	26,803	28,025	54,828	422	-	559	2,006	430	14,673	5,708	1,920	80,546
7	Communication	38,340	40,088	78,428	604	-	800	2,870	614	20,989	8,165	2,747	115,217
8	Legal and professional charges	371,501	388,434	759,935	5,852	2	7,747	27,809	5,956	203,371	79,117	26,616	1,116,405
9	Auditor's fees, expenses etc.												
	(a) As Auditor	936	979	1,915	15	-	20	70	15	513	199	67	2,814
	(b) As Advisor or in any other capacity in respect of												
	(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-	-	-	-	-
	(c) In any other capacity (Tax Audit fees)	226	236	462	3	-	5	17	4	124	48	16	679
10	Advertisement and publicity	127,637	133,455	261,092	2,011	1	2,662	9,554	2,046	69,873	27,182	9,145	383,566
11	Interest and Bank charges	41,058	42,929	83,987	647	-	856	3,073	658	22,476	8,744	2,942	123,383
12	Others:												
	Policy stamps	1,619	1,692	3,311	8	-	158	19	1	48	-	817	4,362
	Information & Technology expenses	66,403	69,429	135,832	1,046	-	1,385	4,971	1,065	36,351	14,141	4,758	199,549
	Electricity & Water Charges	18,058	18,880	36,938	284	-	377	1,352	289	9,885	3,846	1,294	54,265
	Courtesies & Entertainment	23,379	24,445	47,824	368	-	488	1,750	375	12,799	4,979	1,675	70,258
	Others	21,982	22,984	44,966	346	-	458	1,645	352	12,033	4,682	1,576	66,058
13	Depreciation	55,359	57,882	113,241	872	-	1,154	4,144	887	30,305	11,790	3,968	166,361
14	Service Tax Expense/GST Expense	53,003	55,419	108,422	835	-	1,105	3,968	850	29,015	11,288	3,797	159,280
	<b>Total</b>	<b>1,798,544</b>	<b>1,880,520</b>	<b>3,679,064</b>	<b>28,313</b>	<b>8</b>	<b>37,632</b>	<b>134,528</b>	<b>28,808</b>	<b>983,740</b>	<b>382,683</b>	<b>129,566</b>	<b>5,404,342</b>



## SCHEDULE - 5 SHARE CAPITAL

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Authorised Capital 400000000 Equity Shares of ₹ 10 each (Previous Year 400000000 Equity Shares of ₹ 10 each)	4,000,000	4,000,000
2	Issued Capital 274218300 Equity Shares of ₹ 10 each (Previous Year 274218300 Equity Shares of ₹ 10 each)	2,742,183	2,742,183
3	Subscribed Capital 274218300 Equity Shares of ₹ 10 each (Previous Year 274218300 Equity Shares of ₹ 10 each)	2,742,183	2,742,183
4	Called up Capital 274218300 Equity Shares of ₹ 10 each (Previous Year 274218300 Equity Shares of ₹ 10 each)	2,742,183	2,742,183
	Less: Calls unpaid	-	-
	Add: Equity Shares forfeited (amount originally paid up)	-	-
	Less: Par Value of Equity Shares bought back	-	-
	Less: Preliminary Expenses	-	-
	Expenses including commission or brokerage on underwriting or subscription of shares	-	-
	<b>Total</b>	<b>2,742,183</b>	<b>2,742,183</b>

## SCHEDULE - 5A SHARE CAPITAL PATTERN OF SHAREHOLDING (As certified by the Management)

Shareholders	As at 31 <sup>st</sup> March, 2020		As at 31 <sup>st</sup> March, 2019	
	Number of Shares	% of Holding	Number of Shares	% of Holding
<b>Promoters</b>				
a) Indian	139,851,333	51	139,851,333	51
b) Foreign	134,366,967	49	134,366,967	49
<b>Others</b>	-	-	-	-
<b>Total</b>	<b>274,218,300</b>	<b>100</b>	<b>274,218,300</b>	<b>100</b>

## SCHEDULE - 6 RESERVES AND SURPLUS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium		
	Opening Balance	4,519,821	2,568,789
	Additions during the year	-	1,951,032
	Closing Balance	4,519,821	4,519,821
4	General Reserve	-	-
5	Catastrophe Reserve	1,166	1,166
6	Other Reserves	-	-
7	Balance of Profit in Profit and Loss Account	17,319,373	15,272,404
	<b>TOTAL</b>	<b>21,840,360</b>	<b>19,793,391</b>

## SCHEDULE - 7 BORROWINGS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Debentures/Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

## SCHEDULE - 8 INVESTMENTS - SHAREHOLDERS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
	<b>Long Term Investments</b>		
1	Govt. Securities, Govt. guaranteed Bonds incl. Treasury Bills	6,404,247	6,278,416
2	Other Approved Securities	444,075	-
3	<u>Other Investments</u>		
	Equity Shares	3,525	7,024
	Preference Shares	-	-
	Mutual Funds	-	-
	Derivative Instruments	-	-
	Debenture/Bonds (Housing)	2,039,449	1,844,096
	Non-Convertible Debenture/Bonds	329,312	591,884
	Other Securities	-	-
	Subsidiaries	965	1,115
	Investment Properties - Real Estate	-	-
4	Investment in Infrastructure and social sector	5,299,318	6,430,525
5	<u>Other than approved investments</u>		
	Mutual Funds	2,628	4,053
	Non-Convertible Debenture	214,554	370,931
	Less: Provision for diminution in the value of investments	(84,961)	(69,101)
	<b>Short Term Investments</b>		
1	Govt. Securities, Govt. guaranteed Bonds incl. Treasury Bills	263,629	345,627
2	Other Approved Securities	2,193,322	1,388,744
3	<u>Other Investments</u>		
	Equity Shares	-	-
	Preference Shares	-	-
	Mutual Funds	108,175	-
	Derivative Instruments	-	-
	Debentures & Bonds (Housing)	599,467	836,132
	Non-Convertible Debenture/Bonds	453,875	587,032
	Others Securities - CD/CP	144,080	166,681
	Subsidiaries	-	-
	Investment Properties - Real Estate	-	-
4	Investments in Infrastructure & social sector	128,024	918,371
5	<u>Other than approved investments</u>		
	Mutual Funds	-	-
	Non-Convertible Debenture	222,081	178,445
	Less: Provision for diminution in the value of investments	(79,168)	(20,061)
	<b>Total</b>	<b>18,686,597</b>	<b>19,859,914</b>

**Note:** (Sch 8 & Sch 8A): Aggregate amount of Company's investment other than listed equity securities and derivative instruments is ₹ 96,756,954 thousand (Previous year ₹ 89,064,254 thousand).

Market value of such investments as at 31.03.2020 is ₹ 99,035,312 thousand (Previous year ₹ 88,138,529 thousand).

## SCHEDULE - 8A INVESTMENTS - POLICYHOLDERS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
	<b>Long Term Investments</b>		
1	Govt. Securities, Govt. guaranteed Bonds incl. Treasury Bills	26,762,431	21,887,881
2	Other Approved Securities	1,855,725	-
3	<b>Other Investments</b>		
	Equity Shares	14,730	24,488
	Preference Shares	-	-
	Mutual Funds	-	-
	Derivative Instruments	-	-
	Debenture/Bonds (Housing)	8,522,567	6,428,909
	Non-Convertible Debenture/Bonds	1,376,146	2,063,433
	Other Securities	-	-
	Subsidiaries	4,035	3,885
	Investment Properties - Real Estate	-	-
4	Investment in Infrastructure and Social Sector	22,145,090	22,418,168
5	<b>Other Than Approved Investments</b>		
	Mutual Funds	10,984	14,131
	Non-Convertible Debenture	896,588	1,293,143
	Less: Provision for diminution in the value of investments	(355,039)	(240,899)
	<b>Short Term Investments</b>		
1	Govt. Securities, Govt. guaranteed Bonds incl. Treasury Bills	1,101,669	1,204,930
2	Other Approved Securities	9,165,577	4,841,456
3	<b>Other Investments</b>		
	Equity Shares	-	-
	Preference Shares	-	-
	Mutual Funds	452,050	-
	Derivative Instruments	-	-
	Debentures & Bonds (Housing)	2,505,087	2,914,932
	Non-Convertible Debenture/Bonds	1,896,677	2,046,519
	Others Securities - CD/CP	602,091	581,084
	Subsidiaries	-	-
	Investment Properties - Real Estate	-	-
4	Investments in Infrastructure & Social Sector	534,993	3,201,634
5	<b>Other Than Approved Investments</b>		
	Mutual Funds	-	-
	Non-Convertible Debenture	928,043	622,097
	Less: Provision for diminution in the value of investments	(330,832)	(69,939)
	<b>Total</b>	<b>78,088,612</b>	<b>69,235,852</b>

## SCHEDULE - 9 LOANS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	<b>Security Wise Classification</b>		
	Secured		
	(a) On mortgage of property		
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) On Shares, Bonds, Govt Securities	-	-
	(c) Others	-	-
	Unsecured	-	-
	<b>Total</b>	-	-
2	<b>Borrower Wise Classification</b>		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Industrial Undertakings	-	-
	(e) Others	-	-
	<b>Total</b>	-	-
3	<b>Performance Wise Classification</b>		
	(a) Loans classified as standard		
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) Non Performing Loans Less Provisions		
	(aa) In India	-	-
	(bb) Outside India	-	-
	<b>Total</b>	-	-
4	<b>Maturity Wise Classification</b>		
	(a) Short Term	-	-
	(b) Long Term	-	-
	<b>Total</b>	-	-

**SCHEDULE - 10  
FIXED ASSETS**

(₹ in '000)

Particulars	Gross Block			Depreciation			Net Block			
	As at 1 <sup>st</sup> April, 2019	Additions during the year	Sales/ Adjustments during the year	As at 31 <sup>st</sup> March, 2020	Upto 31 <sup>st</sup> March, 2019	For the Year	On Sales/ Adjustments	Upto 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles:										
- Computer Software	461,242	122,102	-	583,344	316,084	103,582	-	419,666	163,678	145,158
Land - Freehold	37,849	-	-	37,849	-	-	-	-	37,849	37,849
Leasehold Property	-	-	-	-	-	-	-	-	-	-
Buildings	12,251	-	-	12,251	1,812	201	-	2,013	10,238	10,439
Furniture & Fittings	402,179	101,651	508	503,322	282,433	34,869	482	316,820	186,502	119,746
Information Technology										
Equipment	805,455	97,066	660	901,861	673,257	88,861	594	761,524	140,337	132,198
Vehicles	14,953	10,535	-	25,488	5,620	2,057	-	7,677	17,811	9,333
Office Equipment	120,432	14,595	726	134,301	91,911	10,354	685	101,580	32,720	28,521
Others	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,854,361</b>	<b>345,949</b>	<b>1,894</b>	<b>2,198,416</b>	<b>1,371,117</b>	<b>239,924</b>	<b>1,761</b>	<b>1,609,280</b>	<b>589,135</b>	<b>483,244</b>
<b>Capital Work In Progress</b>	<b>101,846</b>	<b>71,321</b>	<b>101,846</b>	<b>71,321</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71,321</b>	<b>101,846</b>
<b>Grand Total</b>	<b>1,956,207</b>	<b>417,270</b>	<b>103,740</b>	<b>2,269,737</b>	<b>1,371,117</b>	<b>239,924</b>	<b>1,761</b>	<b>1,609,280</b>	<b>660,456</b>	<b>585,090</b>
<b>Previous Year Total</b>	<b>1,533,190</b>	<b>438,131</b>	<b>15,114</b>	<b>1,956,207</b>	<b>1,202,453</b>	<b>171,441</b>	<b>2,777</b>	<b>1,371,117</b>	<b>585,090</b>	

## SCHEDULE - 11 CASH AND BANK BALANCES

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Cash (including cheques, drafts and stamps)	17,329	39,768
2	Bank Balances		
	(a) Deposit Accounts		
	(aa) Short term (due within 12 months)	-	-
	(bb) Others	-	-
	(b) Current Accounts	3,682,268	689,544
	(c) Others	-	-
3	Money at call & short notice		
	With Banks	-	-
	With Other Institutions	-	-
4	Others	-	-
	<b>Total</b>	<b>3,699,597</b>	<b>729,312</b>
	Balances with non-scheduled banks included in 2 and 3 above	-	-

Note: Balance with Banks in current accounts above, includes liquid flexi term deposit of ₹ 2,886,400 thousand (Previous year ₹ 787,100 thousand).

## SCHEDULE - 12 ADVANCES AND OTHER ASSETS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
	<b>Advances</b>		
1	Reserve Deposit with Ceding Companies	2,551,022	2,332,852
2	Application Money for Investments	-	-
3	Pre-payments	115,693	80,082
4	Advance to Directors/Officers	-	-
5	Advance Tax Paid and Tax Deducted at source (Net of provision for taxation)	273,360	238,335
6	Deposit towards Rent	96,876	90,814
7	Service Tax/GST Recoverable	-	18,322
8	Others	111,392	6,572
	<b>Total (A)</b>	<b>3,148,343</b>	<b>2,766,977</b>
	<b>Other Assets</b>		
1	Income accrued on Investments/FDRs	2,975,874	2,875,349
2	Outstanding Premiums	14,648,278	4,579,641
3	Agents' Balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from entities carrying on insurance business (including reinsurers)	1,924,940	1,657,845
6	Due from Subsidiaries/Holdings	45,824	45,824
7	Assets held for unclaimed amount of Policyholders	253,551	260,063
	Add : Investment income accruing on unclaimed amount	51,068	51,161
8	Deposit with Reserve Bank of India	-	-
9	Unsettled Investment contract receivable	-	-
	<b>Total (B)</b>	<b>19,899,535</b>	<b>9,469,883</b>
	<b>Total (A+B)</b>	<b>23,047,878</b>	<b>12,236,860</b>

### SCHEDULE - 13 CURRENT LIABILITIES

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Agents Balances	513,557	372,642
2	Balances due to other insurance companies (including reinsurers)	12,522,392	9,521,867
3	Deposits held on reinsurances ceded	-	-
4	Premiums received in advance	8,766,075	4,250,441
5	Unallocated premium	722,196	69,627
6	Sundry Creditors	1,430,815	1,185,978
7	Due to subsidiaries/holding company	-	-
8	Claims outstanding*	53,183,426	43,113,172
9	Due to Officers/Directors	-	-
10	Deposit Premium	563,258	514,687
11	Goods & Service Tax Payable	148,225	456,488
12	Employee Benefit	451,538	346,843
13	Unclaimed amount of Policyholders	213,483	237,657
	Add: Investment income accruing on unclaimed amount	51,068	51,161
	<b>Total</b>	<b>78,566,033</b>	<b>60,120,563</b>

\* Claims Outstanding Includes Nil (Previous Year ₹ 1,353,176 thousand) on account of settlement received from the IMTPIP towards the Company's share of claim liability determined by the pool upto the date of dismantling (Net of claims paid upto reporting period).

### SCHEDULE - 14 PROVISIONS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Reserve for Unexpired Risk	21,494,406	20,335,230
2	For Taxation (less advance tax paid and taxes deducted at source)	-	-
3	For Proposed Dividends	-	-
4	For Dividend Distribution Tax	-	-
5	For Premium Deficiency	-	-
6	For Doubtful Debt	-	48,699
	<b>Total</b>	<b>21,494,406</b>	<b>20,383,929</b>

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

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Discount allowed in issue of shares/debenture	-	-
2	Others	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>





## Winners of Employees Engagement Campaign being felicitated

by Director, Marketing and ED (HR, Admin & CSR)



# ACCOUNTING POLICIES & NOTES TO ACCOUNTS



## SCHEDULE 16: NOTES TO ACCOUNTS

### A. SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and on the accrual basis of accounting in accordance with the generally accepted accounting principles and conform to the statutory requirements prescribed under the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 including directions thereon, the Insurance Act, 1938, the provisions of Companies Act, 2013 including notified Accounting Standards there under except otherwise stated.

#### 2. Use of Estimates

The presentation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent assets & liabilities. Such estimates and assumptions are based on the management's evaluation of the relevant facts and circumstances as on the date of financial statements. Any revision to the accounting estimates is recognized prospectively in the period in which the results are known/materialized.

#### 3. Revenue Recognition

- 3.1 Premium and cession thereof are recognized over the contract period or the period of the risk in respective revenue account following 1/365 method.

Reserve for unexpired risk representing premium attributable to the succeeding accounting period is maintained based on the above method except in Marine Hull business and reinsurance acceptances under the Pool arrangements. Unexpired Risk Reserve for Marine Hull business and reinsurance acceptances in respect of Terrorism Pool is maintained at hundred percent of net

premium and in respect of all other reinsurance acceptances under pool arrangements at fifty percent of the net premium during the preceding twelve months.

- 3.2 Any subsequent revision to the premium under the policies is accounted for in the period in which they occur.
- 3.3 Premium deficiency is recognized whenever expected claim costs, related expenses and maintenance costs exceeds related reserve for unexpired risks for each segment of business.
- 3.4 Reinsurance Inward acceptances are accounted for on the basis of returns, to the extent received, from the insurers.
- 3.5 Commission on reinsurance cessions are recognized as income in the period in which the premium is ceded. Profit commission under reinsurance treaties, wherever applicable, is recognized on the determination of profit for the period.
- 3.6 Interest Income is recognized on accrual basis.
- 3.7 Dividend income is recognized when the right to receive dividend is established.
- 3.8 Profit or Loss on sale / redemption of investments which is the difference between sale consideration and carrying value is recognized on trade date and includes effects of accumulated fair value changes, previously recognized, for specific investments sold / redeemed during the year. In determining realized gain / loss, cost of securities is arrived at on 'Weighted average cost' basis and sale consideration for the purpose of realized gain/loss is net of Brokerage and taxes, if any.

#### 4. Allocation of Investment Income between Revenue Accounts and Profit and Loss Account

Investment income is apportioned to Profit and Loss Account and Revenue Accounts in the ratio of average of Shareholders Funds and Policyholders Funds standing in each class of business at the end of each month.

## 5. Claims Incurred

- 5.1 Liability in respect of claims is provided for the intimations received up to the year-end based on the surveyor's assessment, information provided by the insured, judgment based on past experience and other applicable laws and practices. However, in respect of claims under re-insurance acceptances, the claim liability is provided based on the returns / advices, to the extent received, from the Reinsurers.
- 5.2 Liability in respect of "Claims incurred but not reported" (IBNR) and "Claims incurred but not enough reported" (IBNER) is provided for on actuarial estimates as certified by the "Appointed Actuary".
- 5.3 Salvage / Recoveries under claims are netted off against "Claims Incurred" and are accounted for on realization.

## 6. Allocation of Operating Expenses

Operating expenses other than policy stamps are apportioned to respective revenue accounts on the basis of net premium in each class of business at the end of financial year. Expenses relating to policy stamps are directly taken to the respective revenue accounts.

## 7. Acquisition Cost of insurance contracts

Cost relating to acquisition of new / renewal of insurance contracts are expensed in the period in which they are incurred.

## 8. Investments

Investments are recorded on the trade date at the acquisition cost.

### Classification

Investment maturing within twelve months from the Balance Sheet date and investments made with specific intention to dispose of within twelve months from the Balance Sheet date are classified as Short Term Investments. Other investments are classified as Long Term Investments.

## Valuation

- (i) Debt securities including Government securities are considered as held to maturity and are valued at cost subject to amortization by charging off / crediting investment income with the difference of acquisition cost and maturity value over the unexpired period of maturity on straight line method.
- (ii) Investments in units of mutual funds are valued at Net Asset Value (NAV).
- (iii) Equity securities listed and actively traded are stated at fair value, being the last quoted closing price on the National Stock Exchange (NSE). However, in case of any stock not being listed at NSE, the same is valued based on the last quoted closing price on Bombay Stock Exchange (BSE).
- (iv) Any unrealized gain / loss arising due to change in fair value of mutual fund investments and listed equity shares is accounted in 'Fair Value Change Account' and carried forward in the Balance Sheet and is not available for distribution.
- (v) Investment in subsidiary company is valued at cost less permanent diminution, if any.

## 9. Fixed Assets

Fixed Assets including Intangible Assets are stated at their cost of acquisition less accumulated depreciation / amortization.

Capital Work in Progress is stated at cost.

## 10. Depreciation/Amortization

- 10.1 Depreciation on Fixed Assets is provided on straight line method based on useful life as provided in Schedule II of the Companies Act, 2013 except:
- (i) Fixtures in rented premises are depreciated proportionately over the residual lease period wherever the lease period is less than the useful life specified in Schedule II.

(ii) Information Technology Equipments – Servers & Networks are depreciated over their useful life of three years on straight line method.

(iii) Fixed Assets having value up to ₹ 5000 are fully depreciated in the year of acquisition.

10.2 Intangible Asset (Software) is amortized over its useful life of three years on straight line method.

## 11. Operating Lease

Payments made towards assets / premises taken on operating lease are recognized as an expense in the revenue accounts and profit and loss account over the lease term on straight-line basis.

## 12. Pre-Paid Expenses

Expenditure up to ₹ 25,000 in each case is accounted for in the year in which the same is incurred.

## 13. Foreign Currency Transactions

Transactions in foreign currency are accounted at the exchange rate prevailing on the date of the transaction.

The monetary items remaining outstanding as on the date of Balance Sheet are translated at the exchange rate as on that date.

Exchange Gain / Loss on settlement / translation of foreign currency transactions is recognized as income / expense.

## 14. Income Tax

Income tax comprises of Current Tax and Deferred Tax. Deferred tax, resulting from 'timing differences' between book and taxable profits, is accounted for using the tax rates and laws that have been enacted or substantively enacted. The deferred tax asset is recognized and carried only to the extent that there is a reasonable / virtual certainty that the asset will be realized in future.

## 15. Employee Benefits

15.1 The Liability for Gratuity is covered by the "Group Gratuity Cash Accumulation Scheme" with an Insurance Company. The liability is accounted for based on actuarial valuation as on the date of Balance Sheet.

15.2 Liability for leave encashment is provided for on the basis of actuarial valuation as on the date of Balance Sheet.

15.3 Provident Fund and Family Pension Scheme contributions and liability towards Leave Travel Assistance (LTA) are accounted for on accrual basis.

15.4 Gains/losses arising out of the actuarial valuation are recognized immediately in the accounts.

## 16. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date for indications of any impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Any such impairment loss is recognized by charging it to the profit and loss account. A previously recognized impairment loss is reversed where it no longer exists and the asset is restated to that effect.

## 17. Provisions & Contingencies

A provision, other than those relating to contract with policyholders, is recognized when there is present obligation arising out of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability.

**B. NOTES FORMING PART OF ACCOUNTS**

**I. Statutory disclosures as required by IRDAI**

1. All the assets of the Company are free from all encumbrances and are within India.
2. a) Commitments made and outstanding for loans and investments are Nil (Previous Year-Nil).  
b) The Company has committed ₹ 85,311 thousand (net of advances) (Previous Year ₹ 99,946 thousand) for the purchase of fixed assets.
3. Claims, less reinsurance, paid to claimants in/outside India during the year under various class of business are as under:

(₹ in '000)

Class of Business	In India		Outside India	
	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Fire	410,882	201,401	6,961	595
Marine	449,011	423,608	218	142
Miscellaneous	28,693,262	28,250,865	-	-

4. Age-wise breakup of claims outstanding on Gross basis under various class of business as at 31<sup>st</sup> March, 2020 is as under:

(₹ in '000)

Class of Business	Outstanding for more than 6 months		Other Claims	
	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Fire	6,876,414	7,300,162	645,023	923,488
Marine	703,317	6,61,405	200,342	314,420
Miscellaneous	21,641,904	16,124,546	17,542,324	8,911,614

5. Claims settled and remaining unpaid for a period of more than six months as at 31<sup>st</sup> March, 2020 is Nil (Previous Year Nil).
6. (a) Premium less reinsurances written during the year under various classes of business is as under:

(₹ in '000)

Class of Business	In India		Outside India	
	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Fire	754,435	553,051	-	-
Marine	787,740	687,905	-	-
Miscellaneous	45,870,215	40,635,392	-	-

(b) No premium income is recognized on “varying risk pattern” basis.

(c) Extent of risk retained and reinsured is as under:

Class of Business	Risk Retained		Risk Reinsured	
	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Fire	12.04%	14.62%	87.96%	85.38%
Marine	44.37%	42.15%	55.63%	57.85%
Miscellaneous	63.13%	62.24%	36.87%	37.76%

(d) There are no insurance contracts where the claim payment period exceeds four years.



7. The Company has secured debt investments (Face value ₹ 2,000,000 thousand) in the securities of IL&FS Group (Infrastructure Leasing and Financial Services Ltd.) (IL&FS) and IL&FS Financial Services Ltd. (IFIN). The Company had filed an intervention Application with NCLAT owing to default in payments by IL&FS Group Companies in the year 2018-19. Pursuant to NCLAT Order, new management of IL&FS has classified both of these companies under Red Category i.e. the entities which cannot meet their payment obligation towards even secured financial creditors. The resolution plan for red category entities is yet to be submitted to NCLAT by the IL&FS management. As at year end, the Company has provided ₹ 800,000 thousand (Previous year ₹ 400,000 thousand) towards diminution in the value of the Investments.

The Company has secured debt investments (Face value ₹ 250,000 thousand) in the securities of Dewan Housing Finance Limited (DHFL). DHFL defaulted in honoring its payment obligation of interest and principal to the Company. The RBI took over the control of DHFL and appointed the Administrator for resolution under the IBC (Insolvency and Bankruptcy Code). The resolution process is undergoing and bids have been invited from the interested parties to purchase the assets of DHFL. As at year end, the Company has provided ₹ 50,000 thousand (Previous year Nil) towards diminution in the value of the Investments.

8. All the investments held by the Company as at 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2019 are performing investments except investment in IL&FS Group and DHFL (Refer Note 7).

9. Value of Contracts in relation to Investments for:

(₹ in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Purchases where deliveries are pending	Nil	Nil
Sales where payments are overdue	Nil	Nil

10. Fair value of Investments in Mutual Fund & listed Equity shares as at 31<sup>st</sup> March, 2020 is ₹ 592,092 thousand (previous year ₹ 49,697 thousand) and historical cost of the same is ₹ 618,135 thousand (Previous year ₹ 58,135 thousand).

11. Sector wise business executed by the company is as follows:

(₹ in '000)

Sector	Year ended 31 <sup>st</sup> March, 2020				Year ended 31 <sup>st</sup> March, 2019			
	Gross Direct Premium	No. of Policies Issued (In thousand)	Number of lives covered (Estimated) (In thousand)	% of Gross Direct Premium	Gross Direct Premium	No. of Policies Issued (In thousand)	Number of lives covered (Estimated) (In thousand)	% of Gross Direct Premium
Rural	25,927,015	1,625	-	32.57%	23,877,867	1,193	-	34.10%
Social	2,229,659	1	5,536	2.80%	7,131,244	21	17,713	10.18%
Urban	51,453,730	6,226	-	64.63%	39,009,327	5,588	-	55.72%
<b>Total</b>	<b>79,610,404</b>	<b>7,852</b>	<b>5,536</b>	<b>100.00%</b>	<b>70,018,438</b>	<b>6,802</b>	<b>17,713</b>	<b>100%</b>

12. Managerial remuneration paid during the year is as under:

(₹ in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2020		Year ended 31 <sup>st</sup> March, 2019	
	Managing Director	Whole-Time Directors	Managing Director	Whole-Time Directors
Salaries and Allowances	16,666	17,789	14,074	16,156
Contribution to Provident Fund	543	520	508	468
<b>Total</b>	<b>17,209</b>	<b>18,309</b>	<b>14,582</b>	<b>16,624</b>

**Note :-**

- a) The above excludes provision for leave encashment and the gratuity contributions which are determined actuarially on an overall basis and accordingly have not been considered in the above information.

