

TEAM FG

Commitment-Led. Value-Driven.

Annual Report
2019-20



Future Generali India Insurance Company Limited
general.futuregenerali.in

 **FUTURE
GENERALI**
TOTAL INSURANCE SOLUTIONS

INDEX

WELCOME TO THE FUTURE GENERALI ANNUAL REPORT 2019-20

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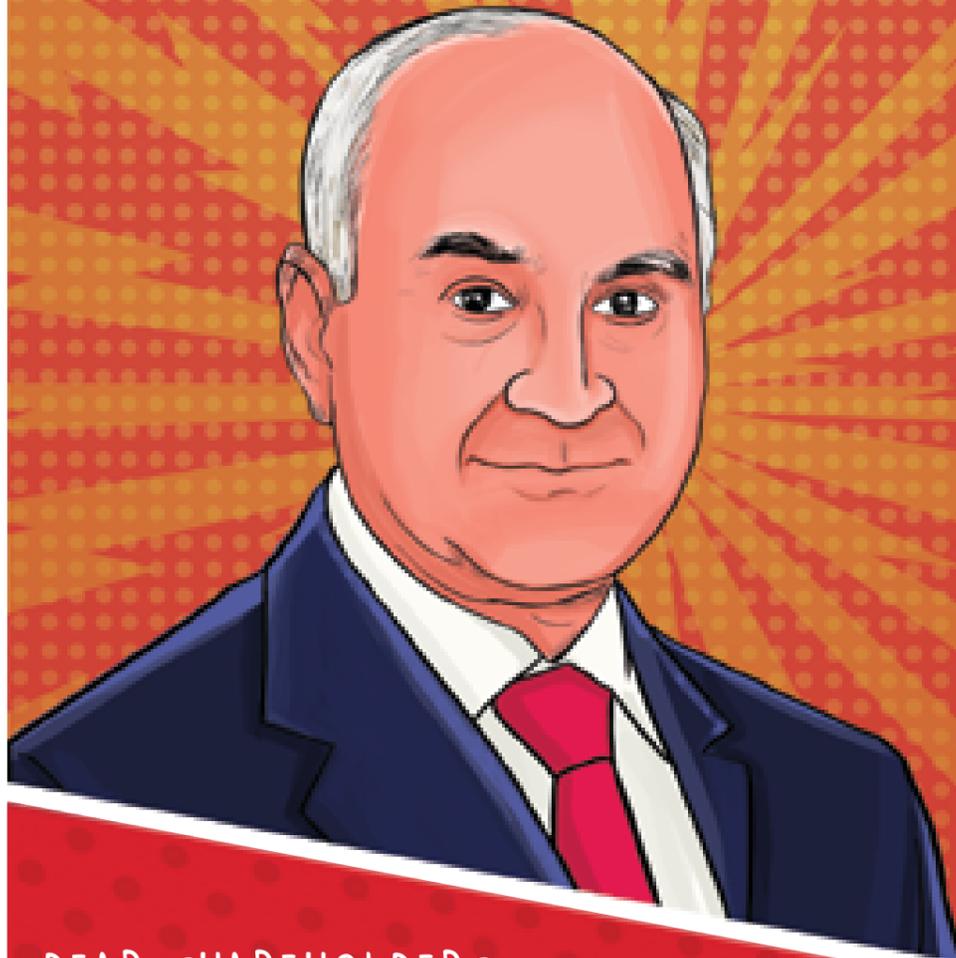
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CAPTAIN FG

& His Champions



CHAIRMAN'S SPEAK



DEAR SHAREHOLDERS,

A CENTURY OF ANALYSING CORPORATE PERFORMANCE BASED ON THE CUSTOMARY PARAMETERS OF BUSINESS, INDUSTRY, ECONOMY, AND POLITICS HAS UNDERGONE A DRAMATIC TRANSFORMATION. A NEW OVERARCHING VARIABLE HAS ENTERED THE FRAMEWORK OF RISK ANALYSIS—GLOBAL PUBLIC HEALTH. THE PANDEMIC HAS SHAKEN THE STRUCTURE OF OUR WORK PRACTICES. IT HAS PUSHED THE WORLD HEADLONG TO BE MORE DIGITAL AND OFF-PREMISES AND DISRUPTED WAYS OF MANAGING OPERATIONS ACROSS INDUSTRIES.

CHANGING PERSPECTIVES IN THE NON-LIFE INSURANCE SECTOR

I believe that the non-life insurance sector will undergo a comprehensive transformation, and those organisations that do not adapt to the demands for change will impair their sustainability. The entire value chain of products, systems, processes and management will be oriented towards protecting life, livelihoods and living.

Public and personal health is no more a short-term, incident-related risk, but a systemic one. There is an urgent need to rethink how we approach health insurance as a lifelong partner to customers distanced from mere transaction arrangement. There is also the need to address livelihood risks, exposed by the inability of several types of professions to work remotely. India as yet has no provision to address livelihood risks, which unfolds a new wholesome opportunity space. At the organisational level, there is the need to ensure continuity, profitability, sustainability and much more. To put it succinctly, as part of the risk management industry, we will have to widen our thinking about what kind of new risk spaces we should apprehend in the unfolding future.

PERFORMANCE FOR THE YEAR

We delivered strong performance despite the severe disruption in the last month of the financial year. Further, this performance was broad-based with most of our business segments witnessing an acceleration in growth. Overall, we closed the year with a 34% increase in Gross Written Premium (GWP) to reach ₹ 3,490 Crore, with Profit After Tax (PAT) of ₹ 100 Crore, against a 9.5% growth for the Indian general insurance industry, excluding health and specialist insurers. Our loss ratio improved from 69% to 60%. Our positive momentum was driven by disciplined underwriting, lower disruption from the pandemic-induced lockdown due to our adroit response, and our continued focus on ensuring an efficient technology infrastructure and optimal sweating.

But more than the performance, I would like to report on our efforts to build a new, agile framework. Our ambition is to rank amongst the top five companies in our domain. To achieve this, we will need to embed infrastructure that is secure, scalable and sustainable to support our growth. Accordingly, I am pleased to share, we have commenced our IT transformation journey wherein we are going for a core-system replacement to build out the roadmap for digital business technology platforms.

THE WAY AHEAD

The economic future is in a state of flux, to put it mildly. Both the response models of 'business as usual' and a 'complete lockdown' have delivered inconsistent results, and there is no clarity when and if the virus will weaken or disappear. In such an uncertain scenario, our priority will be the people who work for us. For when we put employees first, they will do right to our customers – and business benefits

will eventually emerge. Our second priority will be our distribution-value enhancing chain of the business, followed by our customers. Profitability and sustainability will be the natural by-products. In my perspective, if we can take care of our people and our means of reaching our customers, then we are keeping our capability alive. We will require to upscale the technology platforms to reach our customers; we will need new products and risk covers that resonate with the people and times. Once we have these pieces in place, we will outshine the competition.

The new operating paradigm is going to be a mix of distance and personalisation. While there will be social distancing in terms of interpersonal contacts and meetings, the element of human touch right to the level of water cooler conversations will need to be complemented by technology. We have successfully transitioned to a work-from-home configuration and managed to keep all services available to our customers through digital platforms. We will continue to ensure that our employees, agents and intermediaries have access to the right digital assets and tools to deliver the best customer experience, drive operational efficiency and enhance productivity.

Further, the automobile sector was witnessing a slowdown before the COVID-19 outbreak. Consequently, the motor insurance segment has been going through a turbulent phase. In the current fiscal, the pandemic and lockdown are likely to further dampen the growth prospects of the automobile insurance sector, which accounts for 50% of total business. On the other hand, the demand for health insurance is expected to increase considerably with greater concern and awareness about health. To diversify our revenue streams and build a more resilient business model, we will enhance our focus on the health sector by introducing new and innovative products. This will enable us to serve the evolving needs of a more informed population and build frames of durable relationships. Having said that, I am happy to report the resilience with which we faced the challenges, and this has proved our capability to survive the worst days of the pandemic.

I take this opportunity to extend my appreciation to all our employees for their outstanding commitment and performance, particularly during this challenging period, and our customers, agents, bankers, shareholders and all stakeholders for their constant support. We are also grateful to the regulators - IRDAI and the others for their direction and guidance. Within these troubled times, Future Generali India Insurance Company Limited will continue to work as a cohesive team, keep pace with better processes and platforms, introduce relevant products and maintain a sharp focus on customer-friendly services. We will nurse and reap unfolding opportunities, work towards enhancing our scalability and sustainability and work on growth. Together we can, and we will overcome our today and make way for a brighter tomorrow.

Regards,

G.N. Bajpai, Chairman

MANAGING DIRECTOR & CEO'S MESSAGE



DEAR SHAREHOLDERS,

OUR WORKPLACE SUPERHEROES MAY NOT GO TO WORK PUTTING ON A CAPE. BUT COMETH THE MOMENT, COMETH THE WO(MAN). THEIR DRIVE AND ZEAL TO PUT A SMILE ON EVERY CUSTOMER'S FACE ELEVATES OUR COMPANY'S PERFORMANCE. IT'S OUR EMPLOYEES WHO GIVE US THE WINNING EDGE IN THE MARKETPLACE. THIS ANNUAL REPORT IS DEDICATED TO THEM.

Unarguably and unequivocally, let me state that our real superheroes are our employees. They are the characters who go out to fight the evil of risks and uncertainties that plague every life. Without them, nothing would be possible; our raison d'être, our very reason for being or existence, would cease.

Our superheroes' efforts are reflected in the results for the year. We were among the fastest-growing companies last year, our topline increased by an incredible 34%, catapulting us to the top 10 private general insurance companies in India; market share increased from 3.14% to 3.75%. More importantly, key quality metrics, such as customer and employee scores continued to improve.

The year under review has been a one of crises, the time when the world needs superheroes the most. The Future Generali superheroes covered the distance to stand by our customers in their hour of need - protecting people and assets, health and wealth with their positivity shield. Our superheroes ensure nothing comes in between our customers and their dreams, goals and aspirations and help them lead fulfilling, stress-free lives.

It is said that for compassion to be effective, it must be backed by strength and skill. Long before COVID-19 hit the world with a tsunami of panic in 2020, Future Generali employees were, on one hand, bailing out desperate customers stranded by the catastrophic Bihar floods, and on the other, in India's financial capital, restoring and repairing cars and homes that were wrecked by the rains in Mumbai. We were

there when residents fled the coast as cyclone Amphan hit Odisha. We were there when dengue and malaria struck the national capital. We were there when Chennai was plugged out of electricity and water for over a week due to cyclone Vardah. All this was a regular day's work for our people at the office. This display of efficiency and empathy reinforced everyone's faith in our employees' role as their friend and protector.

We protect and nurture our employees, our superheroes in every possible way: recently, we gave them and their families enhanced cover and cashless treatment facilities following the COVID-19 outbreak; outfitting them on a war footing with all the digital tools necessary to work from home (WFH); by continuing professional training through online platforms for them to be effective and up-to-date, besides setting up fun events and game nights and yoga and meditation workshops. Through the pandemic, we stayed invested in every single employee, be it at the rank and file: security guards and janitors, or the CXOs or the service providers and claims assessors in the hinterland.

In early March 2020, a full two weeks before the government-mandated lockdown, we had transitioned to remote working, and our business continuity plan ensured that we were ahead of the curve in providing employee safety, professional tools and capabilities and by extension, uninterrupted customer service.

Our employee-centric attitude yielded rich returns during the pandemic - not only were we technologically prepared for

INCREASE
IN TOPLINE
34% ↑

**OUR SUPERHEROES
ENSURE NOTHING
COMES IN BETWEEN OUR
CUSTOMERS AND THEIR
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THEM LEAD FULFILLING,
STRESS-FREE LIVES.**

remote operations, but were also able to provide rock-steady assurance and quick claim settlements, earning tremendous goodwill.

In FY 2019-20, we participated for the first time in the Great Place to Work survey, which assesses 1,000+ companies, and received our certification in the very first year, a rare honour.

KEY ACHIEVEMENTS

I view achievements as hard and soft – the former defined by numbers, and the latter more nuanced. On both fronts, we delivered exceedingly well.

In financial metrics, our Gross Written Premium registered 34% growth to stand at ₹ 3,490 Crore, with a PAT of ₹ 100 Crore. Our loss ratio stands at 60%, among the best in the industry, led by technical expertise and underwriting, a superior selection of business lines, and choice of partnerships. We aggressively keep operating costs low to transfer pricing benefits to

customers. We delivered 11% Return on Average Equity, and our Assets Under Management (AUM) grew 19% to ₹ 4,326 Crore as on March 31, 2020, from ₹ 3,629 Crore as on March 31, 2019. This was the third straight year wherein our AUM maintained a sturdy double-digit growth rate.

Importantly, we improved our customer service, as is demonstrated by our Net Promoter Score, which moved up to an incredible 60 in FY 2019-20, up from an already high 53.7 in FY 2018-19. We also drove high customer engagement

and improved brand awareness through our innovative marketing initiatives, which saw us being listed amongst Economic Times Best Brands.

I look at the gains in our Net Promoter Score, inclusion among India's Best Workplace and Brands, and our high employee engagement and customer engagement scores as key achievements. This will continue to drive best-in-class outcomes for the Company.

ALIGNING WITH THE NEW NORMAL

Since the outbreak of COVID-19, the insurance industry (both Life and General) has shrunk in the immediate short-term. However, I believe there is a significant upside. There is now increased recognition of how insurance as a category can protect lives and livelihoods, and this awareness will have a considerable bearing on medium and long-term growth. During the year, among our new product launches, and much before mandated by the regulator, we created an insurance cover specific to the novel coronavirus, which has covered over 200,000 lives.

Other non-life insurance segments, such as automobile insurance, are set for a contraction in the short term following the economic impact of the contagion and the semi-permanent nature of the Work from Home (WFH) trend. On the other hand, the health insurance

segment is set for rapid expansion, given that Indians are now becoming conscious of the need for a health cover. Our growth strategy targets doubling the size of our health insurance business every year over the next two fiscal years. To attain this goal, we have created a Health Sales vertical that includes an enhanced agent network to increase our distribution footprint across the country.

In the new reality, micro-markets and hyper-segmentation will be the key to satisfying very specific needs and ensuring that products and services are responsive to customer behaviour and lifestyle. Our approach towards new product development is based on treating every single customer, rather than a group of customers as a segment.

Personal mobility and self-owned real estate are likely to gain ground in the medium term. As people notice its advantages in a socially distanced world, the demand for



insurance for these products will then naturally follow.

At Future Generali, we aim to be a company that launches innovative, disruptive products that become industry trendsetters.

OUTLOOK FOR THE FUTURE

Our Company has adapted very quickly to the emerging work environment, with effective decentralisation of functions and collaboration on digital networks while maintaining deep and personal interaction through these challenging times. I foresee that every activity and process will increasingly move to online digital platforms and result in improved efficiency and productivity as well as savings in time and cost.

Our IT transformation project is well underway, and events of the recent past will only accelerate its implementation. However, technology alone can only get us that far. Classical management capabilities of flexibility, perseverance and agility along with consistency in organisational philosophy and attitude will be fundamental to our success. During this pandemic, there have been enough examples to prove that companies that are technologically adequate but have strong fundamental competencies have done far better than those that operate at the cutting-edge of technology but are not backed by sound and fundamental business principles and capabilities.

In terms of our product portfolio, the accent will be on launching customer-centric innovative products with health as a key focus area. Aligned with our goal to be a dynamic, transparent and new-age brand, we are focussed on brand building and enhancing our presence on the digital platforms that are frequented by our customers. The thrust is on delivering omnichannel experiences for our customers and agents alike. We will also continue to work on our superior risk selection and underwriting practices.

We will continue to outperform the market, both on growth and quality. Future Generali is ready to address the changes and challenges of doing business in this ever-evolving environment and is raring to harness the opportunities. Commitment runs deep in our organisation's culture, but it is not just an intangible – it is evidenced in our services, products, systems and processes. Led by this commitment along with our value-driven culture, I believe we have an exciting future ahead.

Regards,

Anup Rau
Managing Director & CEO



KEY STRATEGIC THRUST AREAS

CUSTOMER-CENTRICITY

WE REMAIN FOCUSED ON DRIVING EXCEPTIONAL CUSTOMER EXPERIENCES BY OFFERING DIFFERENTIATED VALUE PROPOSITIONS AND SUPERIOR CUSTOMER SERVICE.



ENABLERS OF OUR OBJECTIVE

- Simplifying life for our customers through easy-to-understand products, policies and communications along with hassle-free services
- Creating an omnichannel experience which is seamless, easy and simple
- Constantly augmenting our capabilities, including, strengthening our digital assets, to meet our customers' needs more quickly and efficiently
- Simple and automated processes to improve the speed of underwriting and claims settlements while ensuring human touch and empathy
- Empowering our agents with the right digital tools and customised content and providing them with the necessary training so that they can serve customers better

PRODUCT INNOVATION

WE ARE INCREASINGLY BROADENING OUR PRODUCT OFFERINGS ACROSS OUR BUSINESS SEGMENTS OF PERSONAL, COMMERCIAL AND RURAL/SOCIAL INSURANCE. THE FOCUS IS ON INTRODUCING NEW AND INNOVATIVE PRODUCTS THAT ENABLE US TO MEET EMERGING CUSTOMER NEEDS, DIVERSIFY OUR REVENUE STREAMS AND BUILD A MORE RESILIENT BUSINESS MODEL.



ENABLERS OF OUR OBJECTIVE

- Enhancing our focus on the health sector in particular, as customers become increasingly aware of the importance of health policies in managing the uncertainties of life
- Introducing highly customised offerings through micro-market targeting and hyper-segmentation to ensure that our products are responsive to changing consumption patterns and behaviour
- Developing innovative small-ticket sized products, creating tangibility in insurance space with seamless transaction ease so that the benefits of insurance can be accessed by all

EMPLOYER OF CHOICE

WE FIRMLY BELIEVE THAT AN ORGANISATION IS ONLY AS STRONG AS ITS PEOPLE; WHEN EMPLOYEES THRIVE, EVERYONE BENEFITS. TO OFFER THE BEST CUSTOMER SERVICE AND EXPERIENCE AND TO RANK AMONGST THE TOP COMPANIES IN OUR SECTOR, OUR THRUST IS ON BEING A WORLD-CLASS EMPLOYER. BY PROVIDING A POSITIVE AND CONDUCTIVE WORK ENVIRONMENT, WE WILL ATTRACT, DEVELOP AND RETAIN A TALENTED TEAM.

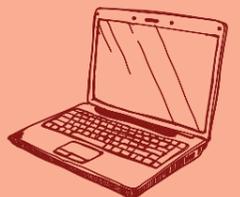


ENABLERS OF OUR OBJECTIVE

- Internalising a value-driven culture by ensuring that everyone at the Company understands the value statements and the related value behaviours
- Talent management by providing opportunities for bridging knowledge gaps and cross-functional training, along with an attractive reward and recognition policy
- Adopting employee-friendly policies which are focussed on employee engagement, continuous learning, personal and professional growth, and healthy work-life balance
- Being responsive to the demands of the times by providing employees with the needed tools, services and support and being a technologically adept workplace
- Making employees feel safe and secure in their jobs so that there is lower job attrition and a greater focus on customer-centricity
- Enhancing communication with employees to make them more aware of internal developments and instil a sense of pride amongst them for belonging to the organisation

IT DIGITAL TRANSFORMATION

WE ARE A DIGITALLY-LED ORGANISATION AND WILL WORK AT A HEIGHTENED PACE TO ENABLE THE ACCELERATION OF DIGITAL TRANSFORMATION FOR CONTINUED GROWTH. THE THRUST WILL BE ON COMPLETELY DIGITISING AS WELL AS ATOMISING OUR OPERATIONS OVER THE NEXT 2-3 YEARS TO DELIVER HIGHER PRODUCTIVITY, GREATER EFFICIENCY AND MORE RESPONSIVENESS.



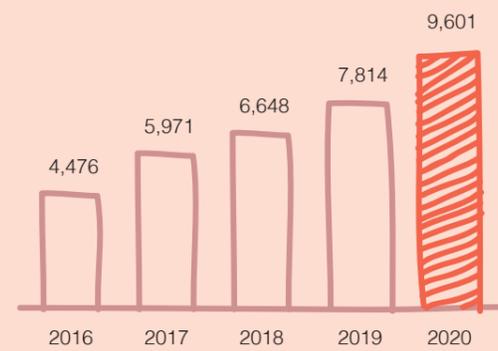
ENABLERS OF OUR OBJECTIVE

- Migrating our core platform to the cloud compatible TCS Banks which is a much more matured platform for the Indian markets and best-in-class
- Adopting a single integrated workflow across the enterprise
- Setting up a full-fledged data warehouse and advanced analytical platform, that will further improve real-time decision making
- Increasing our digital footprint scaling up our presence across online touchpoints not only for our customers, but for all our partners so that we are more connected and agile, and operations continue seamlessly
- Transitioned to issuing e-proposals to automate most of the offline data entry and speed the offer and issuance process
- Improve our partner's Virtual Office, an online platform with rich self-servicing functionalities facilitating transactions real-time for our partners
- Increase customer engagement and self service

FIVE-YEAR FINANCIAL PERFORMANCE

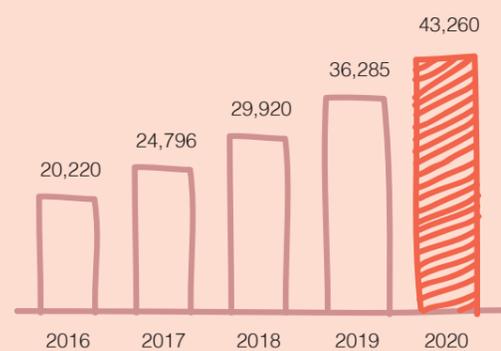
GROSS WRITTEN PREMIUM (₹ in Million)

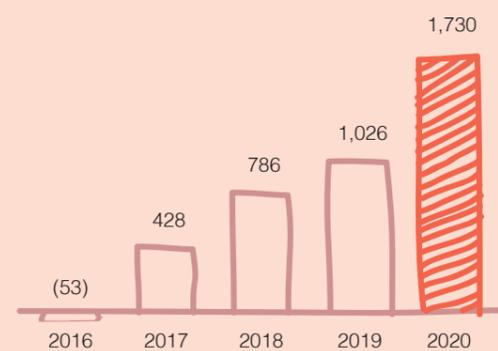
CAGR- 5 Years 21.6% ↑

NET WORTH (₹ in Million)

CAGR- 5 Years 21.0% ↑

CLAIM RATIOS (%)

NCOR* (%)

* Basis NWP
ASSETS UNDER MANAGEMENT (AUM) (₹ in Million)

CAGR- 5 Years 20.9% ↑

PROFIT BEFORE TAX (₹ in Million)

PBT/GWP (%)


MEET THE CHAMPIONS OF FUTURE GENERALI

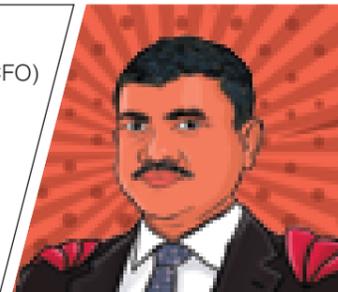


ANUP RAU
CAPTAIN FG

The leader of the pack - Captain FG - uses his superpowers of vision and motivation to energise, guide and mentor his Champions.

DEVI DAYAL GARG
CHAMPION CHIEF FINANCIAL OFFICER (CFO)

Here is where the buck stops; before our Champion CFO redirects it to its rightful purpose. He has the superpower over money, finances, inflows and outflows and he orchestrates our way to financial well-being and growth.



DEEPAK PRASAD
CHAMPION CORPORATE SALES

He is the man with the exemplary team spirit. His superpower is the ability to sell, inspire, mentor and guide others to do so as well. His strategies, leadership and example inspire the Corporate Sales team to deliver great performance year after year!



SUNIL WARIAR
CHAMPION CHIEF PEOPLE
OFFICER (CPO)

He is a master of human relationships. In the presence of his superpower, individuals coalesce into teams that deliver above and beyond the call of duty. His ability to create leaders is truly inspiring.



DR. SHREERAJ DESHPANDE
CHAMPION CHIEF OPERATING
OFFICER (COO)

He has the superpower to ensure our operations run like clockwork and our customers remain satisfied. In his presence, every implementation becomes seamless, and he orchestrates events, people, and processes with exemplary finesse.



RUCHIKA VARMA
CHAMPION CHIEF
MARKETING OFFICER (CMO)

She plans and implements the 'way to market' for our products and makes them bestsellers first, and blockbusters next!



AJAY PANCHAL
CHAMPION CHIEF RISK OFFICER (CRO)

He is the Hawk Eye who monitors and controls the evolution of operational risks. Under his capable leadership, his team institutes practices that identify, evaluate and monitor risks.