- b) Managerial remuneration in excess of ₹ 15,000 thousand, for each Managerial personnel has been charged to profit and loss account.
- c) The remuneration as above has been approved by the IRDAI.

### 13. Summary of Financial Statements

(₹ in Lacs)

S. No.	Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
	<b>OPERATING RESULTS</b>					
1	Gross Direct Premium	796,104.04	700,184.38	563,189.16	556,370.26	369,133.17
2	Net Premium	474,123.90	418,763.47	365,339.93	346,188.55	295,910.76
3	Income from Investments	53,854.06	43,882.57	39,715.03	54,673.13	36,291.62
4	Other Income	(133.74)	(42.20)	100.78	94.26	102.86
5	<b>Total Income</b>	<b>527,844.22</b>	<b>462,603.84</b>	<b>405,155.74</b>	<b>400,955.94</b>	<b>332,305.24</b>
6	Commission (Net) Including Brokerage	16,536.75	21,368.86	11,307.67	(18,620.93)	4,953.92
7	Operating Expenses	74,420.60	55,692.89	71,371.69	91,205.28	72,910.91
8	Net Incurred Claims	409,837.64	355,822.29	268,270.79	287,771.62	221,966.58
9	Increase in Unexpired Risk Reserve	11,591.77	15,731.65	41,709.08	(4,911.30)	15,415.92
	<b>Total Expenses</b>	<b>512,386.76</b>	<b>448,615.69</b>	<b>392,659.23</b>	<b>355,444.67</b>	<b>315,247.33</b>
10	<b>Operating Profit/(Loss)</b>	<b>15,457.47</b>	<b>13,988.15</b>	<b>12,496.51</b>	<b>45,511.27</b>	<b>17,057.91</b>
	<b>NON-OPERATING RESULT</b>					
11	Total Income under Shareholders Account	11,317.75	9,535.75	13,281.85	16,443.72	6,935.55
12	Profit/(Loss) before Tax	26,775.22	23,523.90	25,778.36	61,955.00	23,993.45
13	Provision for Tax	6,305.53	5,661.70	6,849.46	19,273.22	7,284.62
14	Profit/(Loss) after Tax	20,469.69	17,862.20	18,928.90	42,681.78	16,708.83
	<b>MISCELLANEOUS</b>					
15	Policy Holder Account:					
	Total Funds	780,886.12	692,358.52	563,371.87	518,136.19	483,106.34
	Total Investments	780,886.12	692,358.52	563,371.87	518,136.19	483,106.34
	Yield on Investments	7.42%	7.27%	7.76%	12.55%	9.31%
16	Shareholder Account:					No Segregation between Shareholder and Policyholder Funds has been made
	Total Funds	186,866	198,599	151,476	1,42,833	
	Total Investment	186,866	198,599	151,476	1,42,833	
	Yield on Investments	7.42%	7.27%	7.76%	12.55%	
17	Paid up Equity Capital	27,421.83	27,421.83	26,932.15	26,932.15	26,932.15
18	Net Worth	245,825.44	225,355.74	187,493.55	168,564.65	125,882.87
19	Total Assets	1,246,169.40	1,006,987.76	855,772.10	719,691.97	553,207.89
20	Yield on Total Investments	7.42%	7.27%	7.76%	12.55%	9.31%
21	Earnings Per Share (In ₹)	7.46	6.54	7.03	15.85	6.20
22	Book Value Per Share (In ₹)	89.65	82.18	69.62	62.59	46.74
23	Total Dividend	-	-	-	-	-
24	Dividend Per Share (In ₹)	-	-	-	-	-

## 14. Performance Ratios:

S. No.	Particular	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
<b>1</b>	<b>Gross Direct Premium Growth Rate</b>	13.70%	24.32%
	Fire	62.01%	19.02%
	Marine Total	10.39%	10.06%
	Miscellaneous Total	11.35%	25.00%
	Marine Cargo	11.17%	10.71%
	Marine Hull	-13.64%	-6.85%
	Motor OD	3.10%	6.68%
	Motor TP	12.96%	10.55%
	Motor Total	8.14%	8.62%
	Engineering	9.51%	-13.76%
	Aviation	-48.06%	0.99%
	Workmen Compensation	7.71%	0.50%
	Personal Accident	-27.82%	57.91%
	Public/Product Liability	16.25%	26.04%
	Health	64.18%	19.79%
	Crop	-2.63%	79.53%
	Other Miscellaneous	11.67%	6.11%
<b>2</b>	<b>Gross Direct Premium to Net Worth Ratio</b>	3.24	3.11
<b>3</b>	<b>Growth rate of Net Worth</b>	9.08%	20.19%
<b>4</b>	<b>Net Retention Ratio</b>	58.75%	59.23%
	Fire	12.04%	14.62%
	Marine Total	44.37%	42.15%
	Miscellaneous Total	63.13%	62.24%
	Marine Cargo	44.32%	42.75%
	Marine Hull	46.45%	23.33%
	Motor OD	65.04%	84.78%
	Motor TP	94.76%	84.85%
	Motor Total	80.90%	84.82%
	Engineering	20.43%	25.65%
	Aviation	27.81%	1.08%
	Workmen Compensation	95.00%	94.87%
	Personal Accident	87.95%	80.96%
	Public/Product Liability	62.75%	61.23%
	Health	80.79%	92.11%
	Crop	21.36%	14.89%
	Other Miscellaneous	39.25%	37.92%
<b>5</b>	<b>Net Commission Ratio</b>	3.49%	5.10%
	Fire	-71.19%	-28.45%
	Marine Total	-2.05%	-3.09%
	Miscellaneous Total	4.81%	5.70%
	Marine Cargo	-2.23%	-3.38%
	Marine Hull	4.83%	13.83%
	Motor OD	15.62%	18.67%
	Motor TP	1.39%	-1.65%
	Motor Total	6.72%	8.28%
	Engineering	14.01%	24.77%
	Aviation	8.58%	-208.63%
	Workmen Compensation	20.26%	20.31%
	Personal Accident	9.86%	12.13%
	Public/Product Liability	29.68%	23.62%
	Health	4.61%	6.32%
	Crop	-12.84%	-27.82%
	Other Miscellaneous	6.60%	7.74%
<b>6</b>	<b>Expense of Management to Gross Direct Premium Ratio</b>	16.11%	14.94%
<b>7</b>	<b>Expense of Management to Net Written Premium Ratio</b>	27.04%	24.97%
<b>8</b>	<b>Net Incurred Claims to Net Earned Premium</b>	88.61%	88.29%
<b>9</b>	<b>Combined Ratio</b>	107.79%	106.69%
<b>10</b>	<b>Technical Reserves to Net Premium Ratio</b>	1.58	1.52
<b>11</b>	<b>Underwriting Balance Ratio</b>	-8.27%	-7.41%
	FIRE	125.01%	52.90%
	MARINE	21.49%	29.25%
	MISCELLANEOUS	-10.52%	-8.77%
<b>12</b>	<b>Operating Profit Ratio</b>	3.37%	3.48%
<b>13</b>	<b>Liquid Assets to Liabilities Ratio</b>	0.33	0.32
<b>14</b>	<b>Net Earning Ratio</b>	4.32%	4.27%
<b>15</b>	<b>Return on Net Worth Ratio</b>	8.33%	7.93%
<b>16</b>	<b>Available Solvency Margin (ASM) to Required Solvency Margin (RSM) Ratio</b>	1.58	1.66
<b>17</b>	<b>NPA Ratio</b>		
	Gross NPA Ratio	2.30%	-
	Net NPA Ratio	1.45%	-

Equity Holding Pattern for Non-Life Insurers		As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
1	No. of shares	274,218,300	274,218,300
2	Percentage of shareholding (Indian/Foreign)	51/49	51/49
3	% of Government holding (in case of public sector insurance companies)	N. A.	N. A.
4	Basic and diluted EPS before extraordinary items (net of tax expense) for the year (₹)	7.46	6.54
5	Basic and diluted EPS after extraordinary items (net of tax expense) for the year (₹)	7.46	6.54
6	Book value per share (₹)	89.65	82.18

# All ratios are related to Indian operations as Company does not have any foreign operations.

15. Pursuant to IRDAI Circular no. IRDAI/F&A/CIR/CPM/010/01/2017 dated 12<sup>th</sup> January, 2017, Investments have been bifurcated into the policyholders' and shareholders' fund on notional basis. Accordingly, Investments are bifurcated in Schedule 8 "Investments-Shareholders" and in Schedule 8A "Investments-Policyholders".

16. Details of certain expenses as required by IRDAI are as under:

(₹ in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Outsourcing Expenses (Manpower)	300,107	250,147
Business Development	-	323,739

17. No depreciation is allocable to the Profit and Loss Account based on the 'use' of the asset.

18. Details of penal actions by various Government Authorities during the year are as under:

S. No.	Authority	Non-compliance/ Violation	(₹ in '000)		
			Penalty Awarded	Penalty Paid	Penalty waived/ Reduced
1	Insurance Regulatory and Development Authority	None	Nil	Nil	Nil
2	Service Tax Authorities	None	Nil	Nil	Nil
3	Income Tax Authorities	None	Nil	Nil	Nil
4	Any other Authorities	None	Nil	Nil	Nil
5	Enforcement Directorate/Adjudicating Authority/Tribunal or any Authority under FEMA	None	Nil	Nil	Nil
6	Registrar of Companies/NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	None	Nil	Nil	Nil
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	None	Nil	Nil	Nil
8	Securities and Exchange Board of India	None	Nil	Nil	Nil
9	Competition Commission of India	None	Nil	Nil	Nil
10	Any other Central State/Local Government/Statutory Authority	None	Nil	Nil	Nil

Penalty in sub-heading Insurance Regulatory and Development Authority was ₹ 5 lakhs during the Previous FY 2018-19. No other penalty was imposed in other sub-headings.

## 19. Analysis of the Unclaimed Amount of Policyholders

### a) Age wise analysis of unclaimed amount

(₹ in '000)

Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders as on 31 <sup>st</sup> March, 2020									
S. No.	Particulars	Total Amount	AGE-WISE ANALYSIS						
			0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	36-120 months
A	Claims settled but not paid to the policyholders/ beneficiaries due to any reasons except under litigation from the policyholders/ beneficiaries	-	-	-	-	-	-	-	-
B	Sum due to the policyholders/ beneficiaries on maturity or otherwise	-	-	-	-	-	-	-	-
C	Any excess collection of the premium/tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	1,624	-	-	-	-	-	-	1,624
D	Cheques issued but not encashed by the policyholder/ beneficiaries	262,927	22,924	7,231	5,193	11,851	1,626	4,562	209,540
	<b>Total</b>	<b>264,551</b>	<b>22,924</b>	<b>7,231</b>	<b>5,193</b>	<b>11,851</b>	<b>1,626</b>	<b>4,562</b>	<b>211,164</b>

### b) Reconciliation statement of unclaimed amount and Investment Income

(₹ in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Opening balance of unclaimed amount	288,818	284,987
Add: Amount transferred to unclaimed amount	50,256	52,208
Add: Cheque issued out of the unclaimed amount but non encashed by the policyholders (To be included only when the cheques are stale)	-	-
Add: Investment Income	19,775	21,382
Less: Amount of Claims paid during the year	67,062	53,283
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	27,236	16,476
Closing balance of unclaimed amount	264,551	288,818

20. Management expenses are apportioned to Revenue Accounts on the basis of Net Premium as per Accounting Policy on 'Allocation of Operating Expenses' (Schedule 16 A (6)). Detail of apportioned expenses is furnished in Schedule 4 (Operating Expenses relating to Insurance business).

21. As certified by Appointed Actuary, no premium deficiency has been provided in the current year (previous years ₹ Nil) in the accounts.
22. In accordance with the requirements of the IRDAI circular dated 18<sup>th</sup> March, 2003 and based on recommendations made at General Insurance Council meeting held on 4<sup>th</sup> February, 2005 and as per letter no. HO/MTD/Solatium Fund/2010/482 dated 26<sup>th</sup> July, 2010 from The New India Assurance Co. Ltd. (Scheme administrator), the Company has provided 0.1% of the total Motor TP premium of the Company towards solatium fund.
23. Direct commission paid under schedule 3 includes rewards paid to insurance agent and insurance intermediaries as per IRDAI (Payment of commission or remuneration or rewards to insurance agents and insurance intermediaries) Regulations, 2016 dated 14<sup>th</sup> December, 2016 and IRDAI Guidelines on Motor Insurance Service providers dated 31<sup>st</sup> August, 2017.
24. Previous year figures have been regrouped in the respective Schedules and Notes to Accounts wherever necessary to conform with the current year groupings. The details of regrouping are as under:

(₹ in '000)

S. No.	Regrouped from	Regrouped to	Amount	Reason
1.	Schedule 3: Breakup of Direct Commission Paid: "Agents & Brokers"	Schedule 3: Breakup of Direct Commission Paid: "Others (Web Aggregator, CSC, IMF, MISP and POS)"	440,433	Commission paid to Web Aggregator, CSC, IMF, MISP and POS are regrouped under "Others" category from "Agent & Broker" category for better presentation and to be in conformity with the Industry practice
2.	Schedule 13: Current Liabilities: "Balances due to other insurance companies (including reinsurers)"	Schedule 12: Advances & Other Assets "Reserve Deposit with ceding Companies"	2,332,852	Amount receivable from Terrorism Pool is regrouped under Reserve Deposit with Ceding Companies to be in conformity with the new agreement.

## II. Disclosures required under Accounting Standards

### 1. Accounting Standard-15 "Employee Benefits"

#### a) General description of the defined benefit scheme:

<b>Gratuity</b>	Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service of five years or more.
<b>Leave Encashment</b>	Payable on encashment during the service or on separation to the eligible employees who have accumulated earned leave.
<b>Provident Fund</b>	The Company pays fixed contribution to Provident Fund Trust. Contribution to Family Pension Scheme is paid to appropriate authority. The contribution for ₹ 1,65,011 thousand (previous year ₹ 84,007 thousand) has been recognized as expense in the accounts.

#### b. Other disclosures as required under AS-15 (Revised 2005) on "Employee Benefits" in respect of defined benefit obligations are as under:

#### i. Expenses recognized in Profit & Loss Account

(₹ in '000)

Particulars	Gratuity					Leave Encashment				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Current Service Cost	31,883	19,887	19,253	13,112	11,950	107,217	50,053	39,291	29,124	24,124
Interest cost on benefit obligation	13,691	10,952	9,336	6,412	5,797	21,268	17,168	14,752	10,591	9,653
Expected return on plan assets	(11,742)	(10,181)	(8,255)	(6,001)	(4,677)	-	-	-	-	-



(₹ in '000)

Particulars	Gratuity					Leave Encashment				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Net actuarial (Gain)/ loss recognised in the year	27,277	21,759	(3,268)	30,303	(2,462)	8,917	33,856	2,488	45,718	2,495
Expenses recognised in the Profit & Loss Account	61,109	42,417	17,066	43,826	10,608	137,402	101,077	56,531	85,433	36,272

ii. The amount recognized in the Balance Sheet:

(₹ in '000)

Particulars	Gratuity					Leave Encashment				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Present Value of obligation at end of year (i)	241,640	187,663	150,992	131,251	84,072	390,458	304,427	248,413	215,072	1,43,676
Fair Value of Plan assets at end of year (ii)	180,560	145,246	133,926	87,425	73,464	-	-	-	-	-
Difference (ii-i) i.e. Assets/ (Liabilities)	(61,080)	(42,417)	(17,066)	(43,826)	(10,608)	(390,458)	(304,427)	(248,413)	(215,072)	(143,676)
Net Asset/(liability) recognised in the Balance Sheet	(61,080)	(42,417)	(17,066)	(43,826)	(10,608)	(390,458)	(304,427)	(248,413)	(215,072)	(143,676)

iii. Changes in the present value of the Defined Benefit Obligations:

(₹ in '000)

Particulars	Gratuity					Leave Encashment				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Present Value of obligation at beginning of year	187,664	150,992	131,251	84,072	74,802	304,427	248,413	215,072	143,676	124,559
Interest Cost	13,691	10,952	9,336	6,412	5,797	21,268	17,168	14,752	10,591	9,653
Current Service Cost	31,883	19,887	19,253	13,112	11,950	107,217	50,053	39,291	29,124	24,124
Benefit Paid	(16,442)	(13,779)	(4,968)	(2,679)	(6,249)	(51,370)	(45,063)	(23,190)	(14,037)	(17,155)
Net actuarial (Gain)/Loss on obligation	24,844	19,612	(3,880)	30,334	(2,228)	8,916	33,856	2,488	45,718	2,495
Present value of the defined benefit as at end of year	241,640	187,664	150,992	131,251	84,072	390,458	304,427	248,413	215,072	143,676

iv. Changes in the fair value of plan assets:

(₹ in '000)

Particulars	Gratuity					Leave Encashment				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Fair value of plan assets at beginning of year	145,246	133,926	87,425	73,464	55,022	-	-	-	-	-
Expected return on plan assets	11,742	10,181	8,255	6,001	4,677	-	-	-	-	-
Contributions by employer	42,445	17,065	43,826	10,608	19,780	-	-	-	-	-
Benefits Paid	(16,442)	(13,779)	(4,968)	(2,679)	(6,248)	-	-	-	-	-
Actuarial Gain/(Loss) on plan assets	(2,431)	(2,147)	(612)	31	233	-	-	-	-	-
Fair value of plan assets at end of year *	180,560	145,246	133,926	87,425	73,464	-	-	-	-	-

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

v. Actuarial Assumptions

Principal assumptions used for actuarial valuation are:

Particulars	Gratuity (Funded)					Leave Encashment (Non-Funded)				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Method used	Projected Unit Credit Method									
Discount rate	6.64%	7.63%	7.60%	7.25%	7.75%	6.64%	7.63%	7.60%	7.25%	7.75%
Future Salary Escalation	6.00%	6.50%	6.00%	6.00%	6.00%	6.00%	6.50%	6.00%	6.00%	6.00%
Mortality rate	IALM (2012-14)		IALM (2006-08)			IALM (2012-14)		IALM (2006-08)		
Withdrawal rate	4%	4%	1 to 3%	1 to 3%	1 to 3%	4%	4%	1 to 3%	1 to 3%	1 to 3%
Expected Rate of return on plan assets	7.44%	7.42%	7.51%	7.75%	8.50%	-	-	-	-	-

The estimate of future salary increase considered in actuarial valuation, take into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

2. Accounting Standard-17 "Segment Reporting"

The Company's primary reportable segments are business segments, which have been identified in accordance with the Regulations. Disclosure as required is provided as under:

a) Business Segments

(₹ in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
<b>SEGMENT REVENUE:</b>		
Fire Insurance	6,364,659	3,869,853
Marine Insurance	1,845,773	1,691,791
Motor Insurance - OD	17,089,650	16,620,242
Motor Insurance - TP	22,472,525	19,536,488
Engineering Insurance	922,483	858,666
Workmen Compensation Insurance	341,141	316,012
Personal Accident Insurance	969,146	1,325,288
Product Liability Insurance	426,996	372,949
Health Insurance	13,666,534	8,345,479
Crop	19,037,906	19,486,676
Other Insurance	2,953,295	2,662,677
Investment	1,740,128	1,385,360
<b>Total</b>	<b>87,830,237</b>	<b>76,471,481</b>
<b>SEGMENT RESULT: Profit/(Loss)</b>		
Fire Insurance	831,800	332,756
Marine Insurance	227,804	259,361
Motor Insurance - OD	(157,915)	394,723
Motor Insurance - TP	1,542,108	580,827
Engineering Insurance	52,124	70,446
Workmen Compensation Insurance	108,004	102,583
Personal Accident Insurance	48,421	(212,218)
Product Liability Insurance	94,562	109,727
Health Insurance	(1,419,925)	(1,273,267)
Crop	(15,841)	836,040
Other Insurance	234,604	197,836
Investments	1,290,128	985,360
Unallocable	(158,353)	(31,784)
<b>Total Profit Before Tax</b>	<b>2,677,522</b>	<b>2,352,390</b>
Less: Provision for Taxation	630,553	566,170
<b>Profit After Tax</b>	<b>2,046,969</b>	<b>1,786,219</b>

(₹ in '000)

<b>SEGMENT ASSETS:</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
Fire Insurance	-	-
Marine Insurance	-	-
Motor Insurance	-	-
Engineering Insurance	-	-
Workmen Compensation Insurance	-	-
Personal Accident Insurance	-	-
Product Liability Insurance	-	-
Health Insurance	-	-
Crop	-	-
Other Insurance	-	-
Investments	99,751,084	91,971,115
<b>Total</b>	<b>99,751,084</b>	<b>91,971,115</b>
Add: Unallocable Assets	24,865,856	8,727,661
<b>Total</b>	<b>124,616,940</b>	<b>100,698,776</b>
<b>SEGMENT LIABILITIES:</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
Fire Insurance	1,316,261	1,301,425
Marine Insurance	849,640	776,894
Motor Insurance - OD	7,336,245	9,212,498
Motor Insurance - TP	52,419,179	42,800,294
Engineering Insurance	325,493	325,420
Workmen Compensation Insurance	275,481	261,375
Personal Accident Insurance	748,073	905,741
Product Liability Insurance	291,547	247,134
Health Insurance	5,214,859	4,379,017
Crop	4,428,299	1,901,413
Other Insurance	1,472,754	1,337,190
Investments	-	-
<b>Total</b>	<b>74,677,832</b>	<b>63,448,401</b>
Add: Unallocable Liabilities	25,382,607	14,723,239
<b>Total</b>	<b>100,060,439</b>	<b>78,171,640</b>
<b>Cost incurred to acquire segment assets (Fixed Assets):</b>		
Fire Insurance	-	-
Marine Insurance	-	-
Motor Insurance	-	-
Engineering Insurance	-	-
Workmen Compensation Insurance	-	-
Personal Accident Insurance	-	-
Product Liability Insurance	-	-
Health Insurance	-	-
Crop	-	-
Other Insurance	-	-
Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Add: Unallocable Fixed assets	315,424	425,939
<b>Total</b>	<b>315,424</b>	<b>425,939</b>

(₹ in '000)

Amount of expenses included in segment result for depreciation and amortisation in respect of assets:	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Fire Insurance	3,818	2,264
Marine Insurance	3,986	2,816
Motor Insurance - OD	54,118	55,359
Motor Insurance - TP	90,267	57,882
Engineering Insurance	926	872
Workmen Compensation Insurance	1,539	1,154
Personal Accident Insurance	4,017	4,144
Product Liability Insurance	1,279	887
Health Insurance	53,981	30,305
Crop	20,354	11,791
Other Insurance	5,640	3,968
Investments	-	-
<b>Total</b>	<b>239,924</b>	<b>171,442</b>
Add: Unallocable Expenses	-	-
<b>Total</b>	<b>239,924</b>	<b>171,442</b>

Assets and Liabilities of the Company, which are not identifiable with any of the segment, have been classified as Unallocable.

b) Geographical Segment

Since the Company's entire business is conducted within India, there is no reportable Geographical Segmentation for the year.

### 3. Accounting Standard- 18 “Related Party Disclosures”

The transactions between the Company and its related parties during the year are as under:

(₹ in '000)

Name of the Related Parties	Nature of Related Party Relationship	Description of Nature of Transactions	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Indian Farmers Fertiliser Cooperative Ltd.	Promoters with more than 20% Voting rights	Premium accounted from direct business	784,234	726,212
		Claims paid on direct basis	98,941	295,747
		Payment of Rent and other expenses	257,963	210,175
		Deposit of Insurance Premium	2,500	2,500
		Amount Payable / (Receivable) at the Balance Sheet Date	18,039	88
Indian Potash Limited	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	68,294	80,147
		Claim paid on direct basis	42,103	13,129
		Deposit of Insurance Premium	100	100
		Payment of Rent and other expenses	9,810	413
		Amount Payable / (Receivable) at the Balance Sheet Date	(509)	(509)
Tokio Marine Asia Pte Ltd. (formerly Millea Asia Pte Ltd.)	Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	-	241
		Payment of Fee	3,955	3,127
Tokio Marine & Nichido Fire Insurance Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	341,837	303,859
		Commission Earned on Premium Ceded	84,293	77,476
		Losses Recovered from Re-insurer	244,451	295,056
		Claim / Reimbursement of Expenses	532	-
		Amount Payable / (Receivable) at the Balance Sheet Date	100,506	192,406
Tokio Marine Kiln Singapore Pte Ltd.	Associate of Promoters with more than 20% Voting rights	Losses Recovered from Re-insurer	29	145
		Amount Payable / (Receivable) at the Balance Sheet Date	(164)	(330)
Tokio Marine Insurance Singapore Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	423,514	233,256
		Commission Earned on Premium Ceded	89,392	34,286
		Losses Recovered from Re-insurer	163,976	96,758
		Payment of Fees	21	25
		Amount Payable / (Receivable) at the Balance Sheet Date	82,046	51,063
Tokio Marine Europe Insurance Ltd.	Associate of Promoters with more than 20% Voting rights	Amount Payable / (Receivable) at the Balance Sheet Date	116	116
Tokio Marine Kiln Syndicate	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	861	523
		Commission Earned on Premium Ceded	120	28
		Losses Recovered from Re-insurer	-	1033
		Amount Payable / (Receivable) at the Balance Sheet Date	49	(141)
Tokio Marine HCC	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	28,773	65,932
		Commission Earned on Premium Ceded	4,384	10,716
		Losses Recovered from Re-insurer	-	6,985
		Amount Payable / (Receivable) at the Balance Sheet Date	20,479	23,945
Tokio Marine Insurance (Malaysia) Behard	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	48	-
		Payment of Fee	163	80
TM Claim Services Inc.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	8,842	16,228
		Payment of Fee	4,573	4,714
Tokio Marine Management Australasia Pty Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	11	-
The Tokio Marine Claim Services Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	89

TM Claim Service Asia PTE Ltd.	Associate of Promoters with more than 20% Voting rights	Claim / Reimbursement of Expenses	134	-
		Payment of Fee	225	-
TM Claim Service Europe Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	70	963
Tokio Marine Insurance (Thailand) Public Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Claim / Reimbursement of Expenses	14,081	3,280
		Payment of Fee	1,167	1,699
Tokio Marine Egypt General Takful S.A.E	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	10
Tokio Marine Holdings INC	Associate of Promoters with more than 20% Voting rights	Payment of Fee	1,663	2,767
Tokio Marine Nawa Insurance Co Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	213
Malayan Insurance Co. Inc.	Associate of Promoters with more than 20% Voting rights	Claim / Reimbursement of Expenses	671	-
		Payment of Fee	379	-
Baoviet Tokio Marine Insurance Company Limited- Ho Chi Minh Branch	Associate of Promoters with more than 20% Voting rights	Claim / Reimbursement of Expenses	85	-
		Payment of Fee	141	87
Tamesis Dual	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	900	-
		Amount Payable / (Receivable) at Balance sheet date	(412)	-
IFFCO Ebazar Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	2,817	1,498
		Claims paid on direct basis	951	442
IFFCO Kisan Sanchar Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	4,658	5,759
		Claims paid on direct basis	2,663	2,557
		Payment of Rent and other expenses	8,027	-
K. Srinivasa Gowda	Chairman	Payment of Rent on office Building	7,745	5,520
		Honorarium Charges	1,800	1,400
		Amount Payable / (Receivable) at the Balance Sheet Date	(11,093)	(11,040)
IFFCO-TOKIO Insurance Services Ltd.	Subsidiary of the Company with 100% Voting Rights	Premium accounted from direct business	-	1,244
		Claims paid on direct basis	-	1,387
		Recovery of Expenses	-	2,720
		Payment of - Commission	-	1,159
		Payment of Service Charges	-	323,739
		Amount Payable / (Receivable) at the Balance Sheet Date	(45,824)	(45,824)
IFFCO Kisan Bazar & Logistics Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	1,338	1,318
IFFCO MC Crop Science Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	10,437	5,400
		Claims paid on direct basis	2,748	511
IFFCO Kisan Finance Limited	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	236	-
		Claims paid on direct basis	5,032	-
		Amount Payable / (Receivable) at the Balance Sheet Date	1,019	-

IFFCO Kisan SEZ Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	581	590
		Claims paid on direct basis	-	147
Indian Farm Forestry Development Cooperative Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	2,133	2,275
		Claims paid on direct basis	251	3
		Payment for CSR activity- IFFDC being implementation agency	20,560	35,500
		Amount Payable / (Receivable) at the Balance Sheet Date	3,936	-
IFFCO Employee Benevolent Trust	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	116,956	101,791
		Claims paid on direct basis	111,336	91,997
Warendra Sinha	Managing Director & Chief Executive Officer (upto 27.03.2020)	Remuneration-Key Management Personnel	16,999	14,582
Anamika Roy Rashtrawar	Director-Marketing (upto 26.03.2020)		13,839	10,644
	Managing Director & Chief Executive Officer (w.e.f. 27.03.2020)		209	-
H.O.Suri	Director-Marketing (upto 31.05.2018)		-	905
Jun Matsui	Director-Operations (upto 31.03.2020)		4,470	5,075
Sanjeev Chopra	Chief Financial Officer		5,916	5,411
Amit Jain	Company Secretary		3,716	3,379

#### 4. Accounting Standard-19 "Leases"

In respect of premises taken on operating lease,

(i) Amount recovered/recoverable and appearing in the revenue account in regard to sub leases is Nil. (Previous year ₹ 1,193 thousand).

(ii) In respect of premises taken on operating lease, total of future minimum lease payments under non-cancellable operating lease and amount recognized in P&L account is as under:-

(₹ in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Not later than one year	360,507	334,281
Later than one year and not later than five years	826,370	674,643
Later than five years	295,237	168,025
Lease payment recognized in P&L account	429,456	376,872

#### 5. Accounting Standard - 20 "Earnings Per Share"

S. No.	Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
a)	Net Profit available for Equity Shareholders (₹ '000)	2,046,969	1,786,220
b)	Weighted Average number of Equity Shares outstanding during the year (No. of Units in thousand)	274,218	273,293
c)	Basic and Diluted Earning per Share (Equity Share of Face Value of ₹10/- each)	7.46	6.54



6. Accounting Standard - 22 "Accounting for taxes on income"

The break-up of deferred tax assets and liabilities into major components at the year-end is as below:

(₹ in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2020		Year ended 31 <sup>st</sup> March, 2019	
	Liabilities	Assets	Liabilities	Assets
Depreciation	-	27,000	-	32,000
Expenditure accrued but not deductible for tax purposes, allowable on actual payment	-	137,700	-	149,300
Provision for Doubtful Debts/ Diminution in Value of Investments	-	219,500	-	156,800
Unexpired Risk reserve provided in excess of limit specified in Income Tax Act.	-	49,600	-	46,500
Total	-	433,800	-	384,600
<b>Net Deferred tax asset</b>	-	<b>433,800</b>	-	<b>384,600</b>

Net increase in Deferred Tax asset for the year is ₹ 49,200 thousand has been recognized in the Profit & Loss Account (previous year increase was ₹ 216,100 thousand).

7. Accounting Standard - 29 "Contingent Liabilities"

Contingent liability of ₹ 1,797,066 thousand (Previous Year ₹ 2,084,301 thousand) includes Service Tax demands of ₹ 1,333,142 thousand (Previous Year ₹ 1,340,525 thousand) and Income Tax demands of ₹ 463,924 thousand (Previous Year ₹ 743,776 thousand) raised by Tax Authorities. These demands are being contested before the appropriate Appellate Authorities. Based on the various pronouncements and legal opinions, the Management believes that these demands shall not result in any significant economic outflow.

III. Other Notes

1. Disclosure for CSR

- Gross amount required to be spent by the Company during the year is ₹ 90,370 thousand.
- Amount spent during the year is ₹ 72,039 thousand.

(₹ in '000)

S. No.	Particulars	Paid	Yet to be paid	Total
(i)	Construction/acquisition of any asset	41,374	16,273	57,647
(ii)	On purchases other than (i) above	30,665	2,058	32,723

- The Company has evaluated impact of COVID-19 pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial results as at March 31, 2020. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Accordingly, the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions. The Company does not foresee any adverse impact on its ability to continue as a going concern.

- IRDAI vide Circular no. IRDAI/NL/CIR/MOT/079/04/2020 dated April 02, 2020 and IRDAI/NL/CIR/MOT/90/04/2020 dated April 16, 2020 extended the timeline for renewal of Motor Third Party Policies falling due for renewal from March 25, 2020 till May 03, 2020.

In accordance with Circular No. IRDAI/NL/CIR/MOT/081/04/2020 dated April 03, 2020 the following details are disclosed:

- Number of Motor Third Party Policies due for renewal between March 25, 2020 till March 31, 2020 was 129,466 with a related premium of ₹ 700,495 thousand.
- Out of (a) above, number of policies renewed up to March 31, 2020 and already accounted in the financial statement was 43,393 with a related premium of ₹ 184,586 thousand.
- Out of (a) above, number of policies which were renewed between April 01, 2020 till May 15, 2020 was 4,704 with a related premium of ₹ 23,708 thousand. Impact on profits for the year ended March 31, 2020 being not material, has not been accounted for in the Financial Year 2019-20.

4. The Taxation Laws (Amendment) Act, 2019 has inserted a new section 115BAA in the Income Tax Act which provides domestic companies with an option to opt for lower tax rates, provided they do not claim certain deductions.

The Company has opted for lower tax rates under section 115BAA and has recognized Provision for Current Tax and Deferred Tax for the year ended March 31, 2020 at the lower tax rate. Consequent to above, provision for Current Tax for the year is lower by ₹ 260,685 thousand and Deferred Tax provision for year is higher by ₹ 168,400 thousand (including one-time impact of ₹ 107,561 thousand on the Deferred Tax Asset as on April 01, 2019).

5. On the basis of information received from 'enterprises' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 there is no Micro, Small and Medium Enterprises to which the Company owes dues, which are outstanding for more than 45 days during the year ended March 31, 2020 and hence disclosure relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.

For and on behalf of Board of Directors

**K. Srinivasa Gowda**  
Chairman (DIN 00059811)

**Anamika Roy Rashtrawar**  
Managing Director (DIN 07870227)

**Mitsutaka Sato**  
Director (DIN 08695429)

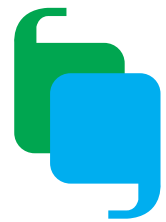
**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020



# MANAGEMENT REPORT



As required by the IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the following Management Report for the year ended 31<sup>st</sup> March, 2020 is submitted.

1. The Company received regulatory approval for carrying general insurance business in India vide Registration Number 106 dated 04<sup>th</sup> December, 2000. It is confirmed that the registration granted to the Company by the IRDAI is valid.
2. It is confirmed that all the dues payable to the statutory authorities' up to 31<sup>st</sup> March, 2020 were duly paid.
3. The shareholding pattern as on 31<sup>st</sup> March, 2020 was as under which is in accordance with the statutory requirements:

Shareholders	Year ended 31 <sup>st</sup> March, 2020		Year ended 31 <sup>st</sup> March, 2019	
	₹ In '000	%	₹ In '000	%
<b>Indian:</b>				
Indian Farmers Fertiliser Cooperative Ltd.	1,398,513	51.00	1,398,513	51.00
Sub-Total	1,398,513	51.00	1,398,513	51.00
<b>Foreign:</b>				
Tokio Marine Asia Pte. Ltd.	1,343,670	49.00	1,343,670	49.00
<b>Total</b>	<b>27,42,183</b>	<b>100.00</b>	<b>27,42,183</b>	<b>100.00</b>

The shareholding pattern of the Company during the year are in accordance with the statutory and regulatory provisions.

4. It is confirmed that no part of funds of the Policyholders were directly or indirectly invested outside India during the year.
5. It is confirmed that solvency margin, as required under the Insurance Act, 1938, IRDAI Act, 1999 and Regulations made there under, has been maintained.
6. It is certified that the value of the assets has been reviewed on the date of the Balance Sheet and that in the opinion of the management, the assets set forth in the Balance Sheet as on 31<sup>st</sup> March, 2020 are shown in the aggregate at amounts not exceeding their realizable or market value except investment in subsidiary and debt securities which are measured at cost / amortized cost.
7. The Company has varied risk exposure in different classes of business depending upon the risk hazard and retention capacity of the Company. On overall basis the Company is exposed to catastrophe risks. The Company has a strategy to have an effective control on overall risk exposure by working out accumulations per vessel in marine class of business and on geographical basis for property business. The Company has filed its reinsurance program with IRDAI as required by its regulations. The Company also has Excess of Loss and Catastrophic Cover in accordance with the program filed with IRDAI.
8. It is certified that there were no operations of the Company in any other country during the year ended 31<sup>st</sup> March, 2020.
9. The details required under the IRDAI Regulations are annexed to this report as below: -
  - (a) Ageing analysis of claims outstanding during the preceding five years, please refer Annexure 1.
  - (b) Average claims settlement time during the preceding five years, please refer Annexure 2.
  - (c) Details of claims intimated, please refer Annexure 3.

10. The investments of the Company are mainly in debt securities including Government Securities. As per accounting policy adopted for valuation, debt securities including Government Securities are considered as held to maturity investments and valued at cost subject to amortization. The other investments are measured as below: -

- (a) Investments in units of mutual funds are valued at Net Asset Value (NAV).
- (b) Equity securities listed and actively traded are stated at fair value, being the last quoted closing price on the National Stock Exchange (NSE). However, in case of any stock not being listed at NSE, the same is valued based on the last quoted closing price on Bombay Stock Exchange (BSE).
- (c) Any unrealized gain/loss arising due to change in fair value of mutual fund investments and listed equity shares is accounted in 'Fair Value Change Account' and carried forward in the Balance Sheet and is not available for distribution.

The market value of the investments has been ascertained on the basis of the guidelines issued by IRDAI and the same is given hereunder:

(₹ in '000)

S. No.	Particulars	Government Securities	Bonds	Mutual Fund	Equity	Fixed Deposit
1.	Acquisition Cost of Securities held	34,994,104	49,334,839	575,591	47,544	13,658,699
2.	Amortized value of securities as at 31.03.2020	34,531,974	48,837,441*	573,838	23,255	13,658,699
3.	Market Value of securities as at 31.03.2020	35,547,973	49,254,802	573,838	23,255	13,658,699
4.	Value as appearing in the balance sheet	34,531,974	48,837,441*	573,838	23,255	13,658,699

\* Net of Provisions for diminishing in value of Investments of ₹ 850,000 thousand.

11. The investments held by the Company carry sufficient liquidity since these are normally traded in the secondary market and have adequate security in terms of recovery of principal and interest. During the year, the Company earned an Investment income of ₹ 7,125,534 thousand (Previous year ₹ 5,773,616 thousand).

12. The Management of the Company certifies that: -

- a) In preparation of financial statements, the applicable accounting standards, principles and policies have been followed and there is no material departure as compared to previous year.
- b) The Management has adopted accounting policies and followed them consistently and made judgments 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 financial year and of the operating profit of the revenue accounts and of profit for the year ended on that date.
- c) 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, the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Management has prepared the Financial Statement on a going concern basis.
- e) The Management has an Internal Audit system commensurate with the size and nature of its business, which is in effective operation during the year.

13. Payments made to companies and organizations in which directors are interested are as under:

(₹ in '000)

S. No.	Entity in which Director is Interested	Name of the Director	Interested as	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
1.	Indian Farmers Fertilizers Cooperative Limited	Mr. Balwinder Singh Nakai	Chairman	356,904	505,922
		Dr. U.S. Awasthi	Managing Director		
		Mr. Rakesh Kapur	Joint Managing Director		
		Mr. K. Srinivasa Gowda	Director		
2.	Indian Potash Limited	Mr. Balwinder Singh Nakai	Director	51,913	13,542
		Dr. U.S. Awasthi	Director		
		Dr. P.S. Gahlaut	Managing Director		
3.	IFFCO Kisan Sanchar Ltd.	Dr. U.S. Awasthi	Chairman	10,690	2,557
		Mr. Rakesh Kapur	Managing Director		
4.	IFFCO Kisan SEZ Limited	Dr. U.S. Awasthi	Chairman	-	147
		Mr. Rakesh Kapur	Managing Director		
5.	IFFCO-MC Crop Science Pvt. Ltd.	Mr. Rakesh Kapur	Chairman	2,748	511
6.	IFFCO Employees Benevolent Trust	Mr. Rakesh Kapur	Chairman	111,336	91,997
7.	IFFCO eBazar Ltd.	Dr. U.S. Awasthi	Chairman	951	442
8.	IFFCO Kisan Finance Limited	Dr. U.S. Awasthi	Chairman	5,032	-
		Mr. Rakesh Kapur	Director		
9.	Baoviet Tokio Marine Insurance Co. Ltd.	Mr. Shinjiro Hamada	Director & Vice Chairman	226	87
10.	TOKIO Marine Asia Pte. Ltd.	Mr. Akira Harashima	Director	3,955	3,368
		Mr. Chisato Kojima	Director		
		Mr. Noboru Yamagata	Vice Chairman		
11.	TOKIO Marine HCC	Mr. Chisato Kojima	Director	28,773	65,932
12.	TOKIO Marine Insurance Thailand	Mr. Jim Qin	Managing Director	15,248	4,979
		Mr. Allen Po Ho Hsu Juang	Director		
13.	Malayan Insurance Co. Inc.	Mr. Shinjiro Hamada	Director & Vice Chairman	1,050	-
		Mr. Akira Harashima	Director		
		Mr. Noboru Yamagata	Director		

For and on behalf of Board of Directors

**K. Srinivasa Gowda**  
Chairman (DIN 00059811)

**Anamika Roy Rashtrawar**  
Managing Director (DIN 07870227)

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

## Annexure 1

### Ageing of Claims Outstanding during the Preceding Five Years

Segment	Year ending 31 <sup>st</sup> March, 2020											
	Claims Outstanding (₹ in '000)						No. of Claims Outstanding					
	Less than 30 Days	30 Days to 6 Months	6 Months to 1 Year	1 Year to 5 Years	5 Years and Above	Total	Less than 30 Days	30 Days to 6 Months	6 Months to 1 Year	1 Year to 5 Years	5 Years and Above	Total
Fire	45,051	5,99,974	6,64,155	58,90,057	3,22,201	<b>75,21,438</b>	22	186	208	355	440	<b>1,211</b>
Marine Cargo	35,519	1,63,158	1,20,949	2,35,477	37,912	<b>5,93,015</b>	119	637	293	245	133	<b>1,427</b>
Marine Hull	-	1,666	81,300	1,59,789	67,890	<b>3,10,645</b>	-	5	8	5	16	<b>34</b>
Motor – OD	3,54,426	9,23,441	1,65,126	35,771	13,657	<b>14,92,421</b>	11,104	13,042	1,178	234	93	<b>25,651</b>
Motor – TP	7,366	5,21,491	17,73,591	1,22,05,031	39,54,468	<b>1,84,61,947</b>	16	1,003	3,675	22,702	7,796	<b>35,192</b>
Engineering	10,464	76,122	2,24,701	1,07,727	1,60,089	<b>5,79,103</b>	31	174	95	134	395	<b>829</b>
Aviation	-	-	-	-	2,30,111	<b>2,30,111</b>	-	-	-	-	7	<b>7</b>
Workmen Compensation	3,601	19,095	8,189	16,552	5,930	<b>53,367</b>	43	129	39	43	38	<b>292</b>
Personal Accident	9,428	1,09,841	36,525	56,815	2,112	<b>2,14,721</b>	148	737	274	163	8	<b>1,330</b>
Product/Public Liability	-	18,648	24,133	1,06,367	10,515	<b>159,663</b>	-	14	33	77	14	<b>138</b>
Health	1,45,463	3,65,646	1,19,369	21,852	353	<b>6,52,683</b>	2,624	12,073	3,369	489	3	<b>18,558</b>
Crop	-	1,46,51,239	16,189	9,24,721	5,69,334	<b>16,161,483</b>	-	65	57	379	76	<b>577</b>
Other Misc.	13,749	3,12,301	3,50,500	4,15,323	86,854	<b>1,178,727</b>	191	1,251	459	431	166	<b>2,498</b>
<b>Total</b>	<b>6,25,067</b>	<b>1,77,62,622</b>	<b>35,84,727</b>	<b>2,01,75,482</b>	<b>54,61,426</b>	<b>4,76,09,324</b>	<b>14,298</b>	<b>29,316</b>	<b>9,688</b>	<b>25,257</b>	<b>9,185</b>	<b>87,744</b>

Segment	Year ending 31 <sup>st</sup> March, 2019											
	Claims Outstanding (₹ in '000)						No. of Claims Outstanding					
	Less than 30 Days	30 Days to 6 Months	6 Months to 1 Year	1 Year to 5 Years	5 Years and Above	Total	Less than 30 Days	30 Days to 6 Months	6 Months to 1 Year	1 Year to 5 Years	5 Years and Above	Total
Fire	36,526	8,86,962	9,19,482	59,48,966	4,31,714	<b>82,23,650</b>	22	134	176	372	390	<b>1,094</b>
Marine Cargo	28,723	2,72,772	1,13,225	2,19,300	32,500	<b>6,66,520</b>	146	601	219	264	86	<b>1,316</b>
Marine Hull	1,060	11,865	4,145	2,23,875	68,360	<b>3,09,305</b>	2	4	2	5	16	<b>29</b>
Motor – OD	3,99,161	8,83,709	1,47,427	1,02,498	21,229	<b>15,54,024</b>	8,625	7,508	1,064	553	144	<b>17,894</b>
Motor – TP	604	2,03,098	9,53,807	81,97,995	23,75,899	<b>1,17,31,403</b>	3	760	3,052	21,943	5,735	<b>31,493</b>
Engineering	14,035	81,872	69,875	2,52,389	1,44,600	<b>5,62,771</b>	40	143	122	293	371	<b>969</b>
Aviation	-	-	-	100	2,33,270	<b>2,33,370</b>	-	-	-	1	9	<b>10</b>
Workmen Compensation	3,603	21,808	13,778	18,823	4,578	<b>62,590</b>	36	121	49	75	35	<b>316</b>
Personal Accident	12,012	339,840	1,67,009	64,269	2,354	<b>5,85,484</b>	145	700	425	261	9	<b>1,540</b>
Product/Public Liability	196	9,437	67,013	42,825	11,362	<b>1,30,833</b>	2	19	14	23	14	<b>72</b>
Health	1,07,116	4,22,768	91,144	36,939	340	<b>6,58,307</b>	2,201	7,817	2,131	290	1	<b>12,440</b>
Crop	-	61,36,758	11,03,262	6,09,668	5,37,021	<b>83,86,709</b>	-	190	99	350	61	<b>700</b>
Other Misc.	21,439	2,54,158	2,43,793	5,32,160	79,119	<b>11,30,669</b>	120	1,315	618	444	113	<b>2,610</b>
<b>Total</b>	<b>6,24,475</b>	<b>95,25,047</b>	<b>38,93,960</b>	<b>162,49,807</b>	<b>39,42,346</b>	<b>3,42,35,635</b>	<b>11,342</b>	<b>19,312</b>	<b>7,971</b>	<b>24,874</b>	<b>6,984</b>	<b>70,483</b>



Segment	Year ending 31 <sup>st</sup> March, 2018											
	Claims Outstanding (₹ in '000)						No. of Claims Outstanding					
	Less than 30 Days	30 Days to 6 Months	6 Months to 1 Year	1 Year to 5 Years	5 Years and Above	Total	Less than 30 Days	30 Days to 6 Months	6 Months to 1 Year	1 Year to 5 Years	5 Years and Above	Total
Fire	44,823	55,17,550	10,96,036	13,27,401	2,81,974	<b>82,67,783</b>	20	93	173	481	636	<b>1,403</b>
Marine Cargo	28,953	1,57,686	94,562	2,75,495	70,336	<b>6,27,032</b>	124	517	259	360	252	<b>1,512</b>
Marine Hull	3,930	5,90,110	2,724	32,570	87,714	<b>7,17,047</b>	4	3	5	3	48	<b>63</b>
Motor – OD	4,03,757	7,92,902	3,20,261	2,92,098	17,408	<b>18,26,427</b>	6,436	6,845	2,246	1,286	255	<b>17,068</b>
Motor – TP	74,984	1,91,052	9,19,559	72,80,744	20,15,030	<b>1,04,81,369</b>	4	778	3,541	23,716	9,212	<b>37,251</b>
Engineering	16,913	1,29,727	1,40,063	3,19,937	1,75,548	<b>7,82,187</b>	33	225	105	295	639	<b>1,297</b>
Aviation	-	-	-	1,230	2,37,730	<b>2,38,960</b>	-	-	-	3	17	<b>20</b>
Workmen Compensation	8,466	15,864	7,678	15,615	5,259	<b>52,883</b>	66	159	48	67	38	<b>378</b>
Personal Accident	18,529	1,46,324	28,207	22,090	2,369	<b>2,17,520</b>	167	698	299	267	85	<b>1,516</b>
Product/Public Liability	100	16,477	22,409	41,956	14,047	<b>94,990</b>	4	23	27	85	41	<b>180</b>
Health	1,95,708	2,76,309	28,329	2,02,808	2,401	<b>7,05,555</b>	6,172	7,608	966	12,560	21	<b>27,327</b>
Crop	-	1,18,09,481	-	9,24,099	54,047	<b>1,27,87,626</b>	-	24	-	336	1	<b>361</b>
Other Misc.	52,800	4,37,296	2,39,320	3,80,033	98,577	<b>12,08,026</b>	144	963	673	453	125	<b>2,358</b>
<b>Total</b>	<b>8,48,964</b>	<b>2,00,80,777</b>	<b>28,99,147</b>	<b>1,11,16,076</b>	<b>30,62,440</b>	<b>3,80,07,405</b>	<b>13,174</b>	<b>17,936</b>	<b>8,342</b>	<b>39,912</b>	<b>11,370</b>	<b>90,734</b>

Segment	Year ending 31 <sup>st</sup> March, 2017											
	Claims Outstanding (₹ in '000)						No. of Claims Outstanding					
	Less than 30 Days	30 Days to 6 Months	6 Months to 1 Year	1 Year to 5 Years	5 Years and Above	Total	Less than 30 Days	30 Days to 6 Months	6 Months to 1 Year	1 Year to 5 Years	5 Years and Above	Total
Fire	36,269	1,482,107	870,650	1,202,709	235,593	<b>3,827,328</b>	15	151	132	491	509	<b>1,298</b>
Marine Cargo	92,286	418,969	112,149	214,930	174,303	<b>1,012,637</b>	192	677	380	395	245	<b>1,889</b>
Marine Hull	-	22,642	3,400	157,552	88,455	<b>272,050</b>	-	5	5	5	49	<b>64</b>
Motor – OD	349,139	810,308	251,623	116,715	11,134	<b>1,538,919</b>	7,831	9,117	2,315	894	126	<b>20,283</b>
Motor – TP	57,590	240,309	962,608	5,940,902	1,941,965	<b>9,143,374</b>	10	954	3,959	22,520	9,989	<b>37,432</b>
Engineering	159,881	166,276	144,215	315,762	145,354	<b>931,487</b>	47	191	86	474	404	<b>1,202</b>
Aviation	-	-	-	1,246	238,227	<b>239,473</b>	-	-	-	4	23	<b>27</b>
Workmen Compensation	3,834	20,331	15,716	14,135	5,929	<b>59,946</b>	59	135	68	74	34	<b>370</b>
Personal Accident	11,247	38,627	58,131	28,021	1,460	<b>137,486</b>	145	457	605	476	83	<b>1,766</b>
Product/Public Liability	12,598	28,539	17,426	63,552	37,105	<b>159,220</b>	5	23	23	54	46	<b>151</b>
Health	354,864	440,201	141,438	114,528	734	<b>1,051,764</b>	13,124	51,461	14,423	1,544	4	<b>80,556</b>
Crop	704,425	4,720,618	557,834	590,219	25	<b>6,573,121</b>	1	52	30	104	1	<b>187</b>
Other Misc.	18,936	190,722	202,449	230,179	51,065	<b>693,352</b>	115	521	286	311	95	<b>1,328</b>
<b>Total</b>	<b>1,801,068</b>	<b>8,579,648</b>	<b>3,337,639</b>	<b>8,990,451</b>	<b>2,931,349</b>	<b>25,640,156</b>	<b>21,544</b>	<b>63,744</b>	<b>22,312</b>	<b>27,346</b>	<b>11,608</b>	<b>146,553</b>

Segment	Year ending 31 <sup>st</sup> March, 2016											
	Claims Outstanding (₹ in '000)						No. of Claims Outstanding					
	Less than 30 Days	30 Days to 6 Months	6 Months to 1 Year	1 Year to 5 Years	5 Years and Above	Total	Less than 30 Days	30 Days to 6 Months	6 Months to 1 Year	1 Year to 5 Years	5 Years and Above	Total
Fire	41,501	704,405	301,030	925,254	201,648	2,173,838	13	127	146	542	389	1,217
Marine Cargo	22,860	249,354	94,198	192,474	101,589	660,475	118	566	255	350	231	1,520
Marine Hull	-	600	63,600	72,608	76,746	213,554	-	2	4	16	45	67
Motor – OD	233,571	474,692	127,397	60,150	3,851	899,660	6,500	5,530	910	428	81	13,449
Motor – TP	10,894	149,681	846,758	4,466,962	1,619,995	7,094,290	6	648	3,263	19,099	9,465	32,481
Engineering	17,663	169,980	178,460	291,983	149,753	807,840	27	147	71	559	298	1,102
Aviation	965	-	96	5,057	274,546	280,664	1	-	2	7	18	28
Workmen Compensation	3,633	18,823	9,072	22,602	6,492	60,623	33	164	44	80	30	351
Personal Accident	5,630	30,743	18,198	27,575	14,386	96,532	94	408	250	445	87	1,284
Product/Public Liability	-	8,274	61,342	54,091	767,485	891,193	-	14	43	25	53	135
Health	174,975	270,446	29,785	59,662	1,657	536,525	9,113	21,374	1,104	751	19	32,361
Crop	-	395,070	1,760	587,709	25	984,564	-	16	3	106	1	126
Other Misc.	26,268	153,149	149,854	194,865	115,916	640,051	155	372	190	319	72	1,108
<b>Total</b>	<b>537,960</b>	<b>2,625,217</b>	<b>1,881,550</b>	<b>6,960,992</b>	<b>3,334,089</b>	<b>15,339,808</b>	<b>16,059</b>	<b>29,368</b>	<b>6,285</b>	<b>22,727</b>	<b>10,790</b>	<b>85,229</b>

## Annexure 2

### Details of Average Claim Settlement Time for the Preceding Five Years

Period	For the year ended 31 <sup>st</sup> March, 2020		For the year ended 31 <sup>st</sup> March, 2019		For the year ended 31 <sup>st</sup> March, 2018		For the year ended 31 <sup>st</sup> March, 2017		For the year ended 31 <sup>st</sup> March, 2016	
	No. of claims settled	Average Settlement time (Days)	No. of claims settled	Average Settlement time (Days)	No. of claims settled	Average Settlement time (Days)	No. of claims settled	Average Settlement time (Days)	No. of claims settled	Average Settlement time (Days)
Fire	1,697	194	1,271	326	1,020	225	1,146	217	876	217
Marine Cargo	18,557	40	19,541	55	17,692	62	19,342	57	20,347	47
Marine Hull	61	207	33	1,433	16	519	24	501	16	387
Motor - OD	4,94,452	49	4,26,433	33	4,04,295	44	4,01,223	48	3,39,327	39
Motor TP	18,645	957	21,195	840	18,323	779	13,671	675	14,962	639
Engineering	1,022	229	1,153	263	1,470	144	1,016	197	904	187
Aviation	0	0	6	1,415	10	2,243	3	2,305	37	903
Workmen Compensation	559	278	565	298	562	274	456	308	305	277
Personal Accident	5,244	145	5,320	176	4,968	171	4,231	185	3,919	188
Product/Public Liability	48	432	55	743	51	1,306	38	578	48	427
Health	4,46,683	46	2,93,104	60	2,90,793	83	3,04,965	91	2,02,556	61
Crop	2,134	170	5,596	30	2,071	46	334	90	682	68
Other Misc	18,016	70	21,876	59	12,624	67	7,601	85	5,659	89

Note: 1) Settlement delay is calculated from date of reporting.