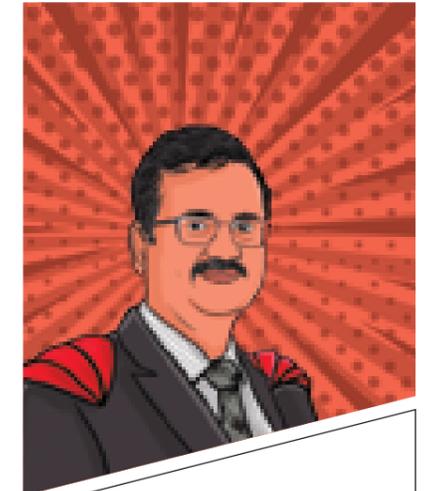
RITU SETHI
CHAMPION CHIEF INTERNAL
AUDIT OFFICER

She has the superpower of ensuring independent, objective assessments. Under her keen eye, the Audit department contributes to corporate objectives by instituting a systematic, disciplined methodology to evaluate and improve the effectiveness of risk management, control, and governance processes.



ANURAG SINHA
CHAMPION BANCASSURANCE

He has the superpower to leverage existing relationships and build new ones. Under his watch, his team motivates bancassurance partners to cross-sell, up-sell and consolidate business.



RAGHAVENDRA RAO
CHAMPION RETAIL SALES

He is the Master Communicator with a pitch that will connect, communicate, and convince. His superpowers are to mentor, guide and manage our agents, agencies and motor dealerships to relate to customers and protect them from various risks with policies.



ASHISH LAKHTAKIA
CHAMPION LEGAL COMPLIANCE &
SECRETARIAL

He is the Legal Eagle who ensures that everything we do is under the laws of the land. His superpowers are legal insights and interpretations, as well as secretarial duties that comply with regulations.



JATIN ARORA
CHAMPION ACTUARY

He is the Mathematical & Analytic Wizard who solves complicated problems through use of his special gifts. His capabilities spearhead all core functions like pricing of products, calculating prudent estimates for reserves and maintaining solvency margins.

DEVI DAYAL GARG

Champion CFO

WE DELIVERED SUPERIOR PROFITABILITY DUE TO OUR COMMITMENT TO DELIVER BETTER THAN INDUSTRY GROWTH RATES BOTH IN TERMS OF TOP AND BOTTOM LINE. OUR GWP GREW BY 34% AND WE CURTAILED OUR LOSS RATIOS TO UNDER 60%, WHICH IS ONE OF THE BEST IN THE INDUSTRY. WE WILL CONTINUE TO BUILD THE PORTFOLIO OF PROFITABLE BUSINESS AND CONDUCT OURSELVES WITH SINCERITY AND INTEGRITY.

OUR INDUSTRY-LEADING PRACTICES OF UNDERWRITING, CUSTOMER SERVICE, PROMPTNESS, QUALITY OF SERVICE AND CUSTOMER SATISFACTION ENABLED US TO DELIVER A HEALTHY PERFORMANCE IN AN EXTREMELY COMPETITIVE AND CHALLENGING ENVIRONMENT. OUR MARKET SHARE AMONGST THE PRIVATE GENERAL INSURERS INCREASED FROM 3.14% IN FY 2018-19 TO 3.75% IN FY 2019-20.

GROSS WRITTEN PREMIUM (GWP) BREAK-UP, FY 2019-20

Motor	Liability	Marine	Engineering	Accident and Health (A&H)	Miscellaneous
₹ 1,355 Crore	₹ 21 Crore	₹ 67 Crore	₹ 56 Crore	₹ 473 Crore	₹ 1,109 Crore
19% ↑	14% ↑	94% ↑	33% ↑	31% ↑	67% ↑

CROP INSURANCE
82% ↑

PERSONAL HEALTH
53% ↑

GROUP HEALTH
32% ↑

FIRE INSURANCE
36% ↑

FINANCIAL HIGHLIGHTS

During the year, we grew our retail as well as agency business which demonstrates the relationship and commitment we have with our business partners. We have maintained a sturdy growth in AUM for the past few years.

Gross Written Premium	Net Claims Paid	Assets Under Management	Combined Ratio	Solvency	Loss Ratio
₹ 3,490 Crore	₹ 1,182 Crore	₹ 4,326 Crore	103%	151%	<60%
34% ↑	9% ↑	19% ↑	vs 107% in FY 2018-19 ↓	vs 154% in FY 2018-19 ↓	9% ↓

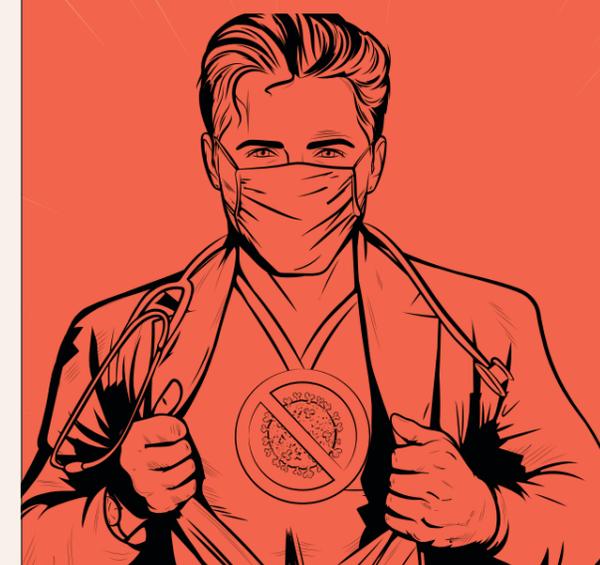
Note:
Green arrow denotes positive movement
White arrow denotes negative movement

COVID-19 IMPACT

We were well-prepared to handle the COVID-19 induced lockdown as we implemented our Business Continuity plan by mid-March. We seek to grow our personal and group health business as these policies will be in demand now. While we may be impacted in the short term in terms of topline, we are better placed than other industries to tide over these times.

STRATEGIC PRIORITIES

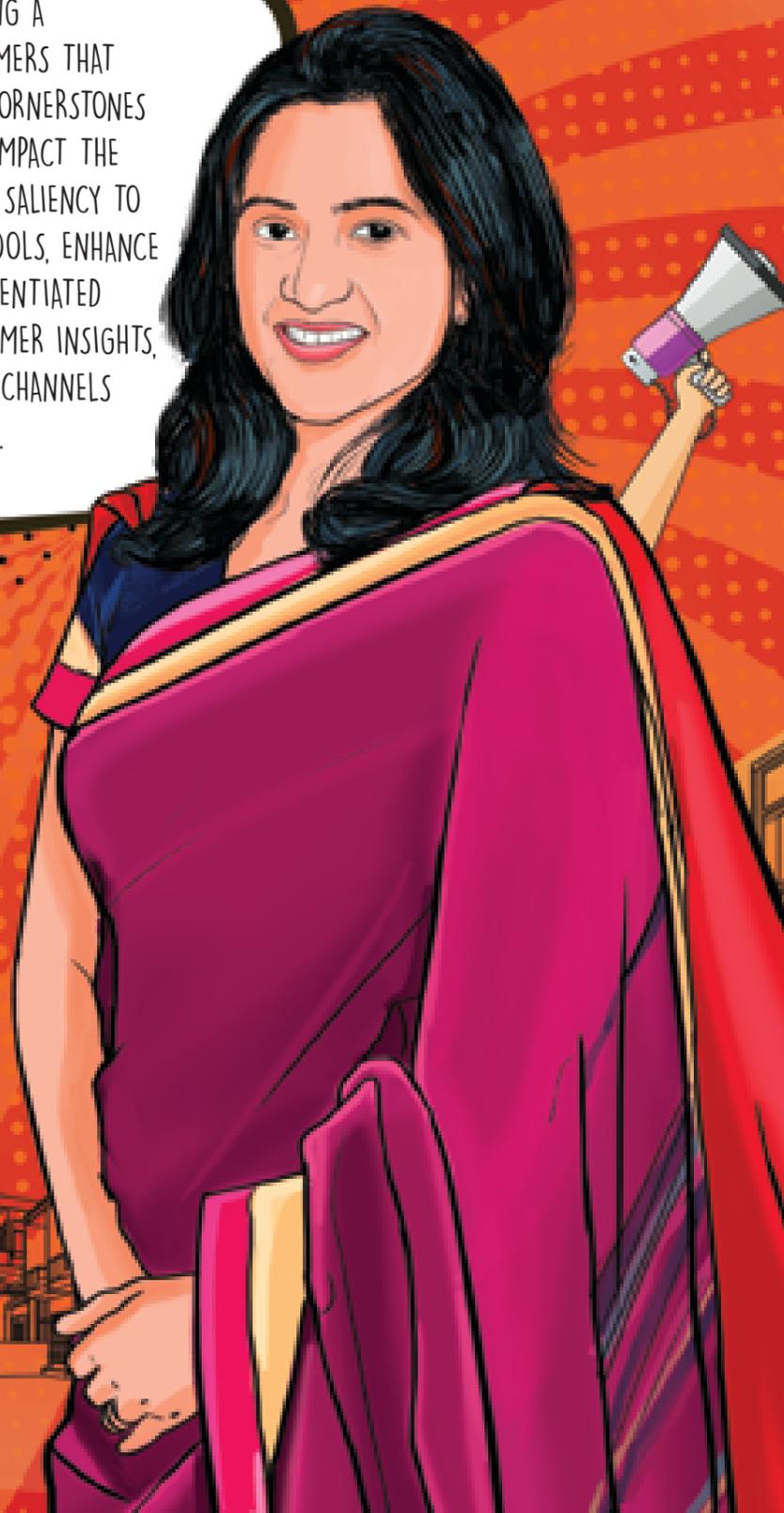
- Optimise redundant cost processes and structures
- Build a sustainable and profitable business
- Invest in digital initiatives and IT system transformation
- Focus on our superior risk mitigation and underwriting practices to lower loss ratios



RUCHIKA VARMA

Champion CMO

DURING THE YEAR, WE FOCUSED ON BUILDING A STRONG, RELEVANT BRAND FOR OUR CUSTOMERS THAT GENUINELY ADDRESSES THEIR NEEDS. THE CORNERSTONES OF OUR MARKETING STRATEGY WERE TO IMPACT THE MARKETING FUNNEL RIGHT FROM BRAND SALIENCY TO ADVOCACY, STRENGTHEN OUR DIGITAL TOOLS, ENHANCE CUSTOMER EXPERIENCE, DEVELOP DIFFERENTIATED VALUE PROPOSITIONS BASED ON CUSTOMER INSIGHTS, AMPLIFY DIGITAL VISIBILITY FOR OUR CHANNELS AND GIVE BACK TO THE COMMUNITY.

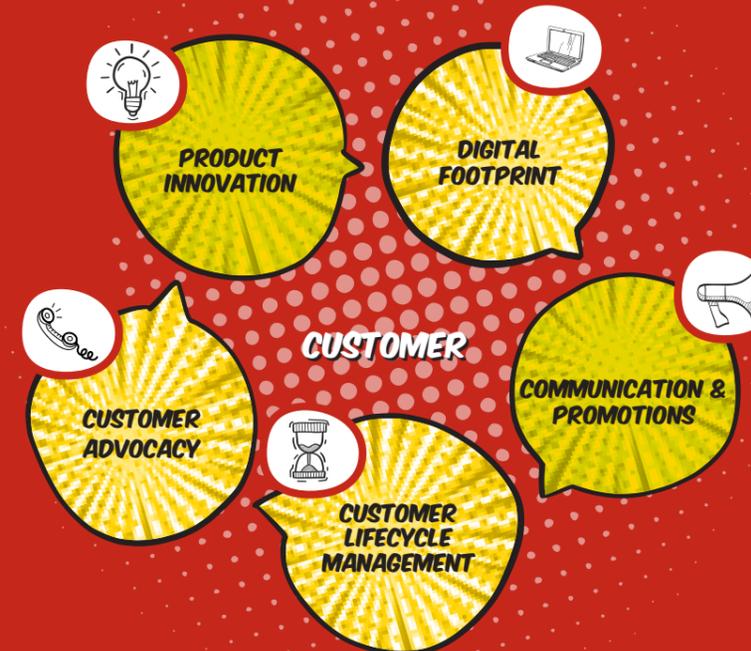


CORPORATE OVERVIEW

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DELIVERING THE NEW CUSTOMER EXPERIENCE



The customer is at the heart of everything we do. To build a strong, differentiated brand, the main focus of marketing this year has been to impact customers at every step of their journey - right from being visible during the decision-making process, being available through digital channels, genuinely addressing needs through insight-based innovative product propositions and providing a positive customer experience to strengthen relationships and improve advocacy.

BUILDING BRAND AWARENESS AND CONSIDERATION

Our brand objective is to be a lifetime partner for our customers by demonstrating expertise with a human touch. We want to eventually build a brand that is simpler, smarter, faster but also empathetic, transparent and innovative.