## Annexure 3

### Details of Claims Intimated for Preceding Five Years

(₹ in '000)

Period	For the year ended 31 <sup>st</sup> March, 2020		For the year ended 31 <sup>st</sup> March, 2019		For the year ended 31 <sup>st</sup> March, 2018		For the year ended 31 <sup>st</sup> March, 2017		For the year ended 31 <sup>st</sup> March, 2016	
	Claims Intimated	Amount	Claims Intimated	Amount	Claims Intimated	Amount	Claims Intimated	Amount	Claims Intimated	Amount
Fire	1,933	5,08,678	1,334	4,98,738	1,203	3,41,351	1,347	4,20,047	1,178	3,25,691
Marine Cargo	20,299	6,89,855	20,186	6,55,755	18,424	5,48,221	20,808	6,37,217	21,333	5,49,604
Marine Hull	67	60,046	16	6,624	19	8,966	24	19,738	17	32,365
Motor - OD	5,25,889	97,24,198	4,46,359	89,00,278	4,15,828	62,59,841	4,19,915	71,97,864	3,48,683	69,32,784
Motor - TP	18,161	57,37,982	17,843	29,87,431	19,182	31,56,926	19,395	36,52,900	16,507	31,01,852
Engineering	1,069	2,02,935	1,442	2,52,642	1,790	1,64,446	1,196	2,01,540	1,034	1,42,935
Aviation	-	-	2	77	-	-	-	-	11	175
Workmen Compensation	1,090	89,846	1,107	99,513	1,247	89,499	1,075	84,174	798	53,610
Personal Accident	6,929	752,921	7,210	15,09,220	6,164	4,80,073	6,399	4,18,644	5,258	2,40,670
Product/Public Liability	186	54,527	117	70,986	107	42,313	94	42,228	123	53,895
Health	4,90,251	110,62,850	3,09,859	81,49,800	2,87,777	52,56,513	4,26,660	58,88,959	2,46,521	49,06,506
Crop	1,953	61,91,339	6,290	57,16,018	2,394	44,37,638	383	27,99,274	683	5,69,422
Other Misc	21,641	11,57,349	26,187	9,38,813	15,102	7,51,221	8,926	5,67,821	6,451	4,75,104



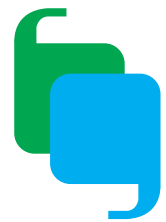
## Claim Cheque Distribution of Sankat Haran Bima Yojana

by Dr. U.S. Awasthi to a farmer's family member



# AUDITOR'S REPORT

ON THE CONSOLIDATED  
FINANCIAL STATEMENTS



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED**

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

##### **Opinion**

We have audited the accompanying consolidated financial statements of **IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Balance Sheet as at March 31, 2020, the consolidated Revenue Accounts of Fire, Marine and Miscellaneous Insurance (collectively known as the 'Consolidated Revenue Accounts'), the Consolidated Profit and Loss Account and the Consolidated Receipts and Payments Account for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by The Insurance Act, 1938, the Insurance Regulatory and Development Act, 1999 and Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2020, its surplus in the consolidated Revenue Accounts, its consolidated Profit and its consolidated Receipts and Payments Account for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have

fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, Insurance Act, 1938, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulations') including the



Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2016. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

Identify and assess the risks of material misstatement of the consolidated 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 system 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements,

including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

### **Emphasis of Matter**

Without qualifying our opinion, we draw attention to the Note-B.I.b(iii) & Note- B.III(1) to the Consolidated Financial Statements, stating that the Subsidiary Company's application filed with Insurance Regulatory and Development Authority of India on 31<sup>st</sup> July, 2018 for surrender of the Corporate Agency License Certificate with effect from 1<sup>st</sup> August, 2018 has been duly accepted by the IRDAI letter dated 20<sup>th</sup> March, 2019. Accordingly, financial statements of the Subsidiary Company have been prepared based on the assumption that the Subsidiary Company is not a going concern.

### **Other Matters**

(a) We did not audit the financial statements / financial information of subsidiary, whose financial statements / financial information reflect total assets of ₹ 81,610 thousand as at 31<sup>st</sup> March, 2020, total revenues of ₹ 486 thousand and net cash receipts / (outflow) amounting to (₹ 504) thousand for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

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

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
  - (c) The Consolidated Balance Sheet, the Consolidated Revenue Accounts, the Consolidated Profit and Loss Account and the Consolidated Receipts and Payments Account dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.



- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2016 to the extent applicable.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company ('the Group') and the operating effectiveness of such controls, refer to our separate report in **Annexure-A**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the notes to consolidated financial position of the Group.
  - ii. The Group did not have any material foreseeable losses on 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 Holding Company, and its subsidiary company.

**For J.C. Bhalla & Co.**  
Chartered Accountants  
FRN 001111N

**Rajesh Sethi**  
Partner  
Membership No. 85669  
UDIN - 20085669AAAABK1870

Place : New Delhi  
Date : 16<sup>th</sup> June, 2020

**For ASC & Associates**  
Chartered Accountants  
FRN 011863N

**Vishal Singh**  
Partner  
Membership No. 511451  
UDIN - 20511451AAAAAI1038

## ANNEXURE 'A'

**The Annexure referred to in paragraph 1 (f) of Report on Other Legal and Regulatory Requirements of our Report of even date to the members of IFFCO-TOKIO General Insurance Company Limited (“the Group”) on the Internal Financial Controls required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of IFFCO-TOKIO General Insurance Company Limited (“the Group”) as of March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Holding Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company (“the Group”) 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. 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 (“the Group”) 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's (“the Group”) internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's (“the Group”) internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's (“the Group”) internal financial control over financial reporting includes those policies and procedures that:

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company ("the Group");
- 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 ("the Group") are being made only in accordance with authorizations of management and directors of the company ("the Group"); and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's ("the Group") assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

**For J.C.Bhalla & Co.**  
Chartered Accountants  
Firm's Regn No.- 001111N

**Rajesh Sethi**  
Partner  
Membership No. - 85669  
UDIN - 20085669AAAABK1870

Place : New Delhi  
Date : 16<sup>th</sup> June, 2020

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

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

#### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary company is based on the corresponding report of the auditor of such company incorporated in India.

**For A S C & Associates**  
Chartered Accountants  
Firm's Regn No.- 011863N

**Vishal Singh**  
Partner  
Membership No. - 511451  
UDIN - 20511451AAAAAI1038

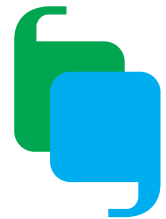


## Claim Cheque Distribution of Jan Suraksha Bima Yojana

by Dr. U.S. Awasthi to a farmer's family member



# CONSOLIDATED FINANCIAL STATEMENTS



## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020

(₹ in '000)

S. No.	Particulars	Schedule	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)	(5)
	<b>SOURCES OF FUNDS</b>			
1	SHARE CAPITAL	5	2,742,183	2,742,183
2	RESERVES AND SURPLUS	6	21,870,432	19,823,367
3	FAIR VALUE CHANGE ACCOUNT			
	- Shareholders		(5,029)	(1,881)
	- Policyholders		(21,013)	(6,557)
4	BORROWINGS	7	-	-
	<b>Total</b>		<b>24,586,573</b>	<b>22,557,112</b>
	<b>APPLICATION OF FUNDS</b>			
5	INVESTMENTS			
	Investments - Shareholders	8	18,685,632	19,858,799
	Investments - Policyholders	8A	78,084,577	69,231,967
6	LOANS	9	-	-
7	FIXED ASSETS	10	660,456	585,090
8	DEFERRED TAX ASSET (NET)		433,800	384,600
9	CURRENT ASSETS:			
	Cash and Bank Balances	11	3,699,977	730,195
	Advances and Other Assets	12	23,083,259	12,272,390
	<b>Sub-Total (A)</b>		<b>26,783,236</b>	<b>13,002,585</b>
10	CURRENT LIABILITIES	13	78,566,722	60,122,000
11	PROVISIONS	14	21,494,406	20,383,929
	<b>Sub-Total (B)</b>		<b>100,061,128</b>	<b>80,505,929</b>
12	NET CURRENT ASSETS (C) = (A-B)		(73,277,892)	(67,503,344)
13	MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	15	-	-
	<b>Total</b>		<b>24,586,573</b>	<b>22,557,112</b>

## CONTINGENT LIABILITIES

(₹ in '000)

S. No.	Particulars	As At 31 <sup>st</sup> March, 2020	As At 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Partly paid up Investments	-	-
2	Claims, other than against Policies, not acknowledged as debts by the company	-	-
3	Underwriting commitments outstanding (in respect of shares and securities)	-	-
4	Guarantees given by or on behalf of the Company	-	-
5	Statutory demands/liabilities in dispute, not provided for	1,814,086	2,101,321
6	Reinsurance obligations to the extent not provided for in the accounts	-	-
7	Others	-	-
	<b>Total</b>	<b>1,814,086</b>	<b>2,101,321</b>

Notes to Accounts

16

Schedule No. 1 to 16 form an integral part of the consolidated financial statements

For and on behalf of Board of Directors

As per our Report of even date attached.

**J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. 001111N

**A S C & Associates**  
Chartered Accountants  
Firm Regn. No. 011863N

**K. Srinivasa Gowda**  
Chairman (DIN 00059811)

**Anamika Roy Rashtrawar**  
Managing Director (DIN 07870227)

**Rajesh Sethi**  
Partner  
M.No. 85669

**Vishal Singh**  
Partner  
M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

**CONSOLIDATED FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(₹ in '000)

S. No.	Particulars	Schedule	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	592,286	471,315
2	Profit/(Loss) on Sale/Redemption of Investments		5,711	2,317
3	Others: Exchange Gain/(Loss)		-	(134)
	Handling Charges		(8,991)	(4,097)
	Contribution from Shareholders Funds towards Excess EoM		-	-
4	Interest, Dividend & Rent - Gross		94,640	85,366
	<b>Total (A)</b>		<b>683,646</b>	<b>554,767</b>
1	Claims Incurred (Net)	2	270,532	305,815
2	Commission	3	(537,062)	(157,359)
3	Operating expenses related to Insurance Business	4	118,382	73,237
4	Premium Deficiency		-	-
	<b>Total (B)</b>		<b>(148,148)</b>	<b>221,693</b>
	<b>Operating Profit/(Loss) from Fire Business C = (A-B)</b>		<b>831,794</b>	<b>333,074</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' Account		831,794	333,074
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves		-	-
	<b>Total (C)</b>		<b>831,794</b>	<b>333,074</b>

Schedule No. 1 to 16 form an integral part of the consolidated financial statements

For and on behalf of Board of Directors

As per our Report of even date attached.

**J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. 001111N

**A S C & Associates**  
Chartered Accountants  
Firm Regn. No. 011863N

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**Anamika Roy Rashtrawar**  
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**Rajesh Sethi**  
Partner  
M.No. 85669

**Vishal Singh**  
Partner  
M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020



## CONSOLIDATED MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(₹ in '000)

S. No.	Particulars	Schedule	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	736,848	683,071
2	Profit/(Loss) on Sale/Redemption of Investments		4,008	1,580
3	Others: Exchange Gain/(Loss)		-	-
	Handling Charges		(965)	(241)
	Contribution from Shareholders Funds towards Excess EoM		-	-
4	Interest, Dividend & Rent - Gross		66,421	58,222
	<b>Total (A)</b>		<b>806,312</b>	<b>742,632</b>
1	Claims Incurred (Net)	2	471,082	413,107
2	Commission	3	(16,136)	(21,251)
3	Operating expenses related to Insurance Business	4	123,567	91,047
4	Premium Deficiency		-	-
	<b>Total (B)</b>		<b>578,513</b>	<b>482,903</b>
	<b>Operating Profit/(Loss) from Marine Business C = (A-B)</b>		<b>227,799</b>	<b>259,729</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' Account		227,799	259,729
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves		-	-
	<b>Total (C)</b>		<b>227,799</b>	<b>259,729</b>

Schedule No. 1 to 16 form an integral part of the consolidated financial statements

For and on behalf of Board of Directors

As per our Report of even date attached.

**J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. 001111N

**A S C & Associates**  
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Partner  
M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

**CONSOLIDATED MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020**

(₹ in '000)

S. No.	Particulars	Schedule	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	44,924,079	39,146,244
2	Profit/(Loss) on Sale/Redemption of Investments		296,751	112,066
3	Others: Transfer & Duplicate Fee		4,114	3,708
	Exchange Gain/(Loss)		(715)	(948)
	Handling Charges		(6,817)	(2,508)
	Contribution from Shareholders Funds towards Excess EoM		-	-
4	Interest, Dividend & Rent - Gross		4,917,876	4,128,706
	<b>Total (A)</b>		<b>50,135,288</b>	<b>43,387,268</b>
1	Claims Incurred (Net)	2	40,242,150	34,863,307
2	Commission	3	2,206,873	2,314,337
3	Operating expenses related to Insurance Business	4	7,200,477	5,382,439
4	Premium Deficiency		-	-
	<b>Total (B)</b>		<b>49,649,500</b>	<b>42,560,083</b>
	<b>Operating Profit/(Loss) from Miscellaneous Business C = (A-B)</b>		<b>485,788</b>	<b>827,185</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' Account		485,788	827,185
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves		-	-
	<b>Total (C)</b>		<b>485,788</b>	<b>827,185</b>

Schedule No. 1 to 16 form an integral part of the consolidated financial statements

For and on behalf of Board of Directors

As per our Report of even date attached.

**J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. 001111N

**A S C & Associates**  
Chartered Accountants  
Firm Regn. No. 011863N

**K. Srinivasa Gowda**  
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Partner  
M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(₹ in '000)

S. No.	Particulars	Schedule	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)	(5)
1	<b>OPERATING PROFIT/(LOSS)</b>			
	(a) Fire Insurance		831,794	333,074
	(b) Marine Insurance		227,799	259,729
	(c) Miscellaneous Insurance		485,788	827,185
			1,545,381	1,419,988
2	<b>INCOME FROM INVESTMENTS</b>			
	(a) Interest, Dividend & Rent - Gross		1,641,102	1,359,513
	(b) Profit on sale of Investments		99,026	36,609
	Less: Loss on sale of Investments		-	-
			1,740,128	1,396,122
3	<b>OTHER INCOME</b>			
	(a) Miscellaneous Income		64,988	38,598
	(b) Profit on sale of Fixed Assets		157	234
	<b>Total (A)</b>		<b>3,350,654</b>	<b>2,854,942</b>
4	<b>PROVISIONS (Other than taxation)</b>			
	(a) For diminution in the value of Investments		450,000	400,000
	(b) For doubtful Debts		-	7,078
	(c) For doubtful Advances		-	-
5	<b>OTHER EXPENSES</b>			
	(a) Expenses other than those related to Insurance business		-	-
	(i) Employees Remuneration Excess transferred from Policyholders' funds		2,208	-
	(ii) Expenses on Corporate Social Responsibility (CSR)		90,370	60,077
	(iii) Fines & penalties		-	500
	(b) Bad Debts/ Advances written off (Net off Provision for Doubtful Debts of ₹ 48,699 Thousand written back)		130,434	-
	(c) Loss on sale of Fixed Assets		-	-
	(d) Contribution to Policyholders' Funds towards Excess EoM		-	-
	<b>Total (B)</b>		<b>673,012</b>	<b>467,655</b>
	<b>Profit Before Tax (A-B)</b>		<b>2,677,642</b>	<b>2,387,287</b>
	Less: Provision for Taxation			
	Current Tax		681,525	645,885
	Deferred Tax		(49,200)	(64,830)
	Less: Short/(Excess) provision for taxation for earlier years			
	Current Tax		(1,748)	143,348
	Deferred Tax		-	(136,700)
	<b>Profit After Tax</b>		<b>2,047,065</b>	<b>1,799,584</b>
	<b>APPROPRIATIONS</b>			
	(a) Interim dividends paid during the year		-	-
	(b) Proposed final dividend		-	-
	(c) Dividend distribution tax		-	-
	(d) Transfer to any Reserves or other Accounts		-	-
	<b>Balance of Profit brought forward from last year</b>		<b>15,302,380</b>	<b>13,502,796</b>
	<b>Balance carried forward to Balance Sheet</b>		<b>17,349,445</b>	<b>15,302,380</b>
	<b>Basic &amp; Diluted Earnings per share (Equity shares of face value of ₹10 each)</b>		<b>7.47</b>	<b>6.58</b>

Notes to Accounts

16

Schedule No. 1 to 16 form an integral part of the consolidated financial statements

For and on behalf of Board of Directors

As per our Report of even date attached.

**J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. 001111N

**A S C & Associates**  
Chartered Accountants  
Firm Regn. No. 011863N

**K. Srinivasa Gowda**  
Chairman (DIN 00059811)

**Anamika Roy Rashtrawar**  
Managing Director (DIN 07870227)

**Rajesh Sethi**  
Partner  
M.No. 85669

**Vishal Singh**  
Partner  
M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

**CONSOLIDATED RECEIPTS AND PAYMENTS ACCOUNT (DIRECT BASIS) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(₹ in '000)

Particulars	Year Ended 31st March, 2020		Year Ended 31st March, 2019	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Premium received from policyholders, including advance receipts	87,276,722		86,250,229	
Other receipts	64,988		38,598	
Payment to the re-insurers, net of commissions and claims	(7,600,521)		(4,368,569)	
Payments to co-insurers, net of claims recovery	(1,818,007)		538,074	
Payments of claims	(52,928,463)		(55,264,603)	
Payments of commission and brokerage	(5,770,287)		(5,450,858)	
Payments of other operating expenses	(7,414,209)		(6,110,124)	
Preliminary and pre-operative expenses	-		-	
Deposits, advances and staff loans	(264,963)		11,212	
Income Taxes paid (Net)	(714,778)		(596,414)	
Service Tax/GST paid	(6,276,590)		(5,149,618)	
Other payments	-		-	
Cash flows before extraordinary items	4,553,892		9,897,926	
Cash flows from extraordinary operations	-		-	
<b>Net Cash Flows from operating activities</b>		<b>4,553,892</b>		<b>9,897,926</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets	(311,477)		(426,078)	
Proceeds from sale of Fixed Assets	291		378	
Purchases of investments	(147,522,465)		(224,270,950)	
Loans disbursed	-		-	
Sales of investments	139,908,924		206,205,985	
Repayments received	-		-	
Rent/Interest/Dividend received	6,340,616		5,413,164	
Investments in money market instruments and in liquid mutual funds (Net)	-		-	
Expenses related to investments	-		-	
<b>Net Cash Flow from investing activities</b>		<b>(1,584,110)</b>		<b>(13,077,501)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issuance of share capital	-		2,000,000	
Proceeds from borrowing	-		-	
Repayments of borrowing	-		-	
Interest/dividend paid	-		-	
<b>Net Cash Flows from financing activities</b>		<b>-</b>		<b>2,000,000</b>
<b>Effect of foreign exchange rates on Cash and Cash Equivalents (Net)</b>		<b>-</b>		<b>-</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>2,969,782</b>		<b>(1,179,575)</b>
<b>Cash Equivalents at beginning of the year</b>		<b>730,195</b>		<b>1,909,770</b>
<b>Cash Equivalents at end of the year</b>		<b>3,699,977</b>		<b>730,195</b>

As per our Report of even date attached.

For and on behalf of Board of Directors

**J.C. Bhalla & Co.**  
Chartered Accountants  
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**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020

## SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### SCHEDULE - 1 PREMIUM EARNED (NET)

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020				Year Ended 31 <sup>st</sup> March, 2019			
	Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
Premium from direct business written	5,309,100	1,767,932	72,533,372	79,610,404	3,277,006	1,601,596	65,138,592	70,017,194
Add : Premium on reinsurance accepted	955,209	7,411	131,678	1,094,298	505,164	30,394	143,870	679,428
	<b>6,264,309</b>	<b>1,775,343</b>	<b>72,665,050</b>	<b>80,704,702</b>	<b>3,782,170</b>	<b>1,631,990</b>	<b>65,282,462</b>	<b>70,696,622</b>
Less : Premium on reinsurance ceded	5,509,874	987,603	26,794,835	33,292,312	3,229,119	944,085	24,648,314	28,821,518
<b>Net Premium</b>	<b>754,435</b>	<b>787,740</b>	<b>45,870,215</b>	<b>47,412,390</b>	<b>553,051</b>	<b>687,905</b>	<b>40,634,148</b>	<b>41,875,104</b>
Adjustments for changes in Reserve for Unexpired Risks	162,149	50,892	946,136	1,159,177	81,736	4,834	1,487,904	1,574,474
<b>Total Premium Earned (Net)</b>	<b>592,286</b>	<b>736,848</b>	<b>44,924,079</b>	<b>46,253,213</b>	<b>471,315</b>	<b>683,071</b>	<b>39,146,244</b>	<b>40,300,630</b>

\* For analysis of the segment of Marine business, refer Schedule 1A.

\*\*For analysis of the segment of Miscellaneous business, refer Schedule 1B.

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

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020			Year Ended 31 <sup>st</sup> March, 2019		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Premium from direct business written	1,724,457	43,475	1,767,932	1,551,252	50,344	1,601,596
Add : Premium on reinsurance accepted	7,411	-	7,411	30,394	-	30,394
	<b>1,731,868</b>	<b>43,475</b>	<b>1,775,343</b>	<b>1,581,646</b>	<b>50,344</b>	<b>1,631,990</b>
Less : Premium on reinsurance ceded	964,320	23,283	987,603	905,485	38,600	944,085
<b>Net Premium</b>	<b>767,548</b>	<b>20,192</b>	<b>787,740</b>	<b>676,161</b>	<b>11,744</b>	<b>687,905</b>
Adjustments for changes in Reserve for Unexpired Risks	42,444	8,448	50,892	8,451	(3,617)	4,834
<b>Total Premium Earned (Net)</b>	<b>725,104</b>	<b>11,744</b>	<b>736,848</b>	<b>667,710</b>	<b>15,361</b>	<b>683,071</b>

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

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	16,443,435	18,823,634	35,267,069	847,433	3,142	320,133	902,441	356,875	13,195,089	18,832,567	2,808,623	72,533,372
Add : Premium on reinsurance accepted	-	-	-	48,191	(307)	-	-	45,768	8,860	-	29,166	131,678
	<b>16,443,435</b>	<b>18,823,634</b>	<b>35,267,069</b>	<b>895,624</b>	<b>2,835</b>	<b>320,133</b>	<b>902,441</b>	<b>402,643</b>	<b>13,203,949</b>	<b>18,832,567</b>	<b>2,837,789</b>	<b>72,665,050</b>
Less : Premium on reinsurance ceded	5,748,887	985,637	6,734,524	712,636	2,046	16,011	108,719	149,978	2,536,590	14,810,364	1,723,967	26,794,835
<b>Net Premium</b>	<b>10,694,548</b>	<b>17,837,997</b>	<b>28,532,545</b>	<b>182,988</b>	<b>789</b>	<b>304,122</b>	<b>793,722</b>	<b>252,665</b>	<b>10,667,359</b>	<b>4,022,203</b>	<b>1,113,822</b>	<b>45,870,215</b>
Adjustments for changes in Reserve for Unexpired Risks	(1,754,417)	1,815,577	61,160	(14,264)	(37)	13,022	86,509	7,873	626,368	106,981	58,524	946,136
<b>Total Premium Earned (Net)</b>	<b>12,448,965</b>	<b>16,022,420</b>	<b>28,471,385</b>	<b>197,252</b>	<b>826</b>	<b>291,100</b>	<b>707,213</b>	<b>244,792</b>	<b>10,040,991</b>	<b>3,915,222</b>	<b>1,055,298</b>	<b>44,924,079</b>

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

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2019											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	15,949,301	16,663,247	32,612,548	773,824	6,048	297,229	1,250,253	306,992	8,035,587	19,341,022	2,515,089	65,138,592
Add : Premium on reinsurance accepted	-	-	-	56,674	-	-	-	47,047	-	-	40,149	143,870
	<b>15,949,301</b>	<b>16,663,247</b>	<b>32,612,548</b>	<b>830,498</b>	<b>6,048</b>	<b>297,229</b>	<b>1,250,253</b>	<b>354,039</b>	<b>8,035,587</b>	<b>19,341,022</b>	<b>2,555,238</b>	<b>65,282,462</b>
Less : Premium on reinsurance ceded	2,427,258	2,524,879	4,952,137	617,496	5,983	15,234	238,109	137,261	634,397	16,461,295	1,586,402	24,648,314
<b>Net Premium</b>	<b>13,522,043</b>	<b>14,138,368</b>	<b>27,660,411</b>	<b>213,002</b>	<b>65</b>	<b>281,995</b>	<b>1,012,144</b>	<b>216,778</b>	<b>7,401,190</b>	<b>2,879,727</b>	<b>968,836</b>	<b>40,634,148</b>
Adjustments for changes in Reserve for Unexpired Risks	524,979	955,070	1,480,049	13,437	(68)	(735)	(88,179)	7,870	117,527	(77,034)	35,037	1,487,904
<b>Total Premium Earned (Net)</b>	<b>12,997,064</b>	<b>13,183,298</b>	<b>26,180,362</b>	<b>199,565</b>	<b>133</b>	<b>282,730</b>	<b>1,100,323</b>	<b>208,908</b>	<b>7,283,663</b>	<b>2,956,761</b>	<b>933,799</b>	<b>39,146,244</b>

## SCHEDULE - 2 CLAIMS INCURRED (NET)

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020				Year Ended 31 <sup>st</sup> March, 2019			
	Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
<b>Claims Paid</b>								
Direct	2,391,171	1,036,503	45,366,933	48,794,607	1,992,469	1,248,700	47,992,146	51,233,315
Add : Reinsurance accepted	186,012	234	1,760	188,006	119,102	34,150	10,340	163,592
Less : Reinsurance ceded	2,159,340	587,508	16,675,431	19,422,279	1,909,575	859,100	19,751,621	22,520,296
<b>Net Claims Paid</b>	<b>417,843</b>	<b>449,229</b>	<b>28,693,262</b>	<b>29,560,334</b>	<b>201,996</b>	<b>423,750</b>	<b>28,250,865</b>	<b>28,876,611</b>
Add : Claims Outstanding at the end of the year	668,345	584,103	51,930,978	53,183,426	815,656	562,250	40,382,090	41,759,996
Less : Claims Outstanding at the beginning of the year	815,656	562,250	40,382,090	41,759,996	711,837	572,893	33,769,648	35,054,378
<b>Total Claims Incurred</b>	<b>270,532</b>	<b>471,082</b>	<b>40,242,150</b>	<b>40,983,764</b>	<b>305,815</b>	<b>413,107</b>	<b>34,863,307</b>	<b>35,582,229</b>

\* For analysis of the segment of Marine business, refer Schedule 2A.

\*\*For analysis of the segment of Miscellaneous business, refer Schedule 2B.

## SCHEDULE - 2A CLAIMS INCURRED (NET)

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020			Year Ended 31 <sup>st</sup> March, 2019		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
<b>Claims Paid</b>						
Direct	940,940	95,563	1,036,503	839,424	409,276	1,248,700
Add : Reinsurance accepted	16	218	234	34,008	142	34,150
Less : Reinsurance ceded	503,076	84,432	587,508	489,674	369,426	859,100
<b>Net Claims Paid</b>	<b>437,880</b>	<b>11,349</b>	<b>449,229</b>	<b>383,758</b>	<b>39,992</b>	<b>423,750</b>
Add : Claims Outstanding at the end of the year	494,332	89,771	584,103	504,814	57,436	562,250
Less : Claims Outstanding at the beginning of the year	504,814	57,436	562,250	480,819	92,074	572,893
<b>Total Claims Incurred</b>	<b>427,398</b>	<b>43,684</b>	<b>471,082</b>	<b>407,753</b>	<b>5,354</b>	<b>413,107</b>



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

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
<b>Claims Paid</b>												
Direct	12,972,181	8,403,918	21,376,099	269,252	-	98,584	860,429	30,386	11,558,215	9,294,418	1,879,550	45,366,933
Add : Reinsurance accepted	-	-	-	211	-	-	-	-	1,549	-	-	1,760
Less : Reinsurance ceded	2,942,195	2,479,786	5,421,981	172,983	-	5,053	93,525	6,968	2,010,302	7,692,289	1,272,330	16,675,431
<b>Net Claims Paid</b>	<b>10,029,986</b>	<b>5,924,132</b>	<b>15,954,118</b>	<b>96,480</b>	<b>-</b>	<b>93,531</b>	<b>766,904</b>	<b>23,418</b>	<b>9,549,462</b>	<b>1,602,129</b>	<b>607,220</b>	<b>28,693,262</b>
Add : Claims Outstanding at the end of the year	1,831,350	42,746,328	44,577,678	216,850	799	148,295	355,544	191,339	1,494,294	4,264,428	681,751	51,930,978
Less : Claims Outstanding at the beginning of the year	1,953,185	33,589,844	35,543,029	202,514	1,958	147,210	599,720	154,799	1,284,820	1,844,523	603,517	40,382,090
<b>Total Claims Incurred</b>	<b>9,908,151</b>	<b>15,080,616</b>	<b>24,988,767</b>	<b>110,816</b>	<b>(1,159)</b>	<b>94,616</b>	<b>522,728</b>	<b>59,958</b>	<b>9,758,936</b>	<b>4,022,034</b>	<b>685,454</b>	<b>40,242,150</b>

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

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2019											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
<b>Claims Paid</b>												
Direct	11,187,551	9,229,337	20,416,888	364,066	9,222	79,860	996,256	20,735	7,750,401	16,897,337	1,457,381	47,992,146
Add : Reinsurance accepted	-	-	-	10,034	291	-	-	-	12	-	3	10,340
Less : Reinsurance ceded	1,803,369	2,523,751	4,327,120	251,009	9,062	4,273	123,347	6,112	581,413	13,611,147	838,138	19,751,621
<b>Net Claims Paid</b>	<b>9,384,182</b>	<b>6,705,586</b>	<b>16,089,768</b>	<b>123,091</b>	<b>451</b>	<b>75,587</b>	<b>872,909</b>	<b>14,623</b>	<b>7,169,000</b>	<b>3,286,190</b>	<b>619,246</b>	<b>28,250,865</b>
Add : Claims Outstanding at the end of the year	1,953,185	33,589,844	35,543,029	202,514	1,958	147,210	599,720	154,799	1,284,820	1,844,523	603,517	40,382,090
Less : Claims Outstanding at the beginning of the year	2,382,926	26,466,316	28,849,242	251,903	430	118,770	342,306	131,341	1,036,994	2,446,010	592,652	33,769,648
<b>Total Claims Incurred</b>	<b>8,954,441</b>	<b>13,829,114</b>	<b>22,783,555</b>	<b>73,702</b>	<b>1,979</b>	<b>104,027</b>	<b>1,130,323</b>	<b>38,081</b>	<b>7,416,826</b>	<b>2,684,703</b>	<b>630,111</b>	<b>34,863,307</b>

## SCHEDULE - 3 COMMISSION

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020				Year Ended 31 <sup>st</sup> March, 2019			
	Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
<b>Commission Paid</b>								
Direct	482,250	121,041	4,776,504	5,379,795	231,862	115,609	4,540,007	4,887,478
<b>Total (A)</b>	<b>482,250</b>	<b>121,041</b>	<b>4,776,504</b>	<b>5,379,795</b>	<b>231,862</b>	<b>115,609</b>	<b>4,540,007</b>	<b>4,887,478</b>
Add : Commission on reinsurance accepted	43,024	118	14,092	57,234	31,925	1,703	19,281	52,909
Less : Commission on reinsurance ceded	1,062,336	137,295	2,583,723	3,783,354	421,146	138,563	2,244,951	2,804,660
<b>Net Commission</b>	<b>(537,062)</b>	<b>(16,136)</b>	<b>2,206,873</b>	<b>1,653,675</b>	<b>(157,359)</b>	<b>(21,251)</b>	<b>2,314,337</b>	<b>2,135,727</b>
<b>Breakup of the expenses (Gross) incurred to procure business:</b>								
Agents	145,044	49,533	1,184,660	1,379,237	86,313	44,658	1,182,544	1,313,515
Brokers	312,353	71,253	2,982,662	3,366,268	134,049	70,789	2,894,226	3,099,064
Corporate Agency	24,158	80	55,047	79,285	11,160	16	23,290	34,466
Others (Web Aggregator, CSC, IMF, MISP and POS)	695	175	554,135	555,005	340	146	439,947	440,433
<b>Total (B)</b>	<b>482,250</b>	<b>121,041</b>	<b>4,776,504</b>	<b>5,379,795</b>	<b>231,862</b>	<b>115,609</b>	<b>4,540,007</b>	<b>4,887,478</b>

\* For analysis of the segment of Marine business, refer Schedule 3A.

\*\*For analysis of the segment of Miscellaneous business, refer Schedule 3B.

## SCHEDULE - 3A COMMISSION

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020			Year Ended 31 <sup>st</sup> March, 2019		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
<b>Commission Paid</b>						
Direct	118,002	3,039	121,041	109,993	5,616	115,609
<b>Total (A)</b>	<b>118,002</b>	<b>3,039</b>	<b>121,041</b>	<b>109,993</b>	<b>5,616</b>	<b>115,609</b>
Add : Commission on reinsurance accepted	118	-	118	1,703	-	1,703
Less : Commission on reinsurance ceded	135,231	2,064	137,295	134,571	3,992	138,563
<b>Net Commission</b>	<b>(17,111)</b>	<b>975</b>	<b>(16,136)</b>	<b>(22,875)</b>	<b>1,624</b>	<b>(21,251)</b>
<b>Breakup of the expenses (Gross) incurred to procure business :</b>						
Agents	47,795	1,738	49,533	40,668	3,990	44,658
Brokers	69,952	1,301	71,253	69,171	1,618	70,789
Corporate Agency	80	-	80	8	8	16
Others (Web Aggregator, CSC, IMF, MISP and POS)	175	-	175	146	-	146
<b>Total (B)</b>	<b>118,002</b>	<b>3,039</b>	<b>121,041</b>	<b>109,993</b>	<b>5,616</b>	<b>115,609</b>

**SCHEDULE - 3B  
COMMISSION**

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2020											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
Commission Paid Direct	3,142,246	294,797	3,437,043	116,669	71	64,017	92,383	86,900	646,507	-	332,914	4,776,504
<b>Total (A)</b>	<b>3,142,246</b>	<b>294,797</b>	<b>3,437,043</b>	<b>116,669</b>	<b>71</b>	<b>64,017</b>	<b>92,383</b>	<b>86,900</b>	<b>646,507</b>	<b>-</b>	<b>332,914</b>	<b>4,776,504</b>
Add : Commission on reinsurance accepted	-	-	-	4,310	-	-	-	4,837	89	-	4,856	14,092
Less : Commission on reinsurance ceded	1,472,224	46,763	1,518,987	95,334	3	2,401	14,128	16,746	155,325	516,535	264,264	2,583,723
<b>Net Commission</b>	<b>1,670,022</b>	<b>248,034</b>	<b>1,918,056</b>	<b>25,645</b>	<b>68</b>	<b>61,616</b>	<b>78,255</b>	<b>74,991</b>	<b>491,271</b>	<b>(516,535)</b>	<b>73,506</b>	<b>2,206,873</b>
<b>Breakup of the expenses (Gross) incurred to procure business:</b>												
Agents	516,236	137,517	653,753	49,402	-	38,754	41,246	13,334	258,715	-	129,456	1,184,660
Brokers	2,160,268	81,954	2,242,222	66,929	71	24,774	45,053	73,372	368,305	-	161,936	2,982,662
Corporate Agency	16,351	5,901	22,252	176	-	54	3,951	43	5,578	-	22,993	55,047
Others (Web Aggregator, CSC, IMF, MISP and POS)	449,391	69,425	518,816	162	-	435	2,133	151	13,909	-	18,529	554,135
<b>Total (B)</b>	<b>3,142,246</b>	<b>294,797</b>	<b>3,437,043</b>	<b>116,669</b>	<b>71</b>	<b>64,017</b>	<b>92,383</b>	<b>86,900</b>	<b>646,507</b>	<b>-</b>	<b>332,914</b>	<b>4,776,504</b>

**SCHEDULE - 3B  
COMMISSION**

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2019											
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Crop	Other Miscellaneous	Total Miscellaneous
Commission Paid Direct	3,078,338	262,257	3,340,595	101,817	441	59,472	142,938	61,265	534,028	-	299,451	4,540,007
<b>Total (A)</b>	<b>3,078,338</b>	<b>262,257</b>	<b>3,340,595</b>	<b>101,817</b>	<b>441</b>	<b>59,472</b>	<b>142,938</b>	<b>61,265</b>	<b>534,028</b>	<b>-</b>	<b>299,451</b>	<b>4,540,007</b>
Add : Commission on reinsurance accepted	-	-	-	5,868	-	-	-	6,502	-	-	6,911	19,281
Less : Commission on reinsurance ceded	555,072	496,179	1,051,251	55,045	577	2,217	20,151	16,566	66,722	801,010	231,412	2,244,951
<b>Net Commission</b>	<b>2,523,266</b>	<b>(233,922)</b>	<b>2,289,344</b>	<b>52,640</b>	<b>(136)</b>	<b>57,255</b>	<b>122,787</b>	<b>51,201</b>	<b>467,306</b>	<b>(801,010)</b>	<b>74,950</b>	<b>2,314,337</b>
<b>Breakup of the expenses (Gross) incurred to procure business:</b>												
Agents	541,948	148,779	690,727	47,228	-	40,427	23,662	14,229	258,688	-	107,583	1,182,544
Brokers	2,168,837	62,946	2,231,783	54,125	441	18,599	116,349	46,757	265,713	-	160,459	2,894,226
Corporate Agency	3,165	1,186	4,351	130	-	28	996	149	3,314	-	14,322	23,290
Others (Web Aggregator, CSC, IMF, MISP and POS)	364,388	49,346	413,734	334	-	418	1,931	130	6,313	-	17,087	439,947
<b>Total (B)</b>	<b>3,078,338</b>	<b>262,257</b>	<b>3,340,595</b>	<b>101,817</b>	<b>441</b>	<b>59,472</b>	<b>142,938</b>	<b>61,265</b>	<b>534,028</b>	<b>-</b>	<b>299,451</b>	<b>4,540,007</b>

## SCHEDULE - 4 OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ in '000)

S. No.	Particulars	Year Ended 31 <sup>st</sup> March, 2020				Year Ended 31 <sup>st</sup> March, 2019			
		Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
1	Employees remuneration and welfare benefits	48,449	50,588	2,945,762	3,044,800	32,311	40,190	2,373,987	2,446,488
2	Travel, conveyance and vehicle running expenses	4,347	4,539	264,318	273,204	2,408	2,995	176,924	182,327
3	Training expenses	273	285	16,619	17,178	271	337	19,878	20,485
4	Rent, rates and taxes	6,834	7,135	415,487	429,456	5,282	6,570	388,068	399,920
5	Repairs	2,490	2,600	151,386	156,476	2,226	2,769	163,573	168,568
6	Printing and Stationery	1,537	1,605	93,450	96,592	1,124	1,398	82,601	85,124
7	Communication	2,070	2,162	125,884	130,116	1,609	2,002	118,241	121,852
8	Legal and professional charges	15,220	15,892	925,417	956,530	11,142	13,859	818,655	843,656
9	Auditor's fees, expenses etc.								
	(a) As Auditor	47	49	2,851	2,947	41	51	3,004	3,096
	(b) As Advisor or in any other capacity in respect of								
	(i) Taxation matters	-	-	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-
	(c) In any other capacity (Tax Audit fees)	11	12	677	700	10	12	734	756
10	Advertisement and publicity	19,613	20,479	1,192,513	1,232,606	5,221	6,493	383,566	395,280
11	Interest and Bank charges	2,543	2,655	154,616	159,814	1,680	2,090	123,462	127,232
12	Others:								
	Policy stamps	39	-	5,139	5,178	39	-	4,362	4,401
	Information & Technology expenses	3,895	4,067	236,803	244,764	2,716	3,378	199,549	205,643
	Electricity & Water Charges	1,161	1,212	70,574	72,947	807	1,004	59,308	61,119
	Courtesies & Entertainment	1,322	1,381	80,390	83,093	1,010	1,256	74,177	76,442
	Others	2,484	2,594	151,054	156,133	908	1,129	66,711	68,748
13	Depreciation	3,818	3,986	232,120	239,924	2,264	2,816	166,360	171,441
14	Service Tax Expense/GST Expense	2,227	2,326	135,415	139,968	2,168	2,696	159,281	164,145
	<b>Total</b>	<b>118,382</b>	<b>123,567</b>	<b>7,200,477</b>	<b>7,442,426</b>	<b>73,237</b>	<b>91,047</b>	<b>5,382,439</b>	<b>5,546,723</b>

\* For analysis of the segment of Marine business, refer Schedule 4A.

\*\*For analysis of the segment of Miscellaneous business, refer Schedule 4B.

## SCHEDULE - 4A OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ in '000)

S. No.	Particulars	Year Ended 31 <sup>st</sup> March, 2020			Year Ended 31 <sup>st</sup> March, 2019		
		Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
1	Employees remuneration and welfare benefits	49,292	1,297	50,588	39,504	686	40,190
2	Travel, conveyance and vehicle running expenses	4,423	116	4,539	2,944	51	2,995
3	Training expenses	278	7	285	331	6	337
4	Rent, rates and taxes	6,952	183	7,135	6,458	112	6,570
5	Repairs	2,533	67	2,600	2,722	47	2,769
6	Printing and Stationery	1,564	41	1,605	1,375	24	1,398
7	Communication	2,106	55	2,162	1,968	34	2,002
8	Legal and professional charges	15,485	407	15,892	13,623	237	13,859
9	Auditor's fees, expenses etc.						
	(a) As Auditor	48	1	49	50	1	51
	(b) As Advisor or in any other capacity in respect of						
	(i) Taxation matters	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-
	(c) In any other capacity (Tax Audit fees)	11	0	12	12	0	12
10	Advertisement and publicity	19,954	525	20,479	6,383	111	6,493
11	Interest and Bank charges	2,587	68	2,655	2,054	36	2,090
12	Others:						
	Policy stamps	-	-	-	-	-	-
	Information & Technology expenses	3,962	104	4,067	3,321	58	3,378
	Electricity & Water Charges	1,181	31	1,212	987	17	1,004
	Courtesies & Entertainment	1,345	35	1,381	1,234	21	1,256
	Others	2,528	66	2,594	1,110	19	1,129
13	Depreciation	3,884	102	3,986	2,768	48	2,816
14	Service Tax Expense/GST Expense	2,266	60	2,326	2,650	46	2,696
	<b>Total</b>	<b>120,400</b>	<b>3,167</b>	<b>123,567</b>	<b>89,492</b>	<b>1,554</b>	<b>91,047</b>

**SCHEDULE - 4B**  
**OPERATING EXPENSES RELATING TO INSURANCE BUSINESS**

(₹ in '000)

S. No.	Particulars	Year Ended 31 <sup>st</sup> March, 2020											Total Miscellaneous
		Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Crop	Other Miscellaneous	
1	Employees remuneration and welfare benefits	686,799	1,145,547	1,832,346	11,751	51	19,531	50,972	16,226	685,052	258,304	71,529	2,945,762
2	Travel, conveyance and vehicle running expenses	61,625	102,788	164,413	1,054	5	1,752	4,574	1,456	61,468	23,177	6,418	264,318
3	Training expenses	3,875	6,463	10,338	66	0	110	288	92	3,865	1,457	404	16,619
4	Rent, rates and taxes	96,870	161,575	258,445	1,657	7	2,755	7,189	2,289	96,624	36,433	10,089	415,487
5	Repairs	35,295	58,871	94,166	604	3	1,004	2,620	834	35,206	13,275	3,676	151,386
6	Printing and Stationery	21,788	36,341	58,129	373	2	620	1,617	515	21,732	8,194	2,269	93,450
7	Communication	29,350	48,954	78,303	502	2	835	2,178	693	29,275	11,038	3,057	125,884
8	Legal and professional charges	215,759	359,876	575,635	3,692	16	6,136	16,013	5,097	215,211	81,147	22,471	925,417
9	Auditor's fees, expenses etc.												
	(a) As Auditor	665	1,109	1,773	11	0	19	49	16	663	250	69	2,851
	(b) As Advisor or in any other capacity in respect of												
	(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-	-	-	-	-
	(c) In any other capacity (Tax Audit fees)	158	263	421	3	0	4	12	4	157	59	16	677
10	Advertisement and publicity	278,032	463,744	741,776	4,757	21	7,906	20,635	6,569	277,325	104,567	28,957	1,192,513
11	Interest and Bank charges	36,048	60,127	96,175	617	3	1,025	2,675	852	35,957	13,558	3,754	154,616
12	Others:												
	Policy stamps	1,540	2,569	4,109	7	-	169	15	1	63	-	775	5,139
	Information & Technology expenses	55,210	92,088	147,298	945	4	1,570	4,098	1,304	55,070	20,764	5,750	236,803
	Electricity & Water Charges	16,454	27,445	43,899	282	1	468	1,221	389	16,412	6,188	1,714	70,574
	Courtesies & Entertainment	18,743	31,262	50,005	321	1	533	1,391	443	18,695	7,049	1,952	80,390
	Others	35,218	58,742	93,960	603	3	1,001	2,614	832	35,129	13,245	3,668	151,054
13	Depreciation	54,118	90,267	144,385	926	4	1,539	4,017	1,279	53,981	20,354	5,636	232,120
14	Service Tax Expense/GST Expense	31,572	52,660	84,232	540	2	898	2,343	746	31,492	11,874	3,288	135,415
	<b>Total</b>	<b>1,679,118</b>	<b>2,800,690</b>	<b>4,479,809</b>	<b>28,711</b>	<b>124</b>	<b>47,874</b>	<b>124,521</b>	<b>39,635</b>	<b>1,673,377</b>	<b>630,935</b>	<b>175,492</b>	<b>7,200,477</b>

**SCHEDULE - 4B**  
**OPERATING EXPENSES RELATING TO INSURANCE BUSINESS**

(₹ in '000)

S. No.	Particulars	Year Ended 31 <sup>st</sup> March, 2019											Total Miscellaneous
		Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Crop	Other Miscellaneous	
1	Employees remuneration and welfare benefits	790,004	826,012	1,616,017	12,444	4	16,475	59,133	12,665	432,403	168,244	56,603	2,373,987
2	Travel, conveyance and vehicle running expenses	58,876	61,559	120,435	927	0	1,228	4,407	944	32,225	12,539	4,218	176,924
3	Training expenses	6,615	6,916	13,531	104	0	138	495	106	3,621	1,409	474	19,878
4	Rent, rates and taxes	129,140	135,026	264,165	2,034	1	2,693	9,666	2,070	70,684	27,502	9,253	388,068
5	Repairs	54,433	56,914	111,347	857	0	1,135	4,074	873	29,793	11,592	3,900	163,573
6	Printing and Stationery	27,488	28,741	56,228	433	0	573	2,057	441	15,045	5,854	1,969	82,601
7	Communication	39,348	41,141	80,489	620	0	821	2,945	631	21,537	8,380	2,819	118,241
8	Legal and professional charges	272,428	284,845	557,273	4,291	1	5,681	20,392	4,367	149,111	58,018	19,519	818,655
9	Auditor's fees, expenses etc.												
	(a) As Auditor	1,000	1,045	2,045	16	0	21	75	16	547	213	72	3,004
	(b) As Advisor or in any other capacity in respect of												
	(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-	-	-	-	-
	(c) In any other capacity (Tax Audit fees)	244	255	499	4	0	5	18	4	134	52	17	734
10	Advertisement and publicity	127,641	133,459	261,100	2,011	1	2,662	9,554	2,046	69,864	27,183	9,145	383,566
11	Interest and Bank charges	41,085	42,958	84,043	647	0	857	3,075	659	22,488	8,750	2,944	123,462
12	Others:												
	Policy stamps	1,619	1,692	3,311	8	-	158	19	1	48	-	817	4,362
	Information & Technology expenses	66,405	69,432	135,837	1,046	0	1,385	4,971	1,065	36,346	14,142	4,758	199,549
	Electricity & Water Charges	19,736	20,636	40,372	311	0	412	1,477	316	10,802	4,203	1,414	59,308
	Courtesies & Entertainment	24,684	25,809	50,493	389	0	515	1,848	396	13,511	5,257	1,769	74,177
	Others	22,200	23,212	45,411	350	0	463	1,662	356	12,151	4,728	1,591	66,711
13	Depreciation	55,361	57,884	113,245	872	0	1,155	4,144	888	30,301	11,790	3,967	166,360
14	Service Tax Expense/GST Expense	53,005	55,421	108,425	835	0	1,105	3,967	850	29,012	11,288	3,798	159,281
	<b>Total</b>	<b>1,791,310</b>	<b>1,872,956</b>	<b>3,664,267</b>	<b>28,200</b>	<b>9</b>	<b>37,481</b>	<b>133,980</b>	<b>28,692</b>	<b>979,622</b>	<b>381,142</b>	<b>129,046</b>	<b>5,382,439</b>

## SCHEDULE - 5 SHARE CAPITAL

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Authorised Capital 400000000 Equity Shares of ₹ 10 each (Previous Year 400000000 Equity Shares of ₹ 10 each)	4,000,000	4,000,000
2	Issued Capital 274218300 Equity Shares of ₹ 10 each (Previous Year 274218300 Equity Shares of ₹ 10 each)	2,742,183	2,742,183
3	Subscribed Capital 274218300 Equity Shares of ₹ 10 each (Previous Year 274218300 Equity Shares of ₹ 10 each)	2,742,183	2,742,183
4	Called up Capital 274218300 Equity Shares of ₹ 10 each (Previous Year 274218300 Equity Shares of ₹ 10 each)	2,742,183	2,742,183
	Less: Calls unpaid	-	-
	Add: Equity Shares forfeited (amount originally paid up)	-	-
	Less: Par Value of Equity Shares bought back	-	-
	Less: Preliminary Expenses	-	-
	Expenses including commission or brokerage on underwriting or subscription of shares	-	-
	<b>Total</b>	<b>2,742,183</b>	<b>2,742,183</b>

## SCHEDULE - 5A SHARE CAPITAL PATTERN OF SHAREHOLDING (As certified by the Management)

Shareholders	As at 31 <sup>st</sup> March, 2020		As at 31 <sup>st</sup> March, 2019	
	Number of Shares	% of Holding	Number of Shares	% of Holding
<b>Promoters</b>				
a) Indian	139,851,333	51	139,851,333	51
b) Foreign	134,366,967	49	134,366,967	49
<b>Others</b>	-	-	-	-
<b>Total</b>	<b>274,218,300</b>	<b>100</b>	<b>274,218,300</b>	<b>100</b>

## SCHEDULE - 6 RESERVES AND SURPLUS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium		
	Opening Balance	4,519,821	2,568,789
	Additions during the year	-	1,951,032
	Closing Balance	4,519,821	4,519,821
4	General Reserve	-	-
5	Catastrophe Reserve	1,166	1,166
6	Other Reserves	-	-
7	Balance of Profit in Profit and Loss Account	17,349,445	15,302,380
	<b>Total</b>	<b>21,870,432</b>	<b>19,823,367</b>

## SCHEDULE - 7 BORROWINGS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Debentures/Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

## SCHEDULE - 8 INVESTMENTS - SHAREHOLDERS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
	<b>Long Term Investments</b>		
1	Govt. Securities, Govt. guaranteed Bonds including Treasury Bills	6,404,247	6,278,416
2	Other Approved Securities	444,075	-
3	<u>Other Investments</u>		
	Equity Shares	3,525	7,024
	Preference Shares	-	-
	Mutual Funds	-	-
	Derivative Instruments	-	-
	Debenture/Bonds (Housing)	2,039,449	1,844,096
	Non-Convertible Debenture/Bonds	329,312	591,884
	Other Securities	-	-
	Subsidiaries	-	-
	Investment Properties - Real Estate	-	-
4	Investment In Infrastructure and Social Sector	5,299,318	6,430,525
5	<u>Other than approved investments</u>		
	Mutual Funds	2,628	4,053
	Non-Convertible Debenture	214,554	370,931
	Less: Provision for diminution in the value of investments	(84,961)	(69,101)
	<b>Short Term Investments</b>		
1	Govt Securities, Govt guaranteed Bonds incl. Treasury Bills	263,629	345,627
2	Other Approved Securities	2,193,322	1,388,744
3	<u>Other Investments</u>		
	Equity Shares	-	-
	Preference Shares	-	-
	Mutual Funds	108,175	-
	Derivative Instruments	-	-
	Debentures & Bonds (Housing)	599,467	836,132
	Non-Convertible Debenture/Bonds	453,875	587,032
	Others Securities - CD/CP	144,080	166,681
	Subsidiaries	-	-
	Investment Properties - Real Estate	-	-
4	Investments in Infrastructure & Social Sector	128,024	918,371
5	<u>Other than approved investments</u>		
	Mutual Funds	-	-
	Non-Convertible Debenture	222,081	178,445
	Less: Provision for diminution in the value of investments	(79,168)	(20,061)
	<b>Total</b>	<b>18,685,632</b>	<b>19,858,799</b>

**Note:** (Sch 8 & Sch 8A): Aggregate amount of the Company's investment other than listed equity securities and derivative instruments is ₹ 96,751,954 thousand (Previous year ₹ 89,059,254 thousand).