At the current stage of our brand lifecycle, the marketing challenge is to build brand awareness and consideration. Our strategy is to focus on cost-effective high Return on Investment (ROI) campaigns that also build brand saliency and recognition, especially for the Health category. We focussed our efforts on these goals by being topical and contextually aligned with customer sentiment.

During the year-end, we positioned our popular healthcare policies as a 'Tax pe Discount' instrument. In the early days of the lockdown, we launched a multi-phased campaign titled - 'Cover the Distance' that highlighted the importance of family time, while we took care of family health with a health policy that covered treatment for COVID-19. This was rolled out in multiple phases over the year.

IMPACT OF OUR BRAND BUILDING ACTIVITIES



BRAND AWARENESS

9% ↑

Q1FY21 vs December 2019



WEBSITE VISITORS

100% ↑

Q1FY21 vs Q1FY20



SOCIAL MEDIA FOLLOWERS

>4 TIMES ↑

Q1FY21 vs December 2019

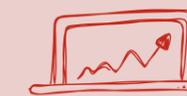


FGII PERFORMANCE IN RETAIL HEALTH

Outperformed the market by

42%

in Q1FY21



INCREASE IN DIRECT WEBSITE TRAFFIC

2x ↑

Q1FY21 vs Q1FY20

MARKET SHARE IN RETAIL HEALTH

increased to

2.8%

in Q1FY21 vs Q1FY20

IMPACTING ALL STAKEHOLDERS POSITIVELY

While it's important for us to increase our customer base, it's equally important for us to retain our existing customers.

We are building relationships with our customers by improving frequency of customer communication, providing an omnichannel experience, simplifying our communication with them and ensuring that we combine our expertise with human touch. Through these combined efforts, we seek to provide superior customer experience and build our Net Promoter Scores.

Our marketing approach focusses on not just customers, but on all stakeholders – including employees and distribution partners.

We have enabled our agents with the right tools for digital prospecting and improved their digital visibility through multiple platforms.

We've also launched campaigns that help build our image as an employer of choice, like celebrating our achievement of being certified as the 'Great Place to Work' on social media and running internal campaigns that reiterate the pride of belonging to the organisation.



OUR INCREASING DIGITAL FOOTPRINT

SOCIAL DISTANCING HAS LED TO ONLINE SOCIAL CONNECTIVITY. RESEARCH TELLS US THAT OUR CUSTOMERS ARE ON DIGITAL PLATFORMS NOW MORE THAN EVER BEFORE. THESE SHIFTS IN CONSUMER BEHAVIOUR ARE AT THE HEART OF OUR MARKETING PLANS.

THE RIGHT INFORMATION IN THE RIGHT PLACE AT THE RIGHT TIME.

SOME OF THE INITIATIVES THAT WE HAVE TAKEN IN THIS DIRECTION INCLUDE

- A new mobile app that enables one to view the entire relationship with the brand in a consolidated manner. One can buy/renew insurance cover, chat with agents, register and track claims with a swipe of a button. As an industry first, this is applicable not only for retail customers but for group customers as well
- We are experimenting with innovative ways to do digital prospecting by arming our agent network with the tools and customised content for social media outreach
- Enhanced use of cost-effective but highly impactful channels like WhatsApp
- Building marketing plans around high traffic digital platforms and social media

PRODUCT INNOVATION

We seek to shift the focus of insurance selling away from the "Price" towards the other "P's" – Product, Place and Promotion. We believe that developing products that genuinely respond to customer needs and bring clear value to them will give us a clear edge in the market. Our marketing focus, therefore, is to leverage product innovation and differentiated value propositions which are based on customer insights and behaviour.



GIVING BACK TO THE COMMUNITY

AS A BRAND, WE BELIEVE IN GIVING BACK TO THE COMMUNITY THROUGH MULTIPLE INITIATIVES THAT IMPACT MARGINALISED SOCIETIES, ESPECIALLY CHILDREN. OUR CSR FOCUS AREAS ARE EDUCATION, ENVIRONMENT AND HEALTH. SOME OF THE KEY INITIATIVES UNDERTAKEN DURING THE YEAR INCLUDE:

- The Human Safety Network (THSN) project focussed on school readiness and parentability through adoption of Anganwadis
- Building Science Centres in municipal schools to establish STEM learning
- Building libraries to promote the habit of reading by creating a child-friendly literacy environment

Number of beneficiaries from CSR activities

FAMILIES

550+

STUDENTS

6,500+

Going forward, we will continue to keep a steady eye on the customer, strengthen our digital assets and capabilities and deliver a strong value proposition that is in sync with customer demand.

SUNIL WARIAR

Champion CPO

DURING THE YEAR UNDER REVIEW, THE FOCUS ON OUR VALUES – CUSTOMER-CENTRICITY, HUMAN TOUCH AND INNOVATION ENABLED US TO ACHIEVE HIGH GROWTH LEVELS IN BUSINESS AND OUTPERFORM OUR COMPETITION.



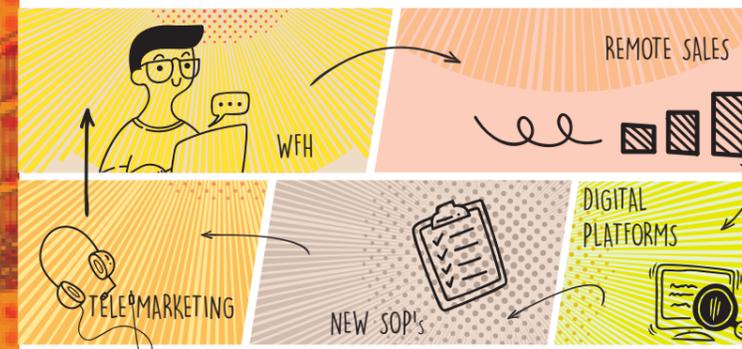
BENEFITING FROM TEAM RETENTION

We have nurtured an employee-friendly work environment focussing on employee engagement and mental well-being, enabling opportunities for career advancement supported by conducive and progressive people policies. As a result, we have an exemplary record in attracting and retaining talent across the country, thereby being perceived as a preferred employer.

OUR HIGH-PERFORMANCE AND CUSTOMER-CENTRIC CULTURE SUPPORTED BY COLLABORATION AT ALL LEVELS HELPED US TO REAP THE BENEFITS OF A SUSTAINED GROWTH TRAJECTORY WHILE ADAPTING TO THE NEW NORMAL.

DEVISING

A WHOLE NEW WORK PARADIGM ON THE GO...



FAST ASSIMILATION OF THE NEW WORK PARADIGM

The change from our usual routine to Work from Home (WFH) was forced and unexpected. However, we were early adapters to the WFH practice and we proactively limited office attendance to twice a week well before the lockdown. Employees were enabled to work remotely from their homes through prompt administrative and technological support. New standards for scheduling and calibrating the duration of online meetings were put in place to enable work-life balance. We continued the tradition of learning, sharing and having fun together. We instituted fun activities that included families and offered opportunities to pursue wholesome mental well-being. Besides yoga and motivational sessions, we offered employees access to online counselling to help cope with stress caused by the pandemic situation.

USING PRODUCTIVITY ENHANCEMENT MEASURES

We attribute our growth to our employee's dedication and the value systems inherent in the Company. We believe that despite the disruption or indeed sometimes because of it, insurance will remain relevant for businesses to function while managing risks appropriately. We rapidly shifted to a new digital work routine that is powered with technology to facilitate business continuity. We empowered our members and trade partners with incentives and tools to sustain the momentum of the business. Our call centre employees were enabled with technology at their homes so they could continue working from home without disturbing their personal space.

During these times, we were able to continue our training efforts uninterrupted and managed to train over 1,800 agents/intermediaries and 400 bank employees every month.



TRAINING AND DEVELOPMENT

WE CONDUCT TRAINING AND DEVELOPMENT ACTIVITIES THROUGHOUT THE YEAR TO DEVELOP EMPLOYEE SKILL SETS AND KEEP THEM UP-TO-DATE. WE ALSO HAVE ACTIVE LEADERSHIP DEVELOPMENT PROGRAMMES WHEREIN WE IDENTIFY TALENT AND ENABLE THEM TO BUILD LEADERSHIP COMPETENCIES THROUGH LEARNING WORKSHOPS. ON-THE-JOB EVALUATIONS ARE CONDUCTED TO ENHANCE EMPLOYEE CAPABILITIES. EVEN DURING THE LOCKDOWN PERIOD, WE RAMPED UP OUR TRAINING ACTIVITIES AND THEY CONTINUED UNHINDERED THROUGH NEW-AGE DIGITAL LEARNING TOOLS. DUE TO THE INCREASED DEPENDENCE ON TELE-CALLING FOR SALES AND DISTRIBUTION, WE HAVE INITIATED TRAINING ON TELEPHONE ETIQUETTE, ORGANISING AND STRUCTURING CALLS TO IMPROVE PRODUCTIVITY AND SUCCESS RATES.



ALL EMPLOYEES ACROSS THE ORGANISATION ARE SHARED INDIVIDUAL DEVELOPMENT PLANS WITH THEIR LEARNING NEEDS IN ALIGNMENT WITH THE ORGANISATION OBJECTIVES. WE EMPHASISED OUR FOCUS ON UPSKILLING AND RESKILLING OUR RESOURCES TO PREPARE THEM FOR THE NEW NORMAL. BY EMPHASISING ON PRODUCTS, PROCESSES AND BEHAVIOURAL LEARNINGS, WE HAVE DONE OVER 4 MAN-DAYS TRAINING PER EMPLOYEE OVER THE YEAR AND HAVE BEEN COVERING OVER 600 EMPLOYEES EVERY MONTH IN VARIOUS ONLINE TRAINING INITIATIVES DURING THE LOCKDOWN PERIOD.

WE ARE PROUD TO CONSISTENTLY IMPROVE OUR EMPLOYEE ENGAGEMENT SCORES OVER THE LAST 6 YEARS, AS CERTIFIED BY THE TOWERS WATSON GENERALI GLOBAL ENGAGEMENT SURVEY. THE YEAR 2019 SURVEY RESULTS SAW THE ENGAGEMENT SCORE AT 97%, GOING UP BY 1% FROM THE 2017 SURVEY. VARIOUS PEOPLE INITIATIVES IN THE COMPANY WERE RESPONSIBLE TO ACHIEVE POSITIVE SCORE ACROSS 19 OUTCOME PARAMETERS COVERED IN THE SURVEY.



Great
Place
To
Work.

Certified

INDIA

FOR THE FIRST TIME, THE COMPANY HAS PARTICIPATED IN THE GREAT PLACE TO WORK SURVEY AND WAS CERTIFIED FROM AMONG 1,000+ CORPORATE ACROSS INDUSTRIES.

OUR INITIATIVES FOR EMPLOYEE WELL-BEING

We believe that it is our responsibility to support our employees in their health and well-being through various engagement initiatives. We have a fairly comprehensive health policy that takes care for any specific eventuality during these times. In certain instances, we have supported our employees and their family members over and above the policy limits.

We firmly believe that it is our individual and collective responsibility to make our business sustainable and responsible to customers who rely on us to fulfil our commitments to them when they need us the most. We believe this can happen only if we take care of our key assets – our human resources.

**HELPING HAND MEETS
HEALING HAND**

Hi Rushikesh, I heard you joined the FGII Health Claims team yesterday! Good to have you on board!



Sunil Wariar: Rushikesh, you are to have an angiography today, but don't worry! We have arranged cash less treatment and we will help you and your family get through this!



What's wrong Rushikesh, you look sick, and you are sweating! I think we should call the Doctor!



Doctor: You are fine now, thanks to the timely intervention of your Resident Doctor! But you will have to travel less and take it easy from now on.



Resident Doctor at FGII: We must rush him to the hospital, he is having a heart attack as we speak.

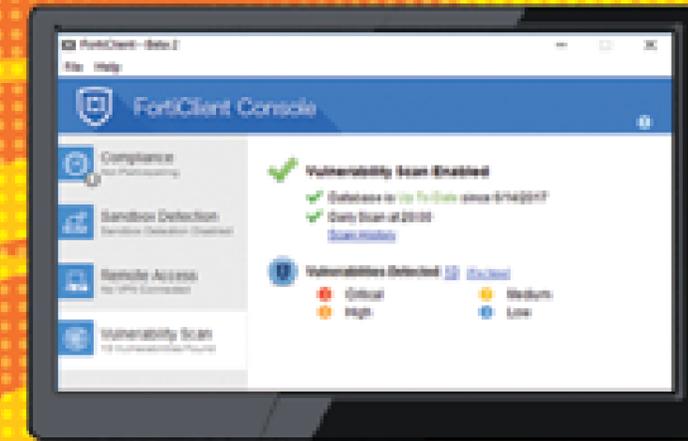


I owe my life to Future Generali and my team members. I will take care, but I will work hard for the Company.



CHANGING THE PLACE IN WORKPLACE

Sunil Wariar: WFH sounds excellent on paper, but how do we relocate work, computers, laptops, connectivity, security and everything else from our Indiabulls Finance Centre offices to over hundreds of homes across several states and districts and keep on working efficiently? This is a nightmare coming true!



We enabled added security layers like VPN, Remote Access applications like FortiClient etc., to ensure the security of data while working remotely.

We sprung into action and we shifted our call centre into homes of our staff, set up the infrastructure and commenced operations.

Then we installed and enabled collaboration tools like Microsoft Teams to enable remote collaboration between our team members - we also trained nearly 1,000 team members in using these tools.

We purchased computers and dongles to give staff members who did not have them, to ensure they are connected and able to work.

Rajendra: Well before the official lockdown, Future Generali was well prepared with systems in place to face and overcome the Lockdown! Now, what I do is support the network remotely, and keep it working! Thank You Sunil Wariar and Hurray Team FG! Together, we did the impossible!

TARUN VIJAY IS ONE OF THE MANY EMPLOYEES WHO RECEIVED A PROMOTION DURING THE COVID-19 CRISIS

Tarun Vijay: I was part of the Digital initiatives function of the Marketing Team, and it was mostly an under the hood function - noticed and important, but never in the limelight. I was on the path to a promotion when suddenly in early March, life as we know it would change forever.



Tarun Vijay: Immediately, our focus shifted to embracing the new normal. Due to the lockdown and social distancing protocols, demands were increasing by the hour for digital solutions.



Tarun Vijay: Luckily, we were well-prepared and had most of our components in place. We got a lot of help from our team and vendors.



Tarun Vijay: The lockdown made us work at a breakneck pace, and it forced our team to adapt to digital as their primary platform. We were well prepared and our previous implementations came in handy and we delivered to mandate.



Sunil Warier: We always stand by our commitments. This year shouldn't be any different.



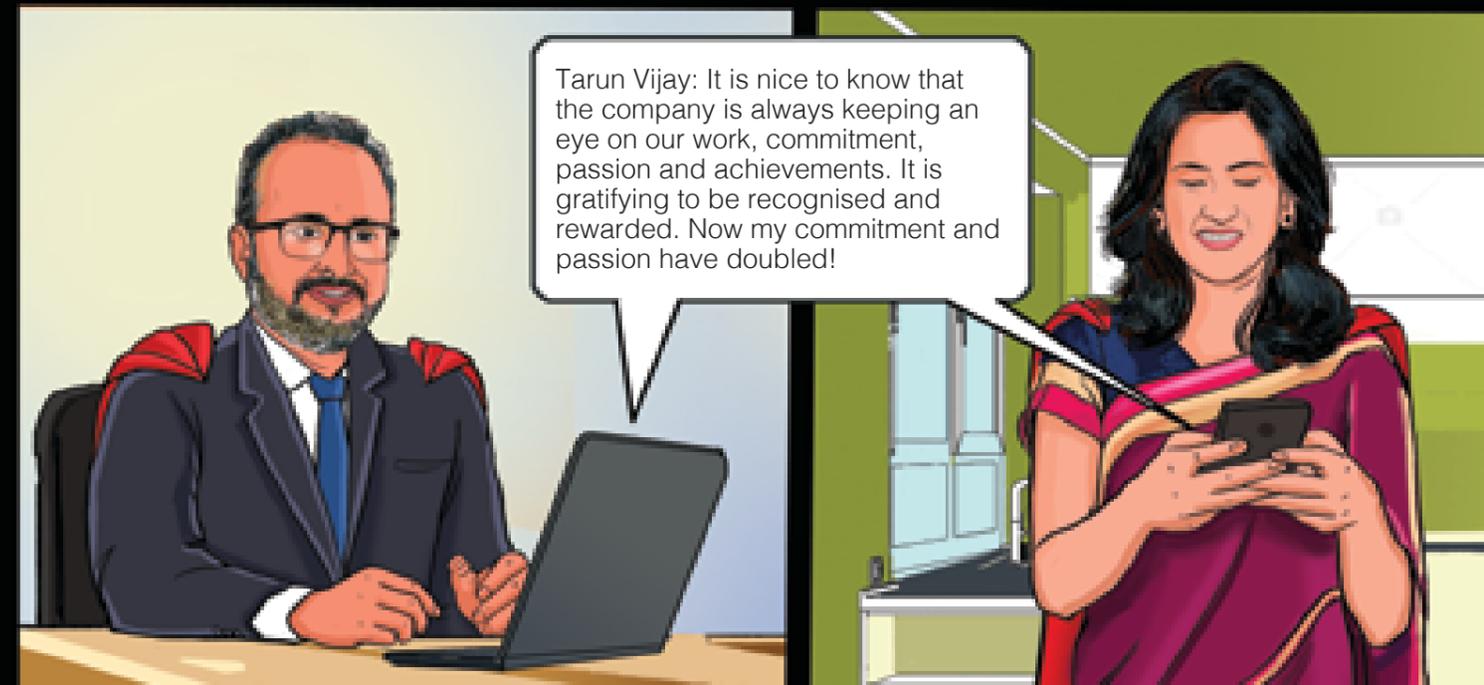
Ruchika Varma: I believe Tarun deserves a promotion. He has shown exemplary performance in FY 2019-20 and I think he should be recognised for his work.



Tarun Vijay: In the midst of the pandemic, I did not expect to be both recognised and rewarded for my work in FY 2019-20. I not only got promoted during the lockdown but got an increment as well! At a time when other companies were laying off staff and reducing take-home pay – Future Generali recognised achievers and rewarded them!



Tarun Vijay: It is nice to know that the company is always keeping an eye on our work, commitment, passion and achievements. It is gratifying to be recognised and rewarded. Now my commitment and passion have doubled!



DR. SHREERAJ DESHPANDE

Champion COO

WE CLOCKED EXCELLENT PERFORMANCE WITH AN INCREASE IN REVENUE. OVER THE YEAR, WE LEVERAGED OUR TECHNOLOGICAL ECOSYSTEM TO REACH OUT AND DELIGHT CUSTOMERS WITH THE EASE AND RESPONSIVENESS OF OUR SERVICE. WHILE INDIVIDUAL DEPARTMENTS WORKED TOWARDS THEIR GOALS – WITH THE HELP OF OUR SYSTEMS, INFRASTRUCTURE AND AGILE PROCESSES, WE FACILITATED THEM WITH SEAMLESS AND RESPONSIVE SERVICE. THE PANDEMIC AT THE YEAR END SAW US MOVING VERY FAST DIGITALLY TO SERVICE OUR PARTNERS AS WELL AS CUSTOMERS UNDER CHALLENGING CIRCUMSTANCES.



OPERATIONAL HIGHLIGHTS



NO. OF POLICIES ISSUED

2.4 MN



NO. OF TRANSACTIONS MANAGED

2.8 MN

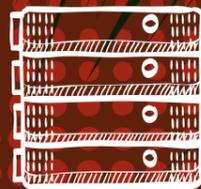


NET PROMOTER SCORE

60

A GOOD YEAR

FY 2019-20 was a good year for us in terms of both topline and bottomline. We achieved a 34% growth in GWP and 69% growth in Profit Before Tax. The number of transactions during the year increased by 16% while the number of policies issued increased by 27%. We achieved a Turnaround Time (TAT) of 95% within three days of policy issuance. We also reduced our loss ratio and net combined ratio, thanks to excellent underwriting and claims management as well as resource optimisation.



DRIVING DIGITAL TRANSFORMATION

During the year in review, we kick-started a three-year process of a digital transformation across the organisation. This is spearheaded with our core system replacement, setting up a data warehouse with an analytics engine sitting on top of it. We are also on our way to institutionalise a single workflow management process across systems and a CRM. This will radically boost our productivity and improve our organisational agility.

100%
CLAIM DISPOSAL RATIO

89%
CLAIM SETTLEMENT RATIO

15%
DECLINE IN CUSTOMER COMPLAINTS

60 (NPS)
CUSTOMER SATISFACTION RATING

CUSTOMER SERVICE

During the year, as usual we focussed on delivering exceptional customer service driven by the guiding NPS metric. We simplified our documentation, policy wordings, product terms and claim communication for our customers. We use digital tools to reach our customers and improve the user experience conveniently. This practice has enabled us to clock high NPS scores and improve our customer satisfaction ratings.

FUTURE GENERALI HEALTH (FGH)

This is an inhouse centralised unit exclusively servicing the needs of our retail and corporate customers across health, personal accident and travel insurance portfolios. It enables us to provide quick, hassle-free services to our customers, with quick turnaround time. The unit is ISO 9001:2015 certified for quality and ISO 27001:2013 certified for information security management. This is one of our key differentiators and facilitates us to provide unmatched service standards with 100% control and speed.



GROSS WRITTEN PREMIUM

₹ **382 CR**

36% ↑

CONTRIBUTION TO OVERALL GWP

11%

NET LOSS RATIO

73%

12% ↓

CLAIMS SETTLED

92,145

CLAIM SETTLEMENT RATIO

93%

EMPANELLED HOSPITALS

5,834

324 ↑

Note: Green arrow denotes positive movement

PERFORMANCE HIGHLIGHTS FY 2019-20

32% growth in the Corporate Group Health vertical

Best-in-class loss ratio of Group Health Insurance of 71% as against 87% in the previous year

Increased focus towards serving clients who valued service with a willingness to pay a premium for it

Health insurance business delivered better than the industry

Launched an app that enables customers to view their policies and make claims as required

INNOVATIVE PRODUCT LAUNCHES

The year FY 2019-20 saw the introduction of both new and relaunched products that cater to specific customer requirements. As the COVID-19 pandemic spread across the country in the last quarter of FY 2019-20, we launched specific Coronavirus insurance to address our customers' growing needs.


FUTURE VARISHTA BIMA
FUTURE AAROGYA BIMA
FUTURE ADVANTAGE TOP-UP - GROUP
SHUBH YATRA - GROUP
CORONAVIRUS INSURANCE
AROGYA SANJEEVANI POLICY

RELAUNCHED PRODUCTS

FUTURE HEALTH PROTECT - GROUP
GROUP LOAN BIMA
SURAKSHIT LOAN BIMA

STRATEGIC PRIORITIES



- Catering to the increased awareness about the need for adequate health cover, which will drive demand
- Health insurance is poised to be the largest line of business amongst non-life insurance business. The business processes and underwriting will evolve to address the shift.
- Double the volume of our Health Insurance business every year for the coming two years
- Established a Health Sales vertical to develop our retail sales business through the recruitment of the new agents and geographic expansion

MOTOR INSURANCE



OUR COMPREHENSIVE MOTOR INSURANCE PORTFOLIO INSURES VEHICLES AGAINST THIRD-PARTY RISKS, PHYSICAL DAMAGES, PERSONAL ACCIDENTS AND THEFT. WE ALSO HAVE ADD-ON COVERS SUCH AS NIL-DEPRECIATION AND ROADSIDE ASSISTANCE.