Market value of such investments as at 31<sup>st</sup> March, 2020 is ₹ 99,030,312 thousand (Previous year ₹ 88,133,529 thousand).



## SCHEDULE - 8A INVESTMENTS - POLICYHOLDERS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
	<b>Long Term Investments</b>		
1	Govt. Securities, Govt. guaranteed Bonds incl. Treasury Bills	26,762,431	21,887,881
2	Other Approved Securities	1,855,725	-
3	<u>Other Investments</u>		
	Equity Shares	14,730	24,488
	Preference Shares	-	-
	Mutual Funds	-	-
	Derivative Instruments	-	-
	Debenture/Bonds (Housing)	8,522,567	6,428,909
	Non-Convertible Debenture/Bonds	1,376,146	2,063,433
	Other Securities	-	-
	Subsidiaries	-	-
	Investment Properties - Real Estate	-	-
4	Investment In Infrastructure and Social Sector	22,145,090	22,418,168
5	<u>Other than approved investments</u>		
	Mutual Funds	10,984	14,131
	Non-Convertible Debenture	896,588	1,293,143
	Less: Provision for diminution in the value of investments	(355,039)	(240,899)
	<b>Short Term Investments</b>		
1	Govt. Securities, Govt. guaranteed Bonds incl. Treasury Bill	1,101,669	1,204,930
2	Other Approved Securities	9,165,577	4,841,456
3	<u>Other Investments</u>		
	Equity Shares	-	-
	Preference Shares	-	-
	Mutual Funds	452,050	-
	Derivative Instruments	-	-
	Debentures & Bonds (Housing)	2,505,087	2,914,932
	Non-Convertible Debenture/Bonds	1,896,677	2,046,519
	Others Securities - CD/CP	602,091	581,084
	Subsidiaries	-	-
	Investment Properties - Real Estate	-	-
4	Investments in Infrastructure & Social Sector	534,993	3,201,634
5	<u>Other than approved investments</u>		
	Mutual Funds	-	-
	Non-Convertible Debenture	928,043	622,097
	Less: Provision for diminution in the value of investments	(330,832)	(69,939)
	<b>Total</b>	<b>78,084,577</b>	<b>69,231,967</b>

## SCHEDULE - 9 LOANS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	<b>Security-wise Classification</b>		
	Secured		
	(a) On mortgage of property		
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) On shares, Bonds, Govt Securities	-	-
	(c) Others	-	-
	Unsecured	-	-
	<b>Total</b>	-	-
2	<b>Borrower-wise Classification</b>		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Industrial Undertakings	-	-
	(e) Others	-	-
	<b>Total</b>	-	-
3	<b>Performance-wise Classification</b>		
	(a) Loans classified as standard		
	(aa) in India	-	-
	(bb) outside India	-	-
	(b) Non performing loans less provisions		
	(aa) in India	-	-
	(bb) outside India	-	-
	<b>Total</b>	-	-
4	<b>Maturity-wise Classification</b>		
	(a) Short Term	-	-
	(b) Long Term	-	-
	<b>Total</b>	-	-

**SCHEDULE - 10  
FIXED ASSETS**

(₹ in '000)

Particulars	Gross Block			Depreciation			Net Block			
	As at 1 <sup>st</sup> April, 2019	Additions during the year	Sales/ Adjustments during the year	As at 31 <sup>st</sup> March, 2020	Upto 31 <sup>st</sup> March, 2019	For the Year	On Sales/ Adjustments	Upto 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles:										
- Computer Software	461,242	122,102	-	583,344	316,084	103,582	-	419,666	163,678	145,158
Land - Freehold	37,849	-	-	37,849	-	-	-	-	37,849	37,849
Leasehold Property	-	-	-	-	-	-	-	-	-	-
Buildings	12,251	-	-	12,251	1,812	201	-	2,013	10,238	10,439
Furniture & Fittings	402,179	101,651	508	503,322	282,433	34,869	482	316,820	186,502	119,746
Information Technology Equipment	805,455	97,066	660	901,861	673,257	88,861	594	761,524	140,337	132,198
Vehicles	14,953	10,535	-	25,488	5,620	2,057	-	7,677	17,811	9,333
Office Equipment	120,432	14,595	726	134,301	91,911	10,354	685	101,580	32,720	28,521
Others	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,854,361</b>	<b>345,949</b>	<b>1,894</b>	<b>2,198,416</b>	<b>1,371,117</b>	<b>239,924</b>	<b>1,761</b>	<b>1,609,280</b>	<b>589,135</b>	<b>483,244</b>
<b>Capital Work In Progress</b>	<b>101,846</b>	<b>71,321</b>	<b>101,846</b>	<b>71,321</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71,321</b>	<b>101,846</b>
<b>Grand Total</b>	<b>1,956,207</b>	<b>417,270</b>	<b>103,740</b>	<b>2,269,737</b>	<b>1,371,117</b>	<b>239,924</b>	<b>1,761</b>	<b>1,609,280</b>	<b>660,456</b>	<b>585,090</b>
<b>Previous Year Total</b>	<b>1,533,190</b>	<b>438,131</b>	<b>15,114</b>	<b>1,956,207</b>	<b>1,202,453</b>	<b>171,441</b>	<b>2,777</b>	<b>1,371,117</b>	<b>585,090</b>	

## SCHEDULE - 11 CASH AND BANK BALANCES

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Cash (including cheques, drafts and stamps)	17,329	39,768
2	Bank Balances		
	(a) Deposit Accounts		
	(aa) Short Term (due within 12 months)	-	-
	(bb) Others	-	-
	(b) Current Accounts	3,682,648	690,427
	(c) Others	-	-
3	Money at call & short notice		
	With Banks	-	-
	With Other Institutions	-	-
4	Others	-	-
	<b>Total</b>	<b>3,699,977</b>	<b>730,195</b>
	Balances with non-scheduled banks included in 2 and 3 above	-	-

**Note:** Balance with Banks in current accounts above, includes liquid flexi term deposit of ₹ 2,886,400 thousand (Previous year ₹ 787,100 thousand).

## SCHEDULE - 12 ADVANCES AND OTHER ASSETS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
	<b>ADVANCES</b>		
1	Reserve Deposit with ceding Companies	2,551,022	2,332,852
2	Application Money for Investments	-	-
3	Prepayments	115,693	80,082
4	Advance to Directors/Officers	-	-
5	Advance Tax Paid and Tax Deducted at source (Net of provision for taxation)	354,518	319,517
6	Deposit towards Rent	96,911	90,862
7	Service Tax/GST Recoverable	-	18,322
8	Others	111,404	6,696
	<b>Total (A)</b>	<b>3,229,548</b>	<b>2,848,331</b>
	<b>OTHER ASSETS</b>		
1	Income accrued on Investments/FDRs	2,975,874	2,875,349
2	Outstanding Premiums	14,648,278	4,579,641
3	Agents' Balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from entities carrying on insurance business (including reinsurers)	1,924,940	1,657,845
6	Due from Subsidiaries/Holdings	-	-
7	Assets held for unclaimed amount of Policyholders	253,551	260,063
	Add: Investment income accruing on unclaimed amount	51,068	51,161
8	Deposit with Reserve Bank of India	-	-
9	Unsettled Investment contract receivable	-	-
	<b>Total (B)</b>	<b>19,853,711</b>	<b>9,424,059</b>
	<b>Total (A+B)</b>	<b>23,083,259</b>	<b>12,272,390</b>

### SCHEDULE - 13 CURRENT LIABILITIES

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Agents Balances	513,557	372,642
2	Balances due to other insurance companies (including reinsurers)	12,522,392	9,521,867
3	Deposits held on re-insurances ceded	-	-
4	Premiums received in advance	8,766,075	4,250,441
5	Unallocated premium	722,196	69,627
6	Sundry Creditors	1,431,504	1,187,415
7	Due to Subsidiaries/Holding Company	-	-
8	Claims outstanding*	53,183,426	43,113,172
9	Due to Officers/Directors	-	-
10	Deposit Premium	563,258	514,687
11	Goods & Service Tax Payable	148,225	456,488
12	Employee Benefit	451,538	346,843
13	Unclaimed amount of Policyholders	213,483	237,657
	Add: Investment income accruing on unclaimed amount	51,068	51,161
	<b>Total</b>	<b>78,566,722</b>	<b>60,122,000</b>

\* Claims Outstanding Includes Nil (Previous Year ₹ 1,353,176 thousand) on account of settlement received from the IMTPIP towards the company's share of claim liability determined by the pool upto the date of dismantling (Net of claims paid upto reporting period).

### SCHEDULE - 14 PROVISIONS

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Reserve for Unexpired Risk	21,494,406	20,335,230
2	For Taxation (less advance tax paid and taxes deducted at source)	-	-
3	For Proposed Dividends	-	-
4	For Dividend Distribution Tax	-	-
5	Premium Deficiency	-	-
6	For Doubtful Debt	-	48,699
	<b>Total</b>	<b>21,494,406</b>	<b>20,383,929</b>

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

(₹ in '000)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(1)	(2)	(3)	(4)
1	Discount allowed in issue of shares/debentures	-	-
2	Others	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>



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# ACCOUNTING POLICIES & NOTES TO ACCOUNTS CONSOLIDATED



## SCHEDULE 16: NOTES TO ACCOUNTS

### A. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

#### 1. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and on the accrual basis of accounting in accordance with the generally accepted accounting principles and conform to the statutory requirements prescribed under the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 including directions thereon, the Insurance Act, 1938, the provisions of Companies Act, 2013 including notified Accounting Standards there under except otherwise stated.

#### 2. Use of Estimates

The presentation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent assets & liabilities. Such estimates and assumptions are based on the management's evaluation of the relevant facts and circumstances as on the date of financial statements. Any revision to the accounting estimates is recognized prospectively in the period in which the results are known/materialized.

#### 3. Revenue Recognition

- 3.1 Premium and cession thereof are recognized over the contract period or the period of the risk in respective revenue account following 1/365 method.

Reserve for unexpired risk representing premium attributable to the succeeding accounting period is maintained based on the above method except in Marine Hull business and reinsurance acceptances under the Pool arrangements. Unexpired Risk Reserve for Marine Hull business and reinsurance acceptances in respect of Terrorism Pool is maintained at hundred percent of net

premium and in respect of all other reinsurance acceptances under pool arrangements at fifty percent of the net premium during the preceding twelve months.

- 3.2 Any subsequent revision to the premium under the policies is accounted for in the period in which they occur.
- 3.3 Premium deficiency is recognized whenever expected claim costs, related expenses and maintenance costs exceeds related reserve for unexpired risks for each segment of business.
- 3.4 Reinsurance Inward acceptances are accounted for on the basis of returns, to the extent received, from the insurers.
- 3.5 Commission on reinsurance cessions are recognized as income in the period in which the premium is ceded. Profit commission under reinsurance treaties, wherever applicable, is recognized on the determination of profit for the period.
- 3.6 Interest Income is recognized on accrual basis.
- 3.7 Dividend income is recognized when the right to receive dividend is established.
- 3.8 Profit or Loss on sale/redemption of investments which is the difference between sale consideration and carrying value is recognized on trade date and includes effects of accumulated fair value changes, previously recognized, for specific investments sold/redeemed during the year. In determining realized gain/loss, cost of securities is arrived at on 'Weighted average cost' basis and sale consideration for the purpose of realized gain/loss is net of Brokerage and taxes, if any.

#### 4. Allocation of Investment Income between Revenue Accounts and Profit and Loss Account

Investment income is apportioned to Profit and Loss Account and Revenue Accounts in the ratio of average of Shareholders Funds and Policyholders Funds standing in each class of business at the end of each month.



## 5. Claims Incurred

- 5.1 Liability in respect of claims is provided for the intimations received up to the year-end based on the surveyor's assessment, information provided by the insured, judgment based on past experience and other applicable laws and practices. However, in respect of claims under re-insurance acceptances, the claim liability is provided based on the returns/advice, to the extent received, from the Reinsurers.
- 5.2 Liability in respect of "claims incurred but not reported" (IBNR) and "Claims incurred but not enough reported" (IBNER) is provided for on actuarial estimates as certified by the "Appointed Actuary".
- 5.3 Salvage/Recoveries under claims are netted off against "Claims Incurred" and are accounted for on realization.

## 6. Allocation of Operating Expenses

Operating expenses other than policy stamps are apportioned to respective revenue accounts on the basis of net premium in each class of business at the end of financial year. Expenses relating to policy stamps are directly taken to the respective revenue accounts.

## 7. Acquisition Cost of Insurance Contracts

Cost relating to acquisition of new/renewal of insurance contracts are expensed in the period in which they are incurred.

## 8. Investments

Investments are recorded on the trade date at the acquisition cost.

### Classification

Investment maturing within twelve months from the Balance Sheet date and investments made with specific intention to dispose of within twelve months from the Balance Sheet date are classified as Short Term Investments. Other investments are classified as Long Term Investments.

## Valuation

- (i) Debt securities including Government securities are considered as held to maturity and are valued at cost subject to amortization by charging off/crediting investment income with the difference of acquisition cost and maturity value over the unexpired period of maturity on straight line method.
- (ii) Investments in units of mutual funds are valued at Net Asset Value (NAV).
- (iii) Equity securities listed and actively traded are stated at fair value, being the last quoted closing price on the National Stock Exchange (NSE). However, in case of any stock not being listed at NSE, the same is valued based on the last quoted closing price on Bombay Stock Exchange (BSE).
- (iv) Any unrealized gain/loss arising due to change in fair value of mutual fund investments and listed equity shares is accounted in 'Fair Value Change Account' and carried forward in the Balance Sheet and is not available for distribution.
- (v) Investment in subsidiary company is valued at cost less permanent diminution, if any.

## 9. Fixed Assets

Fixed Assets including Intangible Assets are stated at their cost of acquisition less accumulated depreciation/amortization.

Capital Work in Progress is stated at cost.

## 10. Depreciation/Amortization

- 10.1 Depreciation on Fixed Assets is provided on straight line method based on useful life as provided in Schedule II of the Companies Act, 2013 except
- (i) Fixtures in rented premises are depreciated proportionately over the residual lease period wherever the lease period is less than the useful life specified in Schedule II.
- (ii) Information Technology Equipments - Servers & Networks are depreciated over their useful life of three years on straight line method.

(iii) Fixed Assets having value up to ₹ 5000 are fully depreciated in the year of acquisition.

10.2 Intangible Asset (Software) is amortized over its useful life of three years on straight line method.

## 11. Operating Lease

Payments made towards assets/premises taken on operating lease are recognized as an expense in the revenue accounts and profit and loss account over the lease term on straight-line basis.

## 12. Pre-Paid Expenses

Expenditure up to ₹ 25,000 in each case is accounted for in the year in which the same is incurred.

## 13. Foreign Currency Transactions

Transactions in foreign currency are accounted at the exchange rate prevailing on the date of the transaction.

The monetary items remaining outstanding as on the date of Balance Sheet are translated at the exchange rate as on that date.

Exchange Gain/Loss on settlement/translation of foreign currency transactions is recognized as income/expense.

## 14. Income Tax

Income tax comprises of Current Tax and Deferred Tax. Deferred Tax, resulting from 'timing differences' between book and taxable profits, is accounted for using the tax rates and laws that have been enacted or substantively enacted. The deferred tax asset is recognized and carried only to the extent that there is a reasonable/virtual certainty that the asset will be realized in future.

## 15. Employee Benefits

15.1 The Liability for Gratuity is covered by the 'Group Gratuity Cash Accumulation Scheme' with an Insurance Company. The liability is accounted for based on actuarial valuation as on the date of Balance Sheet.

15.2 Liability for leave encashment is provided for on the basis of actuarial valuation as on the date of Balance Sheet.

15.3 Provident Fund and Family Pension Scheme contributions and liability towards Leave Travel Assistance (LTA) are accounted for on accrual basis.

15.4 Gains/losses arising out of the actuarial valuation are recognized immediately in the accounts.

## 16. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date for indications of any impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Any such impairment loss is recognized by charging it to the profit and loss account. A previously recognized impairment loss is reversed where it no longer exists and the asset is restated to that effect.

## 17. Provisions & Contingencies

A provision, other than those relating to contract with policyholders, is recognized when there is present obligation arising out of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability.

**B. NOTES FORMING PART OF ACCOUNTS**

**I. BASIS OF CONSOLIDATION**

The Consolidated financial statements relate to IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED (hereinafter referred to as “the Holding Company”) and its wholly-owned subsidiary IFFCO-TOKIO INSURANCE SERVICES LIMITED (the Holding Company and its Subsidiary together referred to as “the Group”).

a) Basis of Accounting :

- i. The financial statements of the subsidiary company in the consolidation are drawn up to the same reporting date as of the Company.
- ii. The Consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21- 'Consolidated Financial Statements' notified under the Companies Act, 2013 and generally accepted accounting principles.

b) Principles of Consolidation:

The consolidated financial statements have been prepared as per following principles:

- i. The financial statements of the Group are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra- group balances, intra- group transactions, unrealized profits or losses.
- ii. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements except as otherwise stated in the notes to accounts.
- iii. IFFCO-TOKIO INSURANCE SERVICES LIMITED, the subsidiary company filed an application with IRDAI for surrender of the Corporate Agency Registration Certificate w.e.f. 1<sup>st</sup> August, 2018 on 31<sup>st</sup> July, 2018. IRDAI has accepted the application vide its letter dated 20<sup>th</sup> March, 2019. Current assets and loans & advances of the subsidiary company have value on realisation in the ordinary course of business at least equal to the amount at which they are stated and all known liabilities have been adequately provided for. The financial statements of the subsidiary Company for the Financial Year ending 31<sup>st</sup> March, 2020 and Financial Year ending 31<sup>st</sup> March, 2019 have been prepared on Net realizable value basis (refer note III (1)).

c) Additional Information required under part II of schedule III to the Companies Act, 2013 is as under:

(₹ in '000)

Name of Entity	Net Assets (Total assets minus Total liability)		Share in Profit or Loss (Profit after tax)	
	% of consolidated net assets	Amount	% of consolidated profit or loss	Amount
IFFCO-TOKIO INSURANCE SERVICES LIMITED	0.14%	35,073	0.00%	96

**II. Disclosures required under Accounting Standards**

**1. Accounting Standard-15 “Employee Benefits”**

- A. No employee was employed in IFFCO-TOKIO Insurance Services Limited during Financial Year 2019-20.

## B. General description of the defined benefit scheme:

<b>Gratuity</b>	Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service of five years or more.
<b>Leave Encashment</b>	Payable on encashment during the service or on separation to the eligible employees who have accumulated earned leave.
<b>Provident Fund (Parent Company)</b>	The Holding Company pays fixed contribution to Provident Fund Trust. Contribution to Family Pension Scheme is paid to appropriate authority. The contribution for ₹ 1,65,011 thousand (previous year ₹ 84,007 thousand) has been recognized as expense in the accounts.

## C. Other disclosures as required under AS-15 (Revised 2005) on “Employee Benefits” in respect of defined benefit obligations are as under:

### i. Expenses recognized in Profit & Loss Account

(₹ in '000)

Particulars	Gratuity					Leave Encashment				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Current Service Cost	31,883	19,887	26,498	17,372	15,697	107,217	50,053	57,356	40,435	34,449
Interest cost on benefit obligation	13,691	10,952	12,442	7,778	6,896	21,268	17,168	18,054	13,449	12,314
Expected return on plan assets	(11,742)	(10,181)	(10,881)	(7,387)	(5,732)	-	-	-	-	-
Net actuarial (Gain)/ Loss recognized in the year	27,277	21,759	(1,755)	54,384	(2,507)	8,917	33,856	(6,943)	45,911	(4,672)
Expenses recognized in the Profit & Loss Account	61,109	42,417	26,304	72,147	14,354	137,402	101,077	68,467	99,795	42,091

### ii. The amount recognized in the Balance Sheet

(₹ in '000)

Particulars	Gratuity					Leave Encashment				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Present Value of obligation at end of year (i)	241,640	187,663	204,641	177,853	102,632	390,458	304,427	305,193	264,578	182,290
Fair Value of Plan assets at end of year (ii)	180,560	145,246	178,337	105,824	88,322	-	-	-	-	-
Difference (ii-i) i.e. Assets/ (Liabilities)	(61,080)	(42,417)	(26,304)	(72,029)	(14,310)	(390,458)	(304,427)	(305,193)	(264,578)	(182,290)
Net Asset/(Liability) recognised in the Balance Sheet	(61,080)	(42,417)	(26,304)	(72,029)	(14,310)	(390,458)	(304,427)	(305,193)	(264,578)	(182,290)

iii. Changes in the present value of the Defined Benefit Obligations:

(₹ in '000)

Particulars	Gratuity					Leave Encashment				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Present Value of obligation at beginning of year	187,664	150,992	177,853	102,632	89,582	304,427	248,413	264,578	182,290	160,424
Interest Cost	13,691	10,952	12,442	7,778	6,896	21,268	17,168	18,054	13,449	12,313
Current Service Cost	31,883	19,887	26,498	17,372	15,697	107,217	50,053	57,356	40,435	34,449
Benefit Paid	(16,442)	(13,779)	(9,418)	(4,541)	(7,443)	(51,370)	45,063	(27,852)	(17,507)	(20,224)
Net actuarial (Gain)/Loss on obligation	24,844	19,612	(2,734)	54,612	(2,100)	8,916	33,856	(6,943)	45,911	(4,672)
Present value of the defined benefit as at end of year	241,640	187,664	204,641	177,853	102,632	390,458	304,427	305,193	264,578	182,290

iv. Changes in the fair value of plan assets:

(₹ in '000)

Particulars	Gratuity					Leave Encashment				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Fair value of plan assets at beginning of year	145,246	133,926	105,824	88,322	65,503	-	-	-	-	-
Expected return on plan assets	11,742	10,181	10,881	7,387	5,732	-	-	-	-	-
Contributions by employer	42,445	17,065	72,029	14,428	24,123	-	-	-	-	-
Benefits Paid	(16,442)	(13,779)	(9,418)	(4,541)	(7,443)	-	-	-	-	-
Actuarial Gain/(Loss) on plan assets	(2,431)	(2,147)	(979)	228	407	-	-	-	-	-
Fair value of plan assets at end of year*	180,560	145,246	178,337	105,824	88,322	-	-	-	-	-

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

v. Actuarial Assumptions

Principal assumptions used for actuarial valuation of parent company are:

Particulars	Gratuity (Funded)					Leave Encashment (Non-Funded)				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Method used	Projected Unit Credit Method									
Discount Rate	6.64%	7.63%	7.60%	7.25%	7.75%	6.64%	7.63%	7.60%	7.25%	7.75%
Salary Escalation	6.00%	6.50%	6.00%	6.00%	6.00%	6.00%	6.50%	6.00%	6.00%	6.00%
Mortality rate	IALM (2012-14)		IALM (2006-08)			IALM (2012-14)		IALM (2006-08)		
Withdrawal rate	4%	4%	1 to 3%	1 to 3%	1 to 3%	4%	4%	1 to 3%	1 to 3%	1 to 3%
Rate of return on plan assets	7.44%	7.42%	7.51%	7.75%	8.50%	-	-	-	-	-

Principal assumptions used for actuarial valuation of Subsidiary company are:

Particulars	Gratuity (Funded)					Leave Encashment (Non-Funded)				
	2019-20	2018-19	2017-18	2016-17	2015-16	2019-20	2018-19	2017-18	2016-17	2015-16
Discount rate	-	-	7.30%	7.00%	7.75%	-	-	7.30%	7.00%	7.75%
Salary Escalation	-	-	10.00%	10.00%	10.00%	-	-	10.00%	10.00%	10.00%

The estimate of future salary increase considered in actuarial valuation, take into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## 2. Accounting Standard-17 "Segment Reporting"

The Group's primary reportable segments are business segments, which have been identified in accordance with the Regulations. Disclosure as required is provided as under:

### a) Business Segments

(₹ in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
<b>SEGMENT REVENUE:</b>		
Fire Insurance	6,364,659	3,869,854
Marine Insurance	1,845,773	1,691,792
Motor Insurance - OD	17,089,650	16,620,242
Motor Insurance - TP	22,472,525	19,536,488
Engineering Insurance	922,483	858,667
Workmen Compensation Insurance	341,141	316,012
Personal Accident Insurance	969,146	1,325,236
Product Liability Insurance	426,996	372,949
Health Insurance	13,666,534	8,344,286
Crop	19,037,906	19,486,677
Other Insurance	2,953,295	2,662,677
Investments	1,740,128	1,396,121
<b>Total</b>	<b>87,830,237</b>	<b>76,481,001</b>
<b>SEGMENT RESULT: Profit/Loss</b>		
Fire Insurance	831,793	333,074
Marine Insurance	227,800	259,730
Motor Insurance - OD	(157,997)	402,695
Motor Insurance - TP	1,541,970	588,390
Engineering Insurance	52,123	70,684
Workmen Compensation Insurance	108,002	102,750
Personal Accident Insurance	48,415	(211,783)
Product Liability Insurance	94,561	109,844
Health Insurance	(1,420,008)	(1,271,393)
Crop	(15,873)	837,580
Other Insurance	234,594	198,416
Investments	1,290,128	996,122
Unallocable	(157,866)	(28,822)
<b>Total Profit before Tax</b>	<b>2,677,642</b>	<b>2,387,287</b>
Less: Provision for Taxation	630,577	587,703
<b>Profit After Tax</b>	<b>2,047,065</b>	<b>1,799,584</b>

(₹ in '000)

<b>SEGMENT ASSETS</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
Fire Insurance	-	-
Marine Insurance	-	-
Motor Insurance	-	-
Engineering Insurance	-	-
Workmen Compensation Insurance	-	-
Personal Accident Insurance	-	-
Product Liability Insurance	-	-
Health Insurance	-	-
Crop	-	-
Other Insurance	-	-
Investments	99,746,084	91,966,115
<b>Total</b>	<b>99,746,084</b>	<b>91,966,115</b>
Add: Unallocable Assets	24,901,617	8,764,074
<b>Total</b>	<b>124,647,701</b>	<b>100,730,189</b>
<b>SEGMENT LIABILITIES</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
Fire Insurance	1,316,261	1,301,425
Marine Insurance	849,640	776,894
Motor Insurance-OD	7,336,245	9,212,498
Motor Insurance-TP	52,419,179	42,800,294
Engineering Insurance	325,493	325,420
Workmen Compensation Insurance	275,481	261,375
Personal Accident Insurance	748,073	905,740
Product Liability Insurance	291,547	247,134
Health Insurance	5,214,859	4,379,017
Crop	4,428,299	1,901,413
Other Insurance	1,472,754	1,337,191
Investments	-	-
<b>Total</b>	<b>74,677,832</b>	<b>63,448,401</b>
Add: Unallocable Liabilities	25,383,296	14,724,676
<b>Total</b>	<b>100,061,128</b>	<b>78,173,077</b>
<b>Cost incurred to acquire segment assets (Fixed Assets)</b>		
Fire Insurance	-	-
Marine Insurance	-	-
Motor Insurance	-	-
Engineering Insurance	-	-
Workmen Compensation Insurance	-	-
Personal Accident Insurance	-	-
Product Liability Insurance	-	-
Health Insurance	-	-
Crop	-	-
Other Insurance	-	-
Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Add: Unallocable Fixed assets	315,424	425,938
<b>Total</b>	<b>315,424</b>	<b>425,938</b>



Amount of expenses included in segment result for depreciation and amortization in respect of assets	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Fire Insurance	3,818	2,264
Marine Insurance	3,986	2,816
Motor Insurance - OD	54,118	55,361
Motor Insurance - TP	90,267	57,884
Engineering Insurance	926	872
Workmen Compensation Insurance	1,539	1,155
Personal Accident Insurance	4,017	4,144
Product Liability Insurance	1,279	888
Health Insurance	53,981	30,301
Crop	20,354	11,790
Other Insurance	5,640	3,966
Investments	-	-
<b>Total</b>	<b>239,924</b>	<b>171,441</b>
Add: Unallocable Expenses	-	-
<b>Total</b>	<b>239,924</b>	<b>171,441</b>

Assets and Liabilities of the Company, which are not identifiable with any of the segments, have been classified as unallocable.

b) Geographical Segment

Since the Group's entire business is conducted within India, there is no reportable Geographical Segmentation for the year.