GROSS WRITTEN PREMIUM

₹ **1,355 CR**

18% ↑

CONTRIBUTION TO OVERALL GWP

39%

NET LOSS RATIO

57%

12% ↓

CLAIMS SETTLED

1,27,566

FUTURE CONVENIENT WORKSHOPS PARTNERED

2,500+

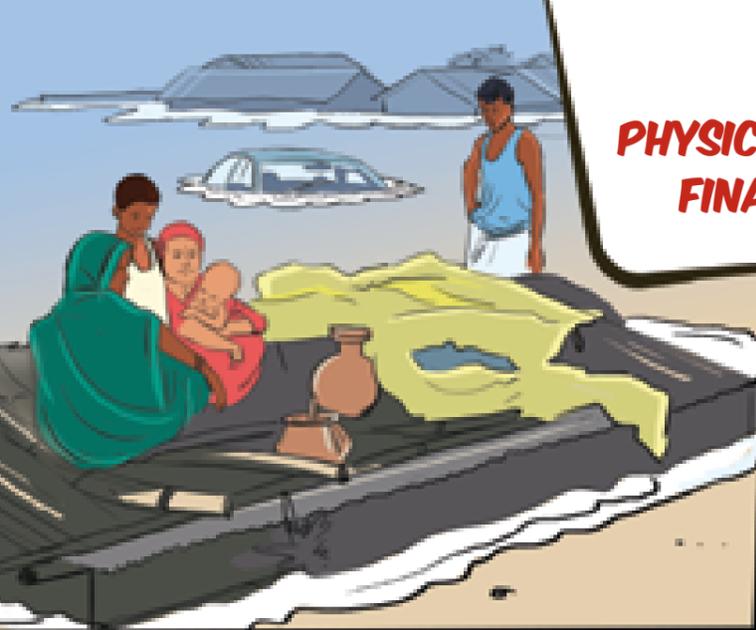
Note: Green arrow denotes positive movement

PERFORMANCE HIGHLIGHTS IN FY 2019-20

- We focussed on niche segments of commercial vehicles viz. school buses, auto rickshaws and black and yellow taxis guided by our strategy of profitable growth
- Consequently, our loss ratio improved significantly to 57% from the previous year's 69%
- The slowdown in the industry impacted new business and resulted in a lower share of the Motor insurance segment
- To counter the auto slowdown, we increased drive to get into new strategic alliances and we successfully entered into tie-ups with new clients including Maruti Suzuki
- We also extended use of I-ViSS (Intelligent Video Streaming and Survey) to enable video chat and uploading of claims documents. This significantly aided in maintaining our service standards and customer delight even in pandemic scenario
- We used I-MoSS (Instant Mobile Settlement and Survey) that enable surveyors to process motor claims online and assess vehicle damage using uploaded pictures
- Diligently building up our other major lines of businesses such as Fire, Marine, Liability Engineering and Crop

STRATEGIC FOCUS

- Given that motor insurance business will be challenging in the short-term, focus will be on scaling up our new alliances
- Continue our digital transformation journey with increased vigour while innovation remains a strong growth driver
- Leverage our strengths in claim processing and calculated approach in serving profitable sectors to overcome external challenges
- Run focused cross-functional projects to optimise resources, and leverage technology to re-engineer cost structure



**PHYSICALLY UNDERWATER,
FINANCIALLY AFLOAT**



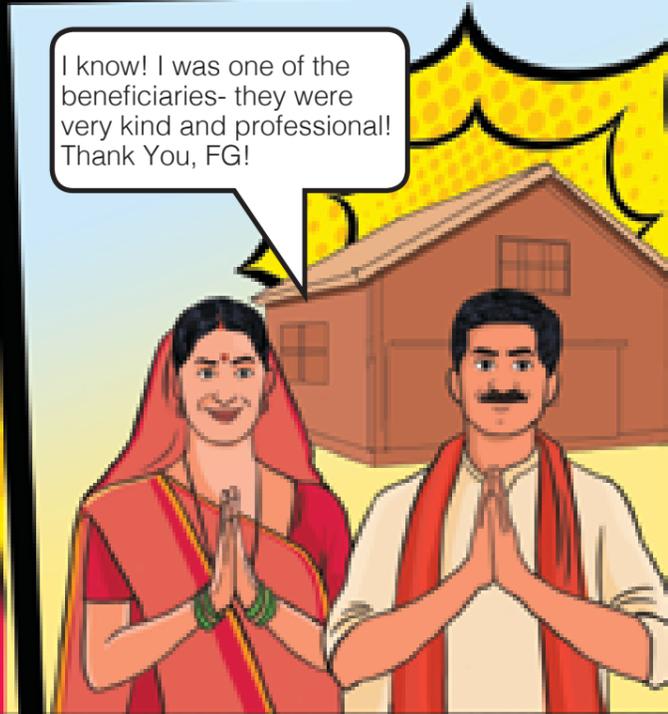
To facilitate a hassle-free claim service, the claim team simplified the documentation and verified most of the documents like RC Copy through the online portal.



When Bihar was drowning with rain last year, our claims department was overwhelmed with requests for help from customers. People were desperate and needed help in making their claims.



In cases of total losses, they settled claims outright, helping customers immensely.



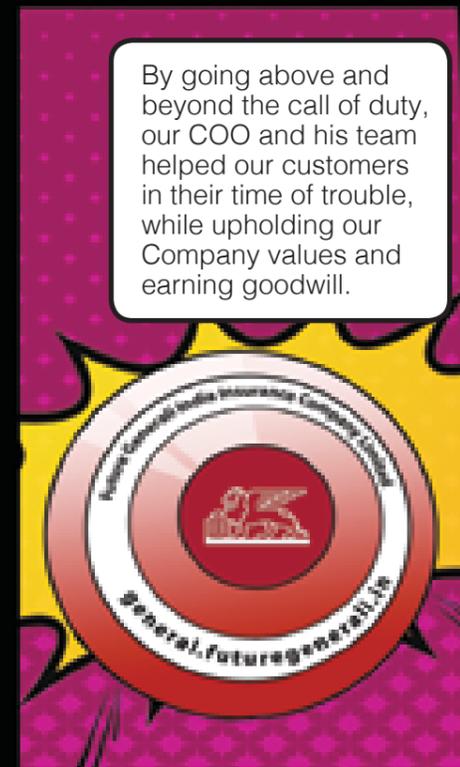
I know! I was one of the beneficiaries- they were very kind and professional! Thank You, FG!



That was the time when our COO Dr. Shreeraj Deshpande, led from the front, aided by Kundan Kumar, Abhishek Bhushan, Pankaj Kumar Sinha of the FGI Claims Department. They began their Operation Rakshak!



Since customers could not come to our office, the claims officers went to their residences to help with survey and documentation. These journeys were not comfortable as they had to overcome road blockages, underwater parking areas and debris to reach different homes.

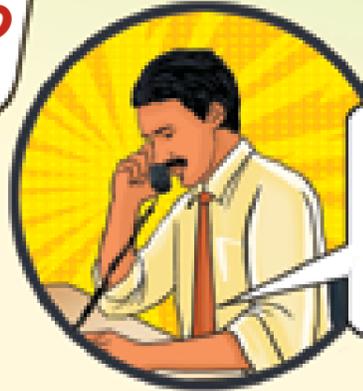


By going above and beyond the call of duty, our COO and his team helped our customers in their time of trouble, while upholding our Company values and earning goodwill.



THANK YOU, TEAM FG!

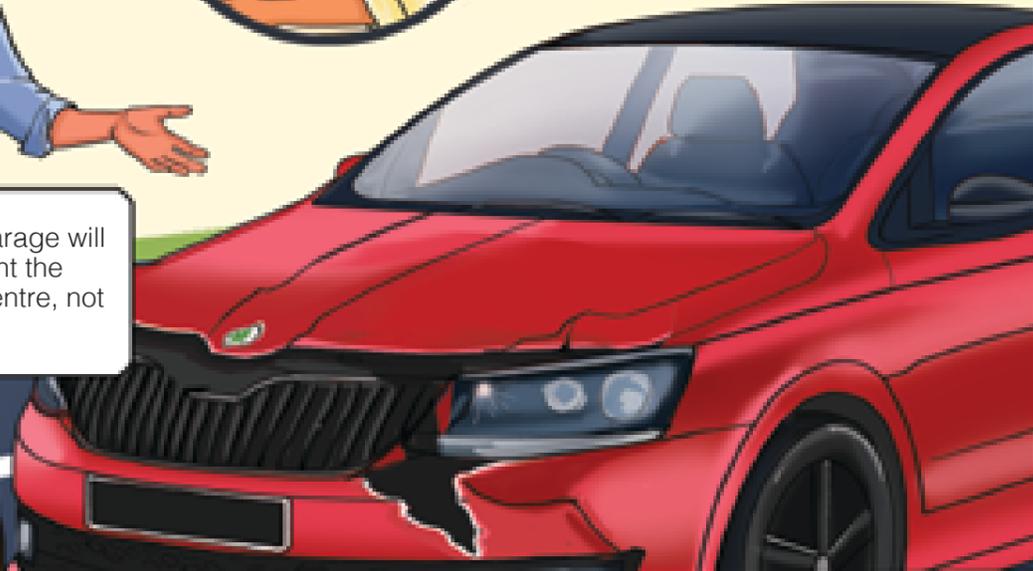
**SUCCESSFUL TURNAROUND
DURING LOCKDOWN**



Claims Officer: Yes sir, I understand your situation, but you see the problem is that you will not get a tow vehicle during the lockdown and Skoda does not have an authorised company workshop in Odisha.



Customer: But any other garage will not have Skoda parts! I want the repairs at the authorised centre, not any local garage!



Dr. Shreeraj Deshpande: It is our duty to protect the rights of the insured - please arrange to make the advance payment and get the work done quickly!

Nimish & Sanjay: YES SIR!!!



Claims Officer: Look sir, given the situation, this is the best solution - let's get the repairs done here, and I will speak to the HO to get his 50% advance approved as a special case.

Customer: I need my car in working condition asap!



Customer: Thank You Team FG! I appreciate your help in my time of trouble.

Nimish & Sanjay: The 'Thank You' must actually go to Dr. Shreeraj Deshpande, Champion COO, for proactive decision making and leadership. He has set a precedent in customer friendliness.

DEEPAK PRASAD

Champion Corporate Sales

THE PAST YEAR PROVED THAT TIMES MAY CHANGE, CIRCUMSTANCES MIGHT LIMIT OUR ACTIONS, BUT RELATIONSHIPS THAT WE BUILD AND SUSTAIN WILL KEEP OUR BUSINESS GOING. WE ARE CONFIDENT THAT OUR STRONG FOUNDATION WILL HELP US NAVIGATE THESE UNCERTAIN TIMES AND DELIVER CONSISTENTLY.



CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

FUTURE GENERALI
TOTAL INSURANCE SOLUTIONS

CORPORATE SALES IS A RELATIONSHIP BUSINESS. WE HAVE MASTERED THE ART OF KEEPING OUR RELATIONSHIPS, WHICH IS EVIDENCED IN OUR HIGH RENEWAL RATIO OF OVER 96%. WE HAVE HAD THE SAME SET OF PEOPLE SINCE THE PAST FIVE YEARS WHICH SPEAKS VOLUMES ABOUT THE CAMARADERIE BETWEEN TEAM MEMBERS.

Our efficient underwriting, prompt claim settlement and personalised service have helped us deliver another blockbuster year of growth. Rate revisions in property (fire insurance) as well as acquisition of new accounts helped us increase our premiums.

Our balanced portfolio mix is spread across property, marine, liability, miscellaneous and engineering segments. We serve both national and multinational corporates and operate in major cities in India.

RENEWAL RATIO
>96%

KEY HIGHLIGHTS IN FY 2019-20

- Gross Written Premium increased by 25% to ₹ 656 Crore
- Increased participation in major accounts
- Added a number of multinational accounts



STRATEGIC PRIORITIES



Consolidate existing businesses and identify opportunities to upsell

Leverage our Generali parent strengths to offer more global property and employee benefit insurance policies

Increasing focus on Health Insurance

**RIGHTING A WRONG,
SETTLING THE CLAIM**

Nitin Kumar: How can FG refuse the maternity benefit after I bought the policy from an intermediary, their official channel?

Accountant: Sorry sir, please make a complaint, I can do nothing.

Claims Officer: Hi Mr. Nitin Kumar, I am glad to inform you that we have resolved the issue, and your claim will be settled as per the norms.

Nitin: Thank you for the prompt follow up and settling my claim!

Nitin: I do not know what is going on, but I bought and paid for the policy, and now I am being denied my claim – tell me why?

Claims Officer: Please let me look into it – I will try to resolve the problem

Deepak Prasad: Please use this as a case study and ensure that your team does not make this mistake again. It hurts our reputation and does not benefit you.

Intermediary staff: We will surely ensure that it is not repeated.

Claims Officer: If these are the facts of the case, you have made a mistake. We need to be very careful while communicating and selling.

Nitin: Thanks to Deepak Prasad and his team, we are a happy family!

RAGHAVENDRA RAO

Champion Retail Sales

DURING THE YEAR, WE DELIVERED A GOOD PERFORMANCE IN THE RETAIL VERTICAL BY EXPANDING OUR TEAM, NEW TIE-UPS WITH AUTO MAJORS, FOCUSING ON CUSTOMER SERVICE AND LEVERAGING OUR DIGITAL PLATFORMS. WE AIM TO STRENGTHEN OUR PROCESSES WITH GREATER EFFICIENCY AND VIEW THE NEW NORMAL AS AN OPPORTUNITY TO DO BETTER.

RETAIL COMPRISES 65% OF THE COMPANY'S BUSINESS, AND DURING THE YEAR IN REVIEW, ITS PERFORMANCE HAS LED TO A GROWTH IN PREMIUM OF 17-18%.

We manage retail sales through our network of agents and agencies, motor dealerships, and direct marketing. During the year, we used digital technologies such as Agent's Virtual Office, i-MoSS and i-ViSS to ensure efficiency and business continuity. We continue to deliver value to our agents via timely payments, boosting their morale and supporting them through wellness initiatives.