3. Accounting Standard- 18 "Related Party Disclosures"

The transactions between the Group and its related parties during the year are as under:

(₹ in '000)

Name of the Related Parties	Nature of Related Party Relationship	Description of Nature of Transactions	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Indian Farmers Fertiliser Cooperative Ltd.	Promoters with more than 20% Voting rights	Premium accounted from direct business	784,234	726,212
		Claims paid on direct basis	98,941	295,747
		Payment of Rent and other expenses	257,963	210,175
		Deposit of Insurance Premium	2,500	2,500
		Amount Payable/(Receivable) at the Balance Sheet Date	18,039	88
Indian Potash Limited	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	68,294	80,147
		Claim paid on direct basis	42,103	13,129
		Deposit of Insurance Premium	100	100
		Payment of Rent and other expenses	9,810	413
		Amount Payable/(Receivable) at the Balance Sheet Date	(509)	(509)
Tokio Marine Asia Pte Ltd (formerly Millea Asia Pte. Ltd.)	Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	-	241
		Payment of Fee	3,955	3,127
Tokio Marine & Nichido Fire Insurance Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	341,837	303,859
		Commission Earned on Premium Ceded	84,293	77,476
		Losses Recovered from Re-insurer	244,451	295,056
		Claim/Reimbursement of Expenses	532	-
		Amount Payable/(Receivable) at the Balance Sheet Date	100,506	192,406
Tokio Marine Kiln Singapore Pte. Ltd.	Associate of Promoters with more than 20% Voting rights	Losses Recovered from Re-insurer	29	145
		Amount Payable/(Receivable) at the Balance Sheet Date	(164)	(330)
Tokio Marine Insurance Singapore Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	423,514	233,256
		Commission Earned on Premium Ceded	89,392	34,286
		Losses Recovered from Re-insurer	163,976	96,758
		Payment of Fee	21	25
		Amount Payable/(Receivable) at the Balance Sheet Date	82,046	51,063

Tokio Marine Europe Insurance Ltd.	Associate of Promoters with more than 20% Voting rights	Amount Payable/(Receivable) at the Balance Sheet Date	116	116
Tokio Marine Kiln Syndicate	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	861	523
		Commission Earned on Premium Ceded	120	28
		Losses Recovered from Re-insurer	-	1033
		Amount Payable/(Receivable) at the Balance Sheet Date	49	(141)
Tokio Marine HCC	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	28,773	65,932
		Commission Earned on Premium Ceded	4,384	10,716
		Losses Recovered from Re-insurer	-	6,985
		Amount Payable/(Receivable) at the Balance Sheet Date	20,479	23,945
Tokio Marine Insurance (Malaysia) Behard	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	48	-
		Payment of Fee	163	80
TM Claim Services Inc.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	8,842	16,228
		Payment of Fee	4,573	4,714
Tokio Marine Management Australasia Pty Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	11	-
The Tokio Marine Claim Services Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	89
TM Claim Service Asia Pte. Ltd.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	134	-
		Payment of Fee	225	-
TM Claim Service Europe Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	70	963
Tokio Marine Insurance (Thailand) Public Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	14,081	3,280
		Payment of Fee	1,167	1,699
Tokio Marine Egypt General Takful S.A.E	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	10
Tokio Marine Holdings INC	Associate of Promoters with more than 20% Voting rights	Payment of Fees	1,663	2,767
Tokio Marine Nawa Insurance Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fees	-	213
Malayan Insurance Co. Inc.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	671	-
		Payment of Fees	379	-
Baoviet Tokio Marine Insurance Company Limited- Ho Chi Minh Branch	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	85	-
		Payment of Fees	141	87
Tamesis Dual	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	900	-
		Amount Payable/(Receivable) at Balance Sheet Date	(412)	-

IFFCO Ebazar Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	2,817	1,498
		Claims paid on direct basis	951	442
IFFCO Kisan Sanchar Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	4,658	5,759
		Claims paid on direct basis	2,663	2,557
		Payment of Rent and other expenses	8,027	-
K. Srinivasa Gowda	Chairman	Payment of Rent on office Building	7,745	5,520
		Honorarium Charges	1,800	1,400
		Amount Payable/(Receivable) at the Balance Sheet Date	(11,093)	(11,040)
IFFCO Kisan Bazar & Logistics Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	1,338	1,318
IFFCO MC Crop Science Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	10,437	5,400
		Claims paid on direct basis	2,748	511
IFFCO Kisan Finance Limited	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	236	-
		Claims paid on direct basis	5,032	-
		Amount Payable/(Receivable) at the Balance Sheet Date	1,019	-
IFFCO Kisan SEZ Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	581	590
		Claims paid on direct basis	-	147
Indian Farm Forestry Development Cooperative Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	2,133	2,275
		Claims paid on direct basis	251	3
		Payment for CSR activity- IFFDC being implementation agency	20,560	35,500
		Amount Payable/(Receivable) at the Balance Sheet Date	3,936	-
IFFCO Employee Benevolent Trust	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	116,956	101,791
		Claims paid on direct basis	111,336	91,997
Warendra Sinha	Managing Director & Chief Executive Officer (upto 27.03.2020)	Remuneration-Key Management Personnel	16,999	14,582
Anamika Roy Rashtrawar	Director-Marketing (upto 26.03.2020)		13,839	10,644
	Managing Director & Chief Executive Officer (w.e.f 27.03.2020)		209	-
H.O.Suri	Director-Marketing (upto 31.05.2018)		-	905
Jun Matsui	Director-Operations (upto 31.03.2020)		4,470	5,075
Sanjeev Chopra	Chief Financial Officer		5,916	5,411
Amit Jain	Company Secretary		3,716	3,379
Srikanth Charan	CEO of Subsidiary Company (upto 31.10.2018)		-	1,179

#### 4. Accounting Standard-19 "Leases"

In respect of premises taken on operating lease,

- (i) In respect of premises taken on operating lease, the lease arrangements are generally mutually renewable/cancellable by the lessor/lessee.

- (ii) In respect of premises taken on operating lease, total of future minimum lease payments under non-cancellable operating lease and amount recognized in P&L account is as under:-

(₹ in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
Not later than one year	360,507	334,281
Later than one year and not later than five years	826,370	674,643
Later than five years	295,237	168,025
Lease payment recognised in P&L account	429,456	399,608

5. Accounting Standard -20 "Earnings Per Share"

S. No.	Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
a)	Net Profit/(Loss) available for Equity Shareholders (₹ '000)	2,047,065	1,799,584
b)	Weighted Average number of Equity Shares outstanding during the year (No. of Units in Thousand)	274,218	273,293
c)	Basic and Diluted Earning per Share (Equity Share of Face Value of ₹ 10/- each)	7.47	6.58

6. Accounting Standard - 22 "Accounting for taxes on income"

The breakup of deferred tax assets and liabilities into major components at the year end is as below:

(₹ in '000)

Particulars	As at 31 <sup>st</sup> March, 2020		As at 31 <sup>st</sup> March, 2019	
	Liabilities	Assets	Liabilities	Assets
Depreciation	-	27,000	-	32,000
Expenditure accrued but not deductible for tax purposes, allowable on actual payment	-	137,700	-	149,300
Provision for Doubtful Debts/ Diminution in Value of Investments	-	219,500	-	156,800
Unexpired Risk reserve provided in excess of limit specified in Income Tax Act.	-	49,600	-	46,500
Carried forward business loss as per Income Tax Act	-	-	-	-
<b>Total</b>	<b>-</b>	<b>433,800</b>	<b>-</b>	<b>384,600</b>
Net Deferred tax asset	-	433,800	-	384,600

Net increase in Deferred Tax asset for the year ₹ 49,200 thousand has been recognized in the Profit & Loss Account (previous year decrease of ₹ 201,530 thousand).

7. Accounting Standard - 29 "Contingent Liabilities"

Contingent liability of ₹ 1,814,086 thousand (Previous Year ₹ 2,101,321 thousand) includes Service Tax demands of ₹ 1,350,162 thousand (Previous Year ₹ 1,357,545 thousand) and Income Tax demands of ₹ 463,924 (Previous Year ₹ 743,776 thousand) raised by Tax Authorities. These demands are being contested before the appropriate Appellate Authorities. Based on the various pronouncements and legal opinions, the Management believes that these demands shall not result in any significant economic outflow.

### III. Other Notes

1. The financial statements of the Subsidiary company are prepared based on the assumption that the Company is not a going concern due to the following reasons:
  - a) The Company's revenue from operations is solely from the revenue earned under Corporate Agency and Service Agreement with IFFCO-TOKIO General Insurance Company Limited (hereinafter referred to as ITGI). On 29<sup>th</sup> June, 2018, the Company had received a notice from ITGI for the termination of both Corporate Agency and Service agreements with effect from 1<sup>st</sup> August, 2018 which was accepted by the Company vide its letter dated 2<sup>nd</sup> July, 2018.
  - b) The Company filed an application with IRDAI for surrender of the Corporate Agency Registration Certificate w.e.f. 1<sup>st</sup> August, 2018 on 31<sup>st</sup> July, 2018. IRDAI has accepted the application vide its letter dated 20<sup>th</sup> March, 2019.
2. The Group has committed ₹ 85,311 thousand (Net of Advances) (Previous Year ₹ 99,946 thousand) for the purchase of fixed assets.
3. Managerial remuneration paid during the year is as under:

(₹ in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2020		Year ended 31 <sup>st</sup> March, 2019	
	Managing Director	Whole-time Directors	Managing Director	Whole-time Directors
Salaries and Allowances	16,666	17,789	14,074	16,156
Contribution to Provident Fund	543	520	508	468
<b>Total</b>	<b>17,209</b>	<b>18,309</b>	<b>14,582</b>	<b>16,624</b>

#### Note:-

- a) The above excludes provision for leave encashment and the gratuity contributions which are determined actuarially on an overall basis and accordingly have not been considered in the above information.
  - b) The remuneration as above has been approved by the IRDAI.
4. Disclosure for CSR
    - a) Gross amount required to be spent by the Company during the year is ₹ 90,370 thousand.
    - b) Amount spent during the year is ₹ 72,039 thousand.

(₹ in '000)

S. No.	Particulars	Paid	Yet to be paid	Total
(i)	Construction/acquisition of any asset	41,374	16,273	57,647
(ii)	On purchases other than (i) above	30,665	2,058	32,723

5. The Holding Company has secured debt investments (Face value ₹ 2,000,000 thousand) in the securities of IL&FS Group (Infrastructure Leasing and Financial Services Ltd. (IL&FS) and IL&FS Financial Services Ltd. (IFIN). The Holding Company had filed an intervention Application with NCLAT owing to default in payments by IL&FS Group Companies in the year 2018-19. Pursuant to NCLAT Order, new management of IL&FS has classified both of these companies under Red Category i.e. the entities which cannot meet their payment obligation towards even secured financial creditors. The resolution plan for red category entities is yet to be submitted to NCLAT by the IL&FS management. As at year end, the Holding Company has provided ₹ 800,000 thousand (Previous year ₹ 400,000 thousand) towards diminution in the value of the Investments.

The Holding Company has secured debt investments (Face value ₹ 250,000 thousand) in the securities of Dewan Housing Finance Limited (DHFL). DHFL defaulted in honoring its payment obligation of interest and principal to the Holding Company. The RBI took over the control of DHFL and appointed the Administrator for resolution under the IBC (Insolvency and Bankruptcy Code). The resolution process is undergoing and bids have been invited from the interested parties to purchase the assets of DHFL. As at year end, the Holding Company has provided ₹ 50,000 thousand (Previous year Nil) towards diminution in the value of the Investments.

6. Pursuant to IRDAI Circular no. IRDA/F&A/CIR/CPM/010/01/2017 dated 12<sup>th</sup> January, 2017, Investments have been bifurcated on the policyholders' and shareholders' fund on notional basis. Accordingly, investments are bifurcated in Schedule 8 "Investments-Shareholders" and in Schedule 8A "Investments-Policyholders".
7. No depreciation is allocable to the Profit and Loss Account based on the 'use' of the asset.
8. Management expenses are apportioned to Revenue Accounts on the basis of Net Premium as per Accounting Policy on 'Allocation of Operating Expenses' (Schedule 16 A (6)). Detail of apportioned expenses is furnished in Schedule 4 (Operating Expenses relating to Insurance business).
9. As certified by Appointed Actuary, no premium deficiency has been provided in the current year (previous years ₹ Nil) in the accounts.
10. In accordance with the requirements of the IRDAI circular dated 18<sup>th</sup> March, 2003 and based on recommendations made at General Insurance Council meeting held on 4<sup>th</sup> February, 2005 and as per letter no. HO/MTD/Solatum Fund/2010/482 dated 26<sup>th</sup> July, 2010 from The New India Assurance Co. Ltd. (Scheme administrator), the Holding Company has provided 0.1% of the total Motor TP premium of the Company towards solatium fund.
11. Direct commission paid under schedule 3 includes rewards paid to insurance agent and insurance intermediaries as per IRDAI (Payment of commission or remuneration or rewards to insurance agents and insurance intermediaries) Regulations, 2016 dated 14<sup>th</sup> December, 2016 and IRDAI Guidelines on Motor Insurance Service providers dated 31<sup>st</sup> August, 2017.
12. Previous year figures have been regrouped in the respective Schedules and Notes to Accounts wherever necessary to conform with the current year groupings. The details of regrouping are as under:

(₹ in '000)

Sr. No.	Regrouped from	Regrouped to	Amount	Reason
1.	Schedule 3: Breakup of Direct Commission Paid: "Agents & Brokers"	Schedule 3: Breakup of Direct Commission Paid: "Others (Web Aggregator, CSC, IMF, MISP and POS)"	440,433	Commission paid to Web Aggregator, CSC, IMF, MISP and POS are regrouped under "Others" category from "Agent & Broker" category for better presentation and to be in conformity with the Industry practice.
2.	Schedule 13: Current Liabilities: "Balances due to other insurance companies (including reinsurers)"	Schedule 12: Advances & Other Assets "Reserve Deposit with ceding Companies"	2,332,852	Amount receivable from Terrorism Pool is regrouped under Reserve Deposit with Ceding Companies to be in conformity with the new agreement.

13. The Group has evaluated impact of COVID-19 pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial results as at 31<sup>st</sup> March, 2020. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Accordingly, the impact may be different from that estimated as at the date of approval of these financial results. The Group will continue to monitor any material changes to future economic conditions. The Group does not foresee any adverse impact on its ability to continue as a going concern.
14. IRDAI vide Circular no. IRDAI/NL/CIR/MOT/079/04/2020 dated 2<sup>nd</sup> April, 2020 and IRDAI/NL/CIR/MOT/90/04/2020 dated 16<sup>th</sup> April, 2020 extended the timeline for renewal of Motor Third Party Policies falling due for renewal from 25<sup>th</sup> March, 2020 till 3<sup>rd</sup> May, 2020.

In accordance with Circular No. IRDAI/NL/CIR/MOT/081/04/2020 dated 3<sup>rd</sup> April, 2020 the following details are disclosed:

- a) Number of Motor Third Party Policies due for renewal between 25<sup>th</sup> March, 2020 till 31<sup>st</sup> March, 2020 was 129,466 with a related premium of ₹ 700,495 thousand.
- b) Out of (a) above, number of polices renewed upto 31<sup>st</sup> March, 2020 and already accounted in the financial statement was 43,393 with a related premium of ₹ 184,586 thousand.

- c) Out of (a) above, number of policies which were renewed between 1<sup>st</sup> April, 2020 till 15<sup>th</sup> May, 2020 was 4,704 with a related premium of ₹ 23,708 thousand. Impact on profits for the year ended 31<sup>st</sup> March, 2020 being not material, has not been accounted for in the Financial Year 2019-20.
15. The Taxation Laws (Amendment) Act, 2019 has inserted a new section 115BAA in the Income Tax Act which provides domestic companies with an option to opt for lower tax rates, provided they do not claim certain deductions.
- The Holding Company has opted for lower tax rates under section 115BAA and has recognized Provision for Current Tax and Deferred Tax for the year ended 31<sup>st</sup> March, 2020 at the lower tax rate. Consequent to above, provision for Current Tax for the year is lower by ₹ 260,685 thousand and Deferred Tax provision for year is higher by ₹ 168,400 thousand (including one-time impact of ₹ 107,561 thousand on the Deferred Tax Asset as on 1<sup>st</sup> April, 2019).
16. On the basis of information received from 'enterprises' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 there is no Micro, Small and Medium Enterprises to which the Group owes dues, which are outstanding for more than 45 days during the year ended 31<sup>st</sup> March, 2020 and hence disclosure relating to amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been given.
17. Additional statutory information disclosed in the separate financial statements of the Insurance company and its subsidiary having no material bearing on the true and fair view of consolidated financial statements and the information pertaining to the items which are not material have not been disclosed in the consolidated financial statements.

For and on behalf of Board of Directors

**K. Srinivasa Gowda**  
Chairman (DIN 00059811)

**Anamika Roy Rashtrawar**  
Managing Director (DIN 07870227)

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020



**Form AOC – 1**

(Pursuant to first proviso to sub-section (3)  
of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features  
of the financial statement of subsidiaries/associate companies/joint ventures**

**Part “A”: Subsidiaries**

(Amount In ₹)

1	Name of the subsidiary	IFFCO-TOKIO INSURANCE SERVICES LIMITED
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	N.A.
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	N.A.
4	Share Capital	5,000,000
5	Reserve & Surplus	30,072,374
6	Total Assets	81,609,739
7	Total Liabilities	46,537,365
8	Investments	-
9	Turnover	-
10	Profit before taxation	120,296
11	Provision for taxation	24,273
12	Profit after taxation	96,023
13	Proposed Dividend	-
14	% of shareholding	100%

Note: Company has only one subsidiary, information of which is given above.

**Part “B” Associates and Joint Ventures**

N.A

For and on behalf of Board of Directors

**J.C. Bhalla & Co.**  
Chartered Accountants  
Firm Regn. No. 001111N

**A S C & Associates**  
Chartered Accountants  
Firm Regn. No. 011863N

**K. Srinivasa Gowda**  
Chairman (DIN 00059811)

**Anamika Roy Rashtrawar**  
Managing Director (DIN 07870227)

**Rajesh Sethi**  
Partner  
M.No. 85669

**Vishal Singh**  
Partner  
M.No. 511451

**Mitsutaka Sato**  
Director (DIN 08695429)

**Sanjeev Chopra**  
Chief Financial Officer

**Amit Jain**  
Company Secretary

Place : New Delhi  
Dated : 16<sup>th</sup> June, 2020



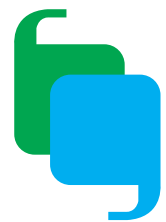
## **Mr. Satoru Komiya, Group CEO, Tokio Marine Holdings'**

meeting with IFFCO-TOKIO Top Management



# ACCOUNTS OF SUBSIDIARY COMPANY

IFFCO-TOKIO INSURANCE SERVICES LIMITED



## **BOARD OF DIRECTORS**

Mr. Nand Kishore Kedia	Chairman
Mr. Veer Pratap Singh	Vice Chairman
Mr. Santimoy Dey	Director
Mr. Sunil Kumar	Director
Mr. P. Periasamy	Director
Mr. Kotha Somashekar Rao	Director

## **SENIOR EXECUTIVES**

Mr. Ramesh Kumar	Chief Executive Officer
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## **AUDITORS**

M/s. Raghu Nath Rai & Co.

## **BANKERS**

Deutsche Bank, New Delhi.  
HDFC Bank, New Delhi

## **REGISTERED OFFICE**

IFFCO SADAN, C-1, District Centre,  
Saket, New Delhi - 110017

## **CORPORATE OFFICE**

IFFCO TOWER - II, Plot No. 3, Sector-29,  
Gurugram - 122001, (Haryana)  
Phone No. - 0124 - 2850100

## NOTICE OF 17<sup>th</sup> ANNUAL GENERAL MEETING

### TO THE MEMBERS

NOTICE is hereby given that the **SEVENTEENTH ANNUAL GENERAL MEETING** of the Members of M/s **IFFCO-TOKIO Insurance Services Limited** will be held on Monday, the 20<sup>th</sup> July, 2020 at 10:00 AM at **its Registered Office at IFFCO Sadan, C-1, District Centre, Saket, New Delhi -110017 through Video Conferencing** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020 together with Auditor's Report thereon and the Report of the Board of Directors to the Members.
2. To appoint a Director in place of Mr. Kotha Somashekhar Rao (DIN No. 07581238) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. P. Periasamy (DIN No. 06910160) who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration and for this purpose to consider and if thought fit, to pass the following Resolution with or without modification, as an Ordinary Resolution:

**"RESOLVED THAT** M/s Raghunath Rai & Co., Chartered Accountants be and is hereby appointed as Auditors of the Company to hold Office from the conclusion of this Annual General Meeting till the conclusion of the 22<sup>nd</sup> Annual General Meeting of the Company."

**"RESOLVED FURTHER THAT** the remuneration payable to M/s Raghunath Rai & Co. for the financial year 2019-20 be and is hereby fixed at ₹ 40,000/- towards audit fee plus service tax as may be applicable plus reimbursement of out of pocket expenses as may be incurred by the auditors in connection with the audit."

#### Regd. Office:

IFFCO Sadan, C-1,  
District Centre, Saket,  
New Delhi - 110017  
Dated: 25<sup>th</sup> June, 2020

By order of the Board  
**(RAMESH KUMAR)**  
Chief Executive Officer

**Note:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its Circular dated 5<sup>th</sup> May, 2020 read with Circulars dated 8<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020 permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at this AGM is entitled to appoint a proxy to attend and vote on his /her behalf and the proxy need not be a member of the Company. Since this AGM is pursuant to the MCA Circulars through VC / OAVM, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and the Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and 113 of the Act, representatives of the Members may be appointed for the purpose of voting or for participation in the Meeting held through VC or OAVM. The Board or Governing body resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf can be sent to Mr. Ramesh Kumar at his mail id [ramesh.kumar@iffcotokio.co.in](mailto:ramesh.kumar@iffcotokio.co.in)
3. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 containing all the relevant annexures is being sent through electronic mode to all the Members at the email ids registered with the Company.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Though the Meeting is conducted through Video Conferencing (“VC”) / OAVM, in terms of clarification issued by the Institute of Company Secretaries of India (ICSI), on 15<sup>th</sup> April, 2020 the proceedings of AGM shall be deemed to be made at Registered Office.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this notice.
7. Instructions of joining the AGM are as follows:
  - Members will be able to attend the AGM through VC / OAVM for which the link will be circulated separately through email.
  - Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the Meeting and shall not be closed till the expiry of 15 minutes after the scheduled time.
  - Keep all your other Electronic devices on mute/ silent/ switched off mode so as to avoid interference of any type.
  - All the participants will be Muted at the start of the Meeting. You may switch on your Cameras.
  - Roll Call will be done soon after, Members can raise their hands to confirm their participation.
  - After the Meeting has started, Members are expected to raise their hands if they wish to say something. The speaker would be unmuted.
  - After each Agenda Item, Chairman would speak to conclude the point.

Participants / Members who need any assistance before or during the AGM, can contact Mr. Amit Jain, Vice President at +91 9810735897. In case of poll, members can cast their vote by sending email at [ramesh.kumar@iffcotokio.co.in](mailto:ramesh.kumar@iffcotokio.co.in)

## **DIRECTORS' REPORT**

### **To the Members**

- 1.0** Your Directors have pleasure in presenting to you the Seventeenth Annual Report together with the Audited Financial Statements of your Company for the year ended 31<sup>st</sup> March, 2020 along with the Auditor's Report thereon.

Your Company worked as the Corporate Agent of IFFCO-TOKIO General Insurance Co. Ltd. ("IFFCO-TOKIO") for marketing and distribution of its General Insurance products and also provided service to customers and intermediaries of IFFCO-TOKIO in the market through its network of employees till the closing working hours of 31<sup>st</sup> July, 2019 and surrendered the Corporate Agency Registration Certificate Number CA0207 w.e.f. 1<sup>st</sup> August, 2018 and IRDAI vide its letter dated 20.03.2019 accepted the application for surrender of Corporate Agency Registration.

### **2.0 Financial Highlights**

Since, your Company's revenue from operations was solely dependent on the Corporate Agency and Service Agreements with IFFCO-TOKIO which have been terminated, the financial statements have been prepared on the assumption that the Company is not a going concern. Considering this, the Company has not generated any revenue during the year under review as against ₹ 32.48 Crores during the same period last year. Your Company has earned a Profit Before Tax of ₹ One Lakh Twenty Thousand and Two Hundred Ninety Six only against ₹ Three Crores Forty Nine Lakhs during the same period last year. Your Company proposes not to transfer any amount to the reserves.

### **3.0 Dividend**

In order to conserve the resources of your Company, your Directors do not recommend any dividend for the year under review.