KEY HIGHLIGHTS IN FY 2019-20

- Recruited, trained and deployed 2,000 new agents
- Focussed on developing business in health, fire and package insurance
- Improved and leveraged digital capabilities to grow faster than the industry
- New tie-ups with Tata Motors, Mahindra & Mahindra and Maruti Suzuki
- Enhanced our Reward & Recognition programmes and began disbursing incentives monthly

STRATEGIC PRIORITIES

- Focus on strengthening the health insurance business and increasing its profitability
- Enhancing customer experience through auto OEMs
- Improve our focus on renewals on profitability basis and cross-sell or upsell to existing customers
- Adding more digital platforms such as the I-Insure app to ensure business continuity
- Facilitating e-proposals for agents via Agent's Virtual Office

**FUTURE GENERALI
- THE SAVIOUR**

Miral: COVID-19 is spreading fast, people are panicking, but it is a crucial situation for us as it is the end of the financial year.

Raghavendra Rao: Have no fear, Team FG is here!

Congratulations to all of you! Three months went by and we did not slack in productivity, a special thank you to the R&R team for gifting smartwatches during the lockdown as a surprise. All of this would not be possible without our saviour Future Generali. Ashok, Nikunj and Sanjana and the claims team were exceptional in their support.

Miral's team member:
We must safeguard client interests.

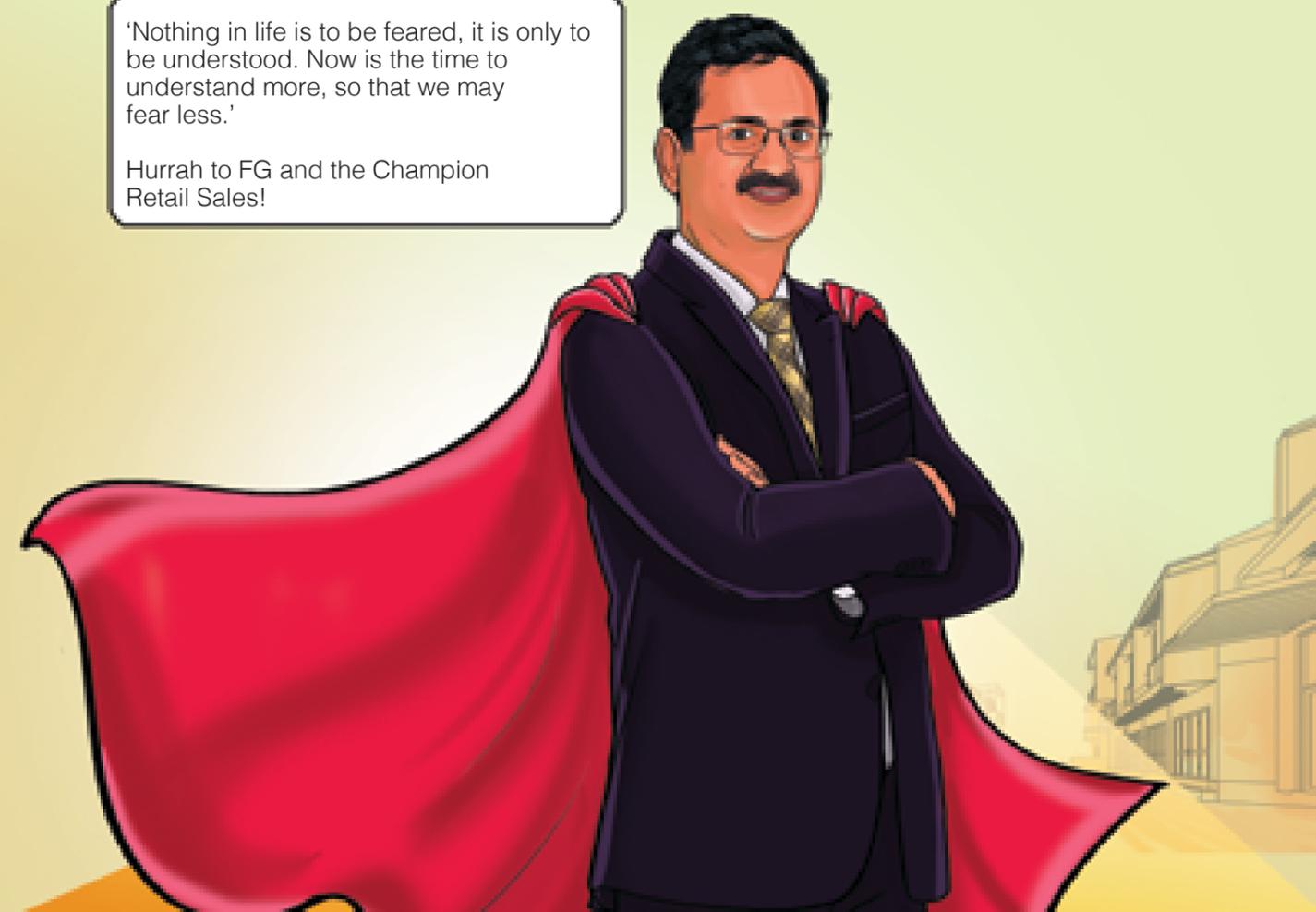
Miral's team member:
We need to give advance reminders for coming two months and claims team must process cashless requests speedily.

Miral's team member:
We must speed up the app development and complete our recruitments immediately.

Miral's team member:
Yes, and also, we must pay salaries and the increments due.

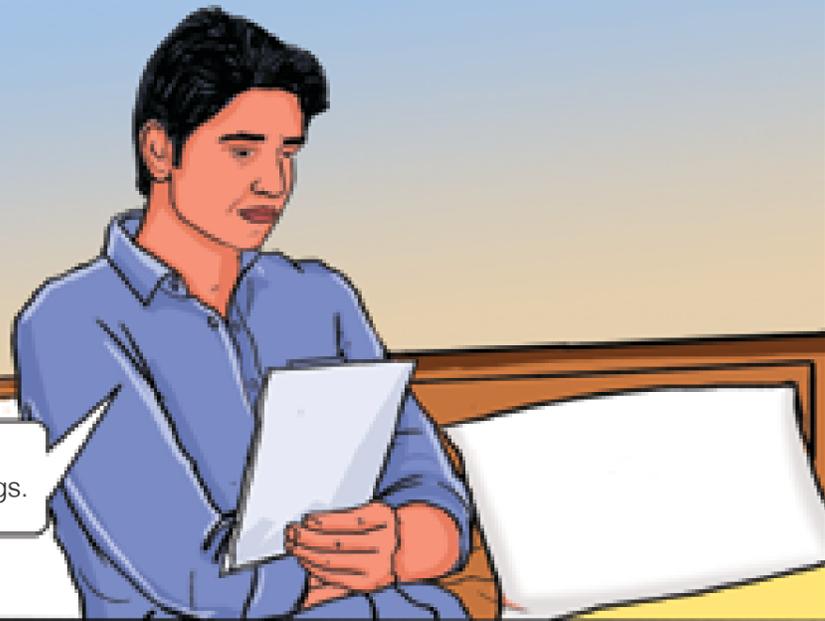
'Nothing in life is to be feared, it is only to be understood. Now is the time to understand more, so that we may fear less.'

Hurrah to FG and the Champion Retail Sales!



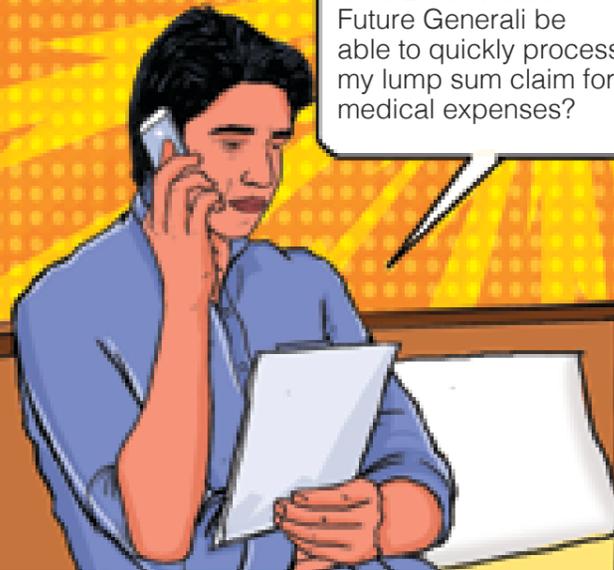
**HELPING HAND
IN DIFFICULT TIMES**

Chirag Thakkar: This COVID-19 diagnosis and treatment is going to eat into our savings.



Chirag's wife: I think you should inform Mr. Rao about this, I am sure he would help us out.

Chirag Thakkar: Sir, I have contracted COVID-19. Would Future Generali be able to quickly process my lump sum claim for medical expenses?



Himanshu Modi: Oh no! Please take care. I will certainly look into it.



Himanshu Modi: Sir, one of our agents has contracted COVID-19 and has put in a request for a claim.



Raghavendra Rao: Please release it immediately. We must support our agents through these difficult times.



Chirag Thakkar: Sir, thank you, thank you! We have received ₹ 50,000 in my bank account. My family and I highly appreciate your support in these difficult times. In my 12 years of experience as an agent, I know that Future Generali is the most prompt and caring insurance company.



ANURAG SINHA

Champion Bancassurance

THE LARGE-SCALE CONSOLIDATION OF BANKS WAS ONE OF THE HIGHLIGHTS OF THE YEAR. WE RESPONDED BY WORKING CLOSELY WITH OUR NETWORK OF BANK BRANCHES, SELLING SERIES OF SYNERGISTIC PRODUCTS TO THEIR CUSTOMERS. SELLING RETAIL POLICIES TO SAVINGS ACCOUNT CUSTOMERS HAS ENSURED MORE INTERACTION AND BETTER RELATIONSHIP OF THE CUSTOMERS WITH THE BANK. GOING FORWARD, WE SEEK TO SELL PRODUCTS TO MORE SAVINGS BANK ACCOUNT HOLDERS IN BOTH URBAN AS WELL AS RURAL AREAS.

The series of mergers amongst PSU banks has led to the creation of twelve banks from the erstwhile twenty-six. This consolidation has a direct impact on bancassurance business as every bank is only permitted three insurance tie-ups in each segment. We responded by reducing the number of bank branches mapped to our network of employees; so as to have better presence enabling us to offer a slew of synergistic products. Besides targeting loan book customers, our accent has also been to cross-sell to loan book customers besides offering appropriate products to savings account customers of banks. It goes without saying that cross-selling to loan book customers delivers better protection to both the insured as well as the bank. It enables customers to recover financially from risks, thus ensuring timely repayment of dues. We are also keenly pursuing opportunities for health covers in rural areas with innovative policies.

Our relationship with three private banks, IDFC First Bank, Nainital Bank and Lakshmi Vilas Bank has strengthened even more in FY 2019-20. So has been our relationship with 8 RRBs that we work as their Bancassurance partners. In all the banks we emerged as a preferred partner of choice, mainly because of the products we were able to offer as per their requirements with full back up by Claims. Even our engagement in cooperative banks has seen an upsurge having received several appreciations from them on account of quick claims settlement by us.

KEY HIGHLIGHTS

- Maintained active relationships across our 14,000-branch network with efficient manpower mapping
- Strengthened our rural presence through Regional Rural Banks in Haryana, Himachal Pradesh, Punjab, Rajasthan, UP and West Bengal
- Added 2 cooperative banks
- Business grew by 57% and loss ratio stood at 47.68%



OUR STRATEGIC PRODUCTS FOR SPECIFIC TARGET GROUPS

- Surakshit Loan Bima to cover Critical Illness, personal accident as well as the loss of jobs for loan account holders
- Cross-selling of personal accident insurance covers to Kisan Card Holders

- Household, travel, health and accident insurance for savings account holders
- Affordable hospitalisation insurance for rural people

PRIORITIES FOR THE FUTURE

- Pursue business opportunities amongst the millions of savings account holders of UCO Bank and Bank of Maharashtra and

- other banks with whom we have a partnership
- Leverage strategic tie-up with Bank of Maharashtra and UCO Bank
- Continue to deliver innovative, value-added products, along with excellent client service as a means to strengthen our business relationships

**FUTURE GENERALI'S
HUMAN TOUCH**

Floods have ravaged the city of Kolhapur and disrupted the lives of the citizens.



Amol Ashok Mane: This is not just about claims, but it is about standing by our customers, in their times of trouble. For many we are the sole source of hope.



Anurag Sinha : Oh God! This is a disaster- it will ruin so many people and families. We must do everything we can to help these people.