### **4.0 Corporate Governance**

The Management is responsible for finalization of Business Plan, annual budgets, review of operations, review of performance of personnel and HR matters. During the period, four meetings of the Board of Directors were held which were well attended by the Directors. During the FY 2019 -20, four meetings of Board of Directors of the Company were held on 25<sup>th</sup> April, 2019, 21<sup>st</sup> August, 2019, 9<sup>th</sup> December, 2019 and 12<sup>th</sup> March, 2020.

### **5.0 Auditor's Observations**

The Report of the auditors to the shareholders of the Company is annexed to the financial statements for the period 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020. There are no specific observations in the report of the Auditors which require clarification.

### **6.0 Information under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Information as per the provisions contained under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is NIL.



## 7.0 Directors' Responsibility Statement

The Board of Directors of your Company confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments 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 financial year and of the profit and loss of the Company for the period.
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. 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.

## 8.0 Appointment of Auditors

As per the provisions contained in section 139 of the Companies Act, 2013, your Company has received a communication from M/s. Raghunath Rai & Co. (Chartered Accountants) that if they are reappointed, they are well within the criteria prescribed under section 141 of the Companies Act, 2013. They have also confirmed their willingness to accept the audit of Company in the event of their appointment. Your Directors recommended the appointment of M/s. Raghunath Rai & Co., Chartered Accountants as Statutory Auditors for the financial year 2019 -20 to hold the office from the conclusion of 17<sup>th</sup> AGM until the conclusion of 22<sup>nd</sup> Annual General Meeting of the Company.

## 9.0 Board of Directors & Key Managerial Personnel

The Board was duly constituted during the year. Pursuant to article 78 of the Article of Association of your Company, Mr. Kotha Somashekhar Rao (DIN No. 07581238) and Mr. P. Periasamy (DIN No. 06910160). Directors will retire by rotation at this Annual General Meeting and being eligible, offer themselves for re-appointment.

## 10.0 Extracts of the Annual Return

In pursuance to Section 134(3) (a) of the Companies Act, 2013, the extracts of the Annual Return of the Company are enclosed in Form MGT-9 will be available on website of the Company and will be accessed at <https://www.iffcotokio.co.in/content/dam/iffcotokio/iffcopdf/sites/default/files/MGT-9-ITIS.pdf>

## 11.0 Related Party Transactions

During the Year, the Company has entered transactions with its holding Company M/s IFFCO-TOKIO General Insurance Company Limited in the ordinary course of business and on arm's length basis.

## 12.0 Particulars of Loans, Guarantees or Investments made under section 186 of Companies Act, 2013

There were no loans, guarantees or investment made by the Company under section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

## 13.0 Deposits

The Company has neither accepted nor renewed any deposit during the year under review.

#### **14.0 Subsidiary, Joint Ventures and Associate Companies**

The Company does not have any Subsidiary, Joint Venture and Associate Company.

#### **15.0 Conservation of Energy, Technology Absorption:**

As your Company does not carry out any manufacturing activity, the provisions with regard to disclosure of particulars regarding Conservation of Energy and Technology absorption are not applicable to the Company.

#### **16.0 Acknowledgement**

Your Directors express gratitude to the shareholders, IRDAI, Members of the Board of Directors, other Govt. agencies and customers of your Company for their valuable patronage and support and guidance. Your Directors also place on record the deep appreciation of the dedicated services rendered by the CEO, employees, trainees and other out sourced personnel of your Company at all levels.

For and on behalf of the Board of Directors

Place : Gurugram  
Date : 11<sup>th</sup> June, 2020

**(Nand Kishore Kedia)**  
Chairman

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF IFFCO-TOKIO INSURANCE SERVICES LIMITED**

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

We have audited the accompanying financial statements of IFFCO-TOKIO INSURANCE SERVICES LIMITED, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020, and its profit and its cash flows 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 Auditor's 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 Companies Act, 2013 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.

##### **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 Annual report, but does not include the financial statements and our auditor's 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 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.

##### **Responsibility of Management for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's 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 skepticism 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 system 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. However based on the audit evidence obtained up to the date of our auditor's report the Company is not a going concern and this fact has been adequately disclosed in Note-16.1.A to the financial statements.
- 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.

### **Emphasis of Matter**

*Without qualifying our opinion, we draw attention to the Note-16.1.A to the Financial Statements, stating that the Company's application filed with Insurance Regulatory and Development Authority of India on 31-July-2018 for surrender of the Corporate Agency License Certificate with effect*

*from 1-August-2018 has been duly accepted by the IRDAI letter dated 20-March-2019. Accordingly, these financial statements have been prepared based on the assumption that the Company is not a going concern.*

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the **Annexure-I** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by 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, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations

received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the existence of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure-II**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note-16.2 C to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Raghu Nath Rai & Co.**

Chartered Accountants  
Firm Regn No. 000451N

**Arjun Mehta**

(Partner)  
Membership No. 097685  
UDIN : 20097685AAAAAJ8358

Place : New Delhi  
Date : 11<sup>th</sup> June, 2020

#### ANNEXURE 'I'

**The Annexure referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date to the members of IFFCO-TOKIO Insurance Services Limited on the accounts of the Company for the year ended 31<sup>st</sup> March, 2020.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) According to the information and explanations given to us, the Company did not have any fixed assets during the financial year.
- (b) According to the information and explanations given to us, there was no immovable property held in the name of the Company during the financial year ended on 31<sup>st</sup> March, 2020.
2. The Company did not held any inventory during the financial year ended on 31<sup>st</sup> March, 2020, therefore, reporting under clause 3 (ii) of the Order is not applicable to the Company.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, reporting under provisions of clauses (iii)(a), (iii)(b) and (iii)(c) of the CARO are not applicable to the Company.
4. There were no transactions of the nature as covered under Section 185 and 186 of the Companies Act, 2013; hence reporting under clause (iv) of the CARO is not applicable.
5. The Company has not accepted any deposit. Therefore, the clause 3(v) of CARO is not applicable to the Company.
6. Clause 3(vi) of CARO is not applicable as the Company is not engaged in production of such goods and providing such services as prescribed by Central Government for maintenance of cost records.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, generally the Company is regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Goods & Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2020 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amount payable in respect of income tax, wealth tax, service tax, goods & service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited on account of any disputes except:
  - Demand of ₹ 87,43,885 for the period from April, 2006 to March, 2012 raised by Service tax department. The Company has filed appeal against the said order on 29-May-2017.
  - Demand of ₹ 82,76,419 for the period from April, 2014 to June, 2017 raised by Service tax department. The Company has filed appeal against the said order on 02-April-2019.



8. Clause (viii) of the CARO is not applicable as the Company did not have any loan or borrowing from a financial institution, bank, Government or dues to debenture holders during the financial year ended on 31<sup>st</sup> March, 2020.
9. Based on our audit procedures and on the information given by the management, we report that the company has not raised any money by way of initial public offer, further public offer or by way of term loans during the year. Therefore, the clause 3(ix) of CARO is not applicable to the Company.
10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.
11. As per information and explanations given to us the Company has not appointed a Manager and further it is not paying any remuneration to any of its directors, therefore in our opinion provision of Section 197 and Schedule V to the Companies Act, 2013 are not applicable to the Company.
12. The Company is not a Nidhi Company; hence reporting under clause (xii) of the CARO is not applicable.
13. Based on the audit procedures performed and the information and explanations given to us, all transactions with the related parties are in compliance with 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable as the Company is not a listed Company.
14. The Company has not made any preferential allotment or private placement of shares during the financial year ended on 31<sup>st</sup> March, 2020; hence clause (xiv) is not applicable.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
16. Clause (xvi) of the Order is not applicable as the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place : New Delhi,  
Date : 11<sup>th</sup> June, 2020

**For Raghu Nath Rai & Co.**  
Chartered Accountants  
Firm Regn. No. 000451N

**Arjun Mehta**  
(Partner)  
Membership No. 097685  
UDIN : 20097685AAAAAJ8358



## ANNEXURE-II

**The Annexure referred to in paragraph 2 of Report on Other Legal and Regulatory Requirements of our Report of even date to the members of IFFCO-TOKIO Insurance Services Limited on the Internal Financial Controls required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of IFFCO-TOKIO INSURANCE SERVICES LIMITED as of March 31, 2020 in conjunction with our audit of the standalone 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 issued by the Institute of Chartered Accountants of India. 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

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

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

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

**For Raghu Nath Rai & Co.**  
Chartered Accountants  
Firm Regn. No. 000451N

**Arjun Mehta**  
(Partner)  
Membership No. 097685  
UDIN : 20097685AAAAAJ8358

Place : New Delhi  
Date : 11<sup>th</sup> June, 2020

**IFFCO-TOKIO INSURANCE SERVICES LIMITED**  
**C - 1, IFFCO SADAN, DISTRICT CENTRE SAKET, NEW DELHI - 110017**  
**CIN - U65999DL2003PLC121571**

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2020**

(Amount In ₹)

S. No.	Particulars	Note No.	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>Shareholder's funds</b>			
	a) Share capital	1	5,000,000	5,000,000
	b) Reserves and Surplus	2	30,072,374	29,976,351
	c) Money received against share warrants		-	-
<b>(2)</b>	<b>Share application money pending allotment</b>		-	-
<b>(3)</b>	<b>Non current liabilities</b>			
	a) Long-term borrowings		-	-
	b) Deferred tax liabilities (Net)		-	-
	c) Other long term liabilities		-	-
	d) Long-term provisions	3 (a)	-	-
<b>(4)</b>	<b>Current liabilities</b>			
	a) Short-term borrowings		-	-
	b) Trade payables		-	-
	c) Other current liabilities	4	46,215,365	46,963,787
	d) Short term provisions	3 (b)	322,000	7,482,000
	<b>Total</b>		<b>81,609,739</b>	<b>89,422,138</b>
<b>II.</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non current assets</b>			
	a) Tangible fixed assets			
	Gross block		-	-
	Less : Accumulated depreciation		-	-
	Net block		-	-
	b) Non current investments		-	-
	c) Deferred tax assets (Net)		-	-
	d) Long term loans & advances	5	81,193,194	88,377,467
	e) Other non current assets		-	-
<b>(2)</b>	<b>Current assets</b>			
	a) Trade receivables	6	-	-
	b) Cash and Bank Balances	7	379,671	883,204
	c) Short term loans and advances	8	11,874	123,863
	d) Other current assets	9	25,000	37,604
	<b>Total</b>		<b>81,609,739</b>	<b>89,422,138</b>

**Notes to Accounts**

16

**Notes 1 to 16 form an Integral part of Financial Statements**  
As per our report of even date attached

**For IFFCO-TOKIO Insurance Services Limited**

**For Raghu Nath Rai & Co.**  
Chartered Accountants  
FRN No. 000451N

**Nand Kishore Kedia**  
Chairman (DIN 00050917)

**Arjun Mehta**  
Partner  
M.No. 097685

**Santimoy Dey**  
Director (DIN 06875452)

Place : New Delhi  
Date : 11<sup>th</sup> June, 2020

**Sunil Kumar**  
Director (DIN 06903603)

**Ramesh Kumar**  
CEO

**IFFCO-TOKIO INSURANCE SERVICES LIMITED**  
**C - 1, IFFCO SADAN, DISTRICT CENTRE SAKET, NEW DELHI - 110017**  
**CIN - U65999DL2003PLC121571**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(Amount In ₹)

S. No.	Particulars	Note No.	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
	<b>Revenue:</b>			
I	Revenue from operations	10	-	324,897,794
	Other income	11	485,924	13,724,056
	<b>Total Revenue</b>		<b>485,924</b>	<b>338,621,850</b>
	<b>Expenses:</b>			
II	Employees benefits expenses	12	-	241,857,572
	Finance costs	13	756	81,304
	Other expenses	14	364,872	61,785,500
	<b>Total Expenses</b>		<b>365,628</b>	<b>303,724,376</b>
III	Profit before exceptional and extraordinary items and tax		120,296	34,897,474
IV	Exceptional items		-	-
V	Profit before extraordinary items and tax		120,296	34,897,474
VI	Extraordinary items		-	-
VII	<b>Profit Before Tax</b>		<b>120,296</b>	<b>34,897,474</b>
VIII	Tax expense:			
	(1) Current tax		25,000	7,185,000
	(2) Deferred tax		-	14,570,000
	(3) Tax adjustments for earlier years		(727)	(222,585)
IX	Profit/(Loss) for the period		<b>96,023</b>	<b>13,365,059</b>
X	Earning per equity share:	15		
	(1) Basic (Face Value of ₹10 each)		0.19	26.73
	(2) Diluted (Face Value of ₹10 each)		0.19	26.73

**Notes to Accounts**

16

**Notes 1 to 16 form an Integral part of Financial Statements**

As per our report of even date attached

**For Raghu Nath Rai & Co.**

Chartered Accountants  
FRN No. 000451N

**Arjun Mehta**

Partner  
M.No. 097685

Place : New Delhi  
Date : 11<sup>th</sup> June, 2020

**For IFFCO-TOKIO Insurance Services Limited**

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**IFFCO-TOKIO INSURANCE SERVICES LIMITED**  
**C-1, IFFCO SADAN, DISTRICT CENTRE SAKET, NEW DELHI - 110017**  
**CIN - U65999DL2003PLC121571**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020**

(Amount In ₹)

	Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>A.</b>	<b>Cash flows from operating activities</b>		
	Cash receipts from customers	-	324,897,795
	Cash paid to suppliers and employees	-	(402,960,685)
	<b>Cash generated from operations</b>	-	<b>(78,062,890)</b>
	Interest paid	-	-
	Other Income	485,924	2,960,901
	Other Payments	(989,458)	(440,295)
	Dividends paid	-	-
		<b>(503,534)</b>	<b>(75,542,285)</b>
	Income taxes (paid)/refund	-	47,726,791
	<b>Net cash from operating activities</b>	<b>(503,534)</b>	<b>(27,815,494)</b>
<b>B.</b>	<b>Cash flows from investing activities</b>		
	Fixed deposit created	-	-
	Fixed deposit matured	-	12,600,000
	Interest income	-	12,519,784
	<b>Net cash from investing activities</b>	-	<b>25,119,784</b>
<b>C.</b>	<b>Cash flows from financing activities</b>		
	Proceeds from issue of share capital	-	-
	Proceeds from long-term borrowings	-	-
	<b>Net cash from financing activities</b>	-	-
	<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(503,534)</b>	<b>(2,695,710)</b>
	Cash and Cash Equivalents at beginning of period	883,204	3,578,914
	<b>Cash and Cash Equivalents at end of period</b>	<b>379,671</b>	<b>883,204</b>
	Cash and Cash Equivalents at the end of the year comprises:		
	(a) Balance with Bank	379,671	883,204
		<b>379,671</b>	<b>883,204</b>

For IFFCO-TOKIO Insurance Services Limited

As per our report of even date attached.

**For Raghu Nath Rai & Co.**  
Chartered Accountants  
FRN No. 000451N

**Arjun Mehta**  
Partner  
M.No. 097685

Place : New Delhi  
Date : 11<sup>th</sup> June, 2020

**Nand Kishore Kedia**  
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CEO

**IFFCO-TOKIO INSURANCE SERVICES LIMITED**  
**C-1, IFFCO SADAN, DISTRICT CENTRE SAKET, NEW DELHI - 110017**  
**CIN - U65999DL2003PLC121571**

**NOTES TO BALANCE SHEET**

(Amount In ₹)

Notes No.	Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>1</b>	<b>SHARE CAPITAL</b>		
<b>(a)</b>	<b>Equity share capital</b>		
	<b>Authorised :</b> 2,000,000 Equity Shares of ₹10 each	20,000,000	20,000,000
<b>(b)</b>	<b>Issued, Subscribed &amp; Paid up:</b> 500,000 Equity Shares of ₹10 each fully paid up (100% shares held by IFFCO-TOKIO General Insurance Co. Ltd.)	5,000,000	5,000,000
<b>(c)</b>	<b>Reconciliation of number of shares outstanding at the beginning &amp; at the end of the reporting period</b>		
	<u>Equity Shares</u>		
	Number of Shares at the beginning	500,000	500,000
	Add: Shares issued during the period	-	-
	Number of Shares at the end	500,000	500,000
<b>(d)</b>	<b>Shares in the Company held by each Shareholder holding more than 5% shares</b>		
	<u>Name of the Shareholder</u>		
	IFFCO-TOKIO General Insurance Co. Ltd.		
	No. of Shares	500,000	500,000
	% Shareholding	100	100
<b>2</b>	<b>RESERVES AND SURPLUS</b>		
	<b>Surplus in the Statement of Profit &amp; Loss</b>		
	Balance as per Last Financial Statements	29,976,351	16,611,292
	Profit for the year	96,023	13,365,059
	<b>Total</b>	<b>30,072,374</b>	<b>29,976,351</b>
<b>3</b>	<b>PROVISIONS</b>		
<b>3(a)</b>	<b>Long-term Provisions</b>		
	Provision for leave encashment	-	-
<b>3(b)</b>	<b>Short-term Provisions</b>		
	Provision for expenses	297,000	297,000
	Provision for income tax	25,000	7,185,000
	<b>Total</b>	<b>322,000</b>	<b>7,482,000</b>
<b>4</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Statutory dues	16,752	96,975
	Amount payable for services (including temporary advance)*	45,907,844	46,099,544
	Other liabilities	290,769	767,268
	*Includes due to related parties ₹ 45,824,144/- (Previous Year: ₹ 45,824,144/-)		
	<b>Total</b>	<b>46,215,365</b>	<b>46,963,787</b>
<b>5</b>	<b>LONG TERM LOANS &amp; ADVANCES</b>		
	Rent, Electricity & Other Deposits	10,000	10,000
	Balance with Statutory Authorities	81,183,194	88,367,467
	<b>Total</b>	<b>81,193,194</b>	<b>88,377,467</b>

(Amount In ₹)

Notes No.	Particulars	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>6</b>	<b>TRADE RECEIVABLES</b> Unsecured, considered good unless stated otherwise - Outstanding for a period exceeding six months - Other receivables	- -	- -
	<b>Total</b>	-	-
<b>7</b>	<b>CASH AND BANK BALANCES</b> Cash and Cash Equivalents Balance with scheduled banks - In current accounts	379,671	883,204
	<b>Total</b>	<b>379,671</b>	<b>883,204</b>
<b>8</b>	<b>SHORT TERM LOANS &amp; ADVANCES</b> Unsecured, considered good Advances recoverable in cash or kind	11,874	123,863
	<b>Total</b>	<b>11,874</b>	<b>123,863</b>
<b>9</b>	<b>OTHER CURRENT ASSETS</b> Rent, Electricity & Other Deposits	25,000	37,604
	<b>Total</b>	<b>25,000</b>	<b>37,604</b>

**IFFCO-TOKIO INSURANCE SERVICES LIMITED**  
**C-1, IFFCO SADAN, DISTRICT CENTRE SAKET, NEW DELHI - 110017**  
**CIN - U65999DL2003PLC121571**

**NOTES TO STATEMENT OF PROFIT AND LOSS**

(Amount In ₹)

Notes No.	Particulars	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>10</b>	<b>REVENUE FROM OPERATIONS</b> Agency commission Fees for services provided to ITGI	- -	1,159,137 323,738,657
	<b>Total</b>	-	<b>324,897,794</b>
<b>11</b>	<b>OTHER INCOME</b> Interest income Miscellaneous income	- 485,924	10,763,155 2,960,901
	<b>Total</b>	<b>485,924</b>	<b>13,724,056</b>
<b>12</b>	<b>EMPLOYEES BENEFITS EXPENSES</b> Salaries & Other allowances Stipend & Incentives to trainees Contribution to Provident and Other Funds Staff welfare expenses Other benefits Outsourcing expenses	- - - - - -	175,435,943 50,202,601 (2,169,202) 4,038,737 (749,974) 15,099,467
	<b>Total</b>	-	<b>241,857,572</b>
<b>13</b>	<b>FINANCE COST</b> Bank charges DD charges	756 -	80,086 1,218
	<b>Total</b>	<b>756</b>	<b>81,304</b>



Notes No.	Particulars	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>14</b>	<b>OTHER EXPENSES</b>		
	Campaign expenses	-	(288,171)
	Communication expenses	-	3,117,410
	Rates & Taxes	-	312,379
	Rent	-	22,736,036
	Repair & Maintenance	-	9,830,076
	Training expenses	-	94,000
	Travelling and conveyance	-	12,667,390
	Printing and stationery	-	2,117,691
	Legal & Professional expenses	59,920	1,796,878
	Directors sitting & travelling fees	257,752	440,295
	Insurance charges	-	3,513,865
	Electricity & Water charges	-	5,195,651
	<u>Payment to Auditors</u>		
	- Audit fee	47,200	196,000
	- Tax Audit fees	-	56,000
	<b>Total</b>	<b>364,872</b>	<b>61,785,500</b>
<b>15</b>	<b>EARNING PER SHARE</b>		
	I) Net Profit as per Profit and Loss account available for Equity Shareholders	96,023	13,365,059
	II) Weighted average number of equity share for Earning Per Share computation		
	(a) For Basic Earning Per Share of ₹ 10 each (No's)	500,000	500,000
	(b) For Diluted Earnings Per Share of ₹ 10 each (No's)	500,000	500,000
	III)EPS (Weighted Average)		
	Basic (Rupees)	0.19	26.73
	Diluted (Rupees)	0.19	26.73

**NOTE - 16**

**NOTES FORMING PART OF ACCOUNTS**

**16.1 SIGNIFICANT ACCOUNTING POLICIES**

**A) Basis of Preparation**

The financial statements are prepared based on the assumption that the Company is not a going concern due to the following reasons:

- 1) The Company's revenue from operations is solely from the revenue earned under Corporate Agency and Service Agreement with IFFCO-TOKIO General Insurance Company Limited (hereinafter referred to as ITGI). On 29<sup>th</sup> June, 2018, the Company had received a notice from ITGI for the termination of both Corporate Agency and Service Agreements with effect from 1<sup>st</sup> August, 2018 which was accepted by the Company vide its letter dated 2<sup>nd</sup> July, 2018.
- 2) The Company filed an application with IRDAI for surrender of the Corporate Agency Registration Certificate w.e.f. 1<sup>st</sup> August, 2018 on 31<sup>st</sup> July, 2018. IRDAI has accepted the application vide its letter dated 20<sup>th</sup> March, 2019.

Current assets and loans & advances have value on realisation in the ordinary course of business at least equal to the amount at which they are stated and all known liabilities have been adequately provided for.

**B) Use of Estimates and Judgements**

The presentation of the financial statements in conformity with the Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities, revenue and expenses and disclosure of contingent assets and liabilities. Such estimates and assumptions are based on the management's evaluation of the relevant facts and circumstances as on the date of financial statements. Difference between the actual results and estimates are recognized in the period in which the results materialize.

**C) Revenue Recognition**

- 1) Income from services is recognized when the services are rendered.
- 2) Interest Income is recognized on the time basis determined by the amount outstanding and the rate applicable.

**D) Fixed Assets and Depreciation**

Fixed Assets are stated at cost less accumulated depreciation. Depreciation on Fixed Assets is provided on straight Line Method at the rates and in the manner specified in Schedule II of the Companies Act, 2013.

**E) Taxation**

Income Tax expense comprises Current Tax and Deferred Tax charge or credit. Deferred tax resulting from 'timing differences' between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantively enacted. The deferred tax asset is recognized and carried only to the extent that there is a reasonable/virtual certainty that the asset will be realized in future.

**F) Provisions and Contingent Liabilities**

A provision is recognized where the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. A disclosure of contingent liability is made when there is possible obligation or present obligation that will probably not require outflow of resources or where reliable estimate of the obligation cannot be made.

**G) Employees Benefits**

- 1) **Defined Contribution Plan:** Company contribution paid/payable for the year to defined contribution employee benefit schemes are charged to Profit & Loss account.

- 2) **Defined Benefit Plan:** Company liabilities toward defined benefit schemes are determined using the Projected Unit Credit Method. Actuarial valuation under the Projected Unit Credit Method is carried out at Balance Sheet date. Actuarial gains and losses are recognized in the Profit & Loss account in the period of occurrence of such gains and losses. Past services cost is recognized immediately to the extent of benefit are vested; otherwise it is amortized on straight line basis over the remaining average period until the benefit becomes vested.
- 3) The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

## 16.2. NOTES TO ACCOUNTS

### A. Employees Benefits

No employees were employed in the company during FY 2019-20.

- B. The Company has not recognised deferred tax asset as there is no virtual certainty with convincing evidence that there will be sufficient future income against which deferred tax asset can be adjusted. Net Decrease of deferred tax amounting ₹ NIL (Previous Year ₹ 1,45,70,000/-) is recognized in the accounts.

### C. Contingent Liabilities:

(Amount in ₹)

	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Statutory demands/liabilities in dispute, not provided for	1,70,20,304	1,70,20,304

### D. Related Party Disclosures:

Related party disclosures as required as per Accounting Standard-18 on "Related Parties Disclosures" are given below:

#### Name of the Related Party

IFFCO-TOKIO General Insurance Co. Ltd.	Holding Company
Indian Farmers Fertilizers Cooperative Ltd.	Promoter of Holding Co.
Sh. Srikanth Charan Mudigonda (upto 31 <sup>st</sup> October, 2018)	Key Management Personnel
Sh. Ramesh Kumar (w.e.f. 1 <sup>st</sup> November, 2018)	Key Management Personnel

(Amount in ₹)

Nature of Relation	Holding Company		Promoter of Holding Company		Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1. Receipt of commission and Service fees	-	32,48,97,794	-	-	-	-
2. Payment for expenses	-	27,19,723	-	-	-	-
3. Employee Remuneration	-	-	-	-	-	11,78,816
4. Insurance premium paid.	-	14,23,383	-	-	-	-
5. Insurance Claims Received	-	13,86,956	-	-	-	-
6. Transfer of Security Deposit and Imprest Cash of Office Premises	-	1,22,10,831	-	-	-	-
7. Advance received	-	4,93,00,000	-	-	-	-
8. Amount payable / (recoverable) at the balance sheet date	4,58,24,144	4,58,24,144	-	-	-	-

- E. In terms of notification dated 4<sup>th</sup> September, 2015 issued by the Central Government of India, the disclosure related to trade payables as at 31<sup>st</sup> March, 2020 are as follows:

(Amount in ₹)

	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

- F. Earning and expenditure in foreign currency – Nil  
 G. Previous period figures have been regrouped and rearranged, wherever necessary.

As per our report of even date attached

**For Raghu Nath Rai & Co.**  
 Chartered Accountants  
 FRN No. 000451N

**Arjun Mehta**  
 Partner  
 M.No. 097685

Place : New Delhi  
 Date : 11<sup>th</sup> June, 2020  
 UDIN : 20097685AAAAAJ8358

**For and on the behalf of Board of Directors**

**Nand Kishore Kedia**  
 Chairman (DIN 00050917)

**Santimoy Dey**  
 Director (DIN 06875452)

**Sunil Kumar**  
 Director (DIN 06903603)

**Ramesh Kumar**  
 CEO



**Our Top Management at Corporate Office**

# Notes

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 Regd. Office: IFFCO SADAN, C-1, District Center, Saket, New Delhi-110017  
 Website: [www.iffcotokio.co.in](http://www.iffcotokio.co.in)  
 IRDAI Regd. No. - 106 | CIN: U74899DL2000PLC107621

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