Amol Ashok Mane: No need to thank me, I am just doing my duty as an insurer and as a human being!



Amol Ashok Mane: Don't worry - I will try my level best to ensure that you get compensation as per the claim.



Anurag Sinha: Congratulations to Amol Ashok Mane for going above and beyond the level of duty and displaying the Generali character of human touch, winning customer trust and displaying humility!



FORTIFYING THE CORE

AJAY PANCHAL
CHAMPION RISK

RITHI SETHI
CHAMPION INTERNAL
AUDIT

ASHISH LAKHTAKIA
CHAMPION LEGAL COMPLIANCE
& SECRETARIAL

LATIN ARORA
CHAMPION ACTUARY



**RISK; INTERNAL AUDIT; LEGAL,
COMPLIANCE & SECRETARIAL
AND ACTUARIAL FUNCTIONS
MAINTAIN A STRONG
FOUNDATION IN MULTIPLE
DIMENSIONS, ENABLING THE
COMPANY TO MAXIMISE
PERFORMANCE WHILE
MINIMISING RISK.**

INTERNAL AUDIT FUNCTION

The Company has an independent and objective Internal Audit Function established by the Audit Committee (AC) to examine and evaluate the adequacy, effectiveness and efficiency of the internal control system and all other elements of the system of governance, through assurance and advisory activities for the benefit of the Audit Committee, the Senior Management and other stakeholders. The mission of the Internal Audit Function is to enhance and protect organisational value by providing risk-based and objective assurance, advice, and insight. The Chief Internal Audit Officer reports functionally to the Audit Committee and administratively to the CEO. The Company has a Board approved 'Internal Audit Policy' has been set up in accordance with the Corporate Governance Guidelines and all audits are performed as per the International Standards for the Professional Practice of Internal Auditing (IPPF).



RISK MANAGEMENT

Development and Implementation of Risk Management Policy

The Company has a Board approved 'Risk Management Policy' and 'Operational Risk Management Policy', which details principles, strategies and processes aimed at identifying, evaluating and monitoring risks. The Risk Management System relies on the following building blocks:

<p>Risk Governance</p> <p>The Company's Risk Governance structure is based on Three Lines of Defence: The operational structures (Risk Owners), the Risk Management and the Compliance and finally Internal Audit. This is supported by various policies and guidelines.</p>	<p>Risk Management Controls and Limits</p> <p>The Company has an independent Risk Management function headed by Chief Risk Officer (CRO). It monitors and controls the risks evolution at different operating structure levels. Risk Champions are appointed to support Risk Takers/Owners in their monitoring activities.</p>
<p>Risk Measurement and Models</p> <p>The Company's Risk Management team and risk owners discuss jointly the various risks and profile them as per risk scenario, severity and probability.</p> <p>The Company also has tools to monitor limits associated with investment function and to assess the impact of various risks results on solvency.</p>	<p>Further, Monitoring reports (MIS) are generated from systems and reported to take appropriate actions. The Risk Tolerance Limits are approved by the Risk Management Committee and incorporated in respective standard operating procedures (SOPs) and guidelines. These limits/indicators are monitored on the monthly/quarterly basis.</p>
<p>Embedding in Business Processes</p> <ul style="list-style-type: none"> • Incorporated limits in IT systems i.e. incorporation of limits in IT systems and SOPs • Training to Risk Champions nominated on Key Risk Indicators and Key Control Indicators monitoring and their participation in risk management activities • Risk assessment of outsourced vendors as per IRDAI guidelines • Update Business Continuity Management and conduct process test drills periodically • Trainings are conducted on risk management, underwriting, products, IT system, selling skills, fraud control, insurance domain customer service etc. 	

ACTUARY FUNCTION

The Company's Actuary function is manned by qualified and skilled general insurance actuaries. As per the IRDAI requirements, the Company has a full-time actuary appointed by the regulatory body to overlook all the major insurance functions. The full-time actuary, along with other team members, is required to maintain the required solvency levels at all times and take timely corrective actions as required. The Actuarial function is also responsible for the pricing of new Company products at the optimal level. Ensuring that the activities of the Company are within the boundaries set by the regulator; tracking the rates charged to maintain the profitability and the boundary of the filed rates; maintaining sufficient reserves for future claim payments; and reporting regularly to the regulator to support the fact that the Company is competent to continue doing business and accept new risks are among the main responsibilities discharged by the Actuarial function.

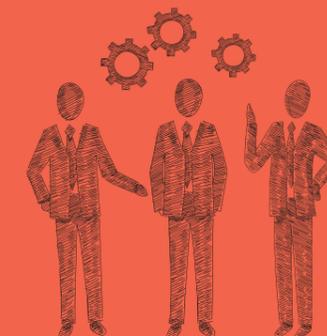
LEGAL, COMPLIANCE & SECRETARIAL

Legal, Compliance & Secretarial perform vital functions within the organisation by highlighting the major risks of the organisation and methods of preventing or mitigating such risks. Legal risk is the risk of suffering a loss due to lawsuits, adverse judgements or contracts that can adversely affect the Company. This includes, but is not limited to, the exposure to fines, penalties, or punitive damages resulting from regulatory interventions or actions. The Legal Team is responsible for ensuring that the claims and policy-related complaints filed against the Company with Insurance Ombudsman and at various Commissions/Courts are handled efficiently in accordance with relevant laws, regulations and also play key roles in risk mitigation strategies in Contract Management and Corporate Litigation.



Compliance monitoring is the quality assurance testing carried out over day-to-day activities of the business. As a second line of defense and for the assurance of the Board, the Company is operating within a compliant framework. The Company manages its compliance risk that can include regulatory sanctions; legal; financial loss; loss to the reputation of the Company as a result of its failure to comply with applicable laws, regulations, codes of conduct etc.

The Secretarial team is responsible for the efficient administration of the Company and ensure that the decisions of the Board of Directors are implemented. It updates the Chairman and the Directors on their responsibilities under various laws. It also assists the Board in the conduct of affairs in a transparent/ethical manner and facilitates convening of Board, Committees, and Shareholders' Meeting of the Company. It plays a pivotal role in ensuring good corporate governance in the Company.



The Legal, Compliance & Secretarial function ensure that the Company and its acts are as per the legal, regulatory guidelines, external laws and regulations as applicable from time to time.

INSURANCE REPORT

INDIAN ECONOMY OVERVIEW

In FY 2019-20, the Indian economy witnessed a decline in GDP growth rate to 4.2% as against 6.1% in FY 2018-19. The global economic slowdown, weak consumption, private investment, and liquidity crisis in the non-banking finance sector impacted economic activity. The outbreak of the COVID-19 pandemic in Q4 FY 2019-20 unleashed unprecedented challenges and dampened the economic outlook as lockdowns and other social measures stalled economic activity. (Source: Central Statistics Office)

Though fiscal and monetary measures by the Government and the RBI are expected to provide some support, the Government rolled out a ₹ 20 lakh Crore stimulus package to support the underprivileged and small and medium enterprises. 'Atmanirbhar Bharat Abhiyan' was also rolled out to promote the Government's vocal for local campaign and help support domestic companies. The RBI reduced repo rates by 115 bps to 4.0% and reverse repo rate by 155 bps to 3.35% to inject liquidity in the economy.

The International Monetary Fund (IMF) expects the Indian economy to de-grow by 4.5% in FY 2020-21 before rebounding to 6% in FY 2021-22 buoyed by fiscal and monetary stimulus. The country's long-term growth outlook remains positive led by reformative policies like Goods and Services Tax (GST), Insolvency and Bankruptcy Code (IBC) and Foreign Direct Investment (FDI) liberalisation. Measures like corporate tax rate cuts, infrastructure investment programmes, and bank recapitalisation will provide more support.

(Source: International Monetary Fund, World Economic Outlook June 2020)

GENERAL INSURANCE OVERVIEW

In FY 2019-20, the Gross Direct Premium Income (GDPI) of general insurance companies grew by 11.49% from ₹ 1.69 trillion to ₹ 1.89 trillion. It exhibited a decadal compounded growth of 18.46% from a value of ₹ 34.76 Billion as on March 31, 2010 led by strong growth from private players since the opening of the sector in 2000.

The GDPI of private and public players grew 12.2% and 6.4% respectively and their market share stood at 48.2% and 38.6% respectively in FY 2019-20. Growth was primarily led by the Fire segment which grew by 36.1%, Health by 13.41% and Motor Third-Party by 12.15%. (Source: IRDAI)

Though general insurance has grown rapidly in the country since opening the sector to private players in 2000, the industry remains highly underpenetrated. The GDP to premium ratio in India was at 0.97% of Gross Domestic Product as against the global average of 2.78% which indicates a high potential for growth. India's favourable demographics, growing disposable incomes and rising awareness about insurance will support the development of the sector. IRDAI continues to introduce regulatory changes to promote the orderly growth of the industry and ensure welfare of customers. (Source: Swiss Re)

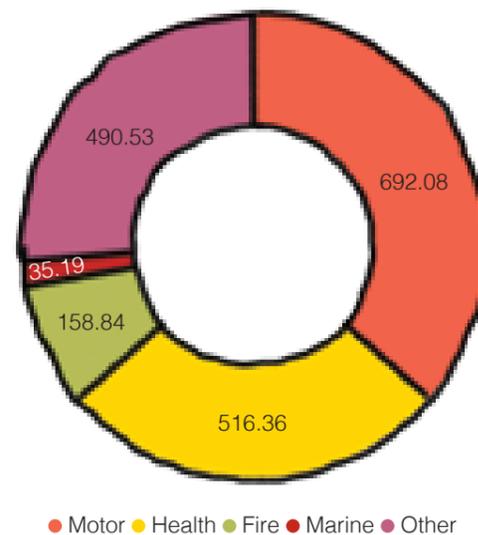
INDUSTRY DEVELOPMENTS

FY 2019-20 witnessed several positive developments on the regulatory front. The IRDAI allowed insurers to make available standalone annual own damage (OD) covers for both old and new cars and two-wheelers. This includes standalone OD cover for fire or theft if opted by the policyholder. Further, the compulsion of issuing bundled policies was removed, allowing a buyer to choose to buy policies separately from their preferred insurers. It also introduced the 'Regulatory sandbox' initiative which allows insurers to live test their new, innovative products in a controlled regulatory environment. This will drive innovations and make the industry more productive. The year saw a total of 49 products receiving approval under this initiative.

The year also witnessed the General Insurance Corporation of India (GIC Re) hiking premiums for property insurance across all 291 occupancies under the fire segment and IRDAI for motor third party. This will make fire and motor third party insurance more cost-effective for insurers.

The outbreak of the COVID-19 pandemic led new developments in the segment. IRDAI extended renewal premium payments till May 15, 2020 for Motor Third Party and Health insurance while also instructing insurers to speed up COVID-19 related hospitalisation claims under health policies. Insurers were also advised to ideate specific health policies, covering treatment costs for the coronavirus infection.

General insurance market by insurance type (FY 2019-20) (in ₹ billion)



(Source: IRDAI)

SECTORAL ANALYSIS

Health Insurance

Healthcare insurance continues to be one of the largest general insurance segments with a GDPI growth of 13.41% from ₹ 455.32 billion in FY 2018-19 to ₹ 516.36 billion in FY 2019-20. The onset of COVID-19 has led to increased awareness for the health insurance industry to tackle unfavourable risks and provide a cushion to manage hospitalisation expenses. This has also led to the IRDAI instructing the players involved to make health products more customer-friendly so that they can derive maximum benefits from it. It also issued guidelines to ensure coverage of any claims under health insurance policies and the treatment thereunder shall not be denied to active plans. The pandemic has led to the introduction of several need-based products to benefit policyholders.

Further, in a bid to enhance health insurance coverage in India, the National Health Authority (NHA) is planning to initiate three-year pilot projects with insurance companies. It will enable them to use the Pradhan Mantri Jan Arogya Yojana (PMJAY) platform for group insurance plans at specified rates and packages. This will benefit around 10 Crore uninsured individuals and increase awareness of health insurance in India.

The industry also witnessed a steady rise in the number of Indian workers registered with Employees' State Insurance Corporation (ESIC), a self-financing social security and health insurance scheme. ESIC saw new registrations of 2.06 Crore workers, of which 1.51 Crore are contributing towards the scheme.

India continues to be a nation with one of the highest out-of-pocket expenditure for healthcare due to the low penetration of health insurance, especially in the rural areas. The total per capita government spending on healthcare stands at a low of ₹ 1,944 in FY 2019-20, despite having nearly doubled from ₹ 1,008 per person in FY 2014-15. In FY 2019-20, the Centre and states spent a total of ₹ 2.6 trillion, i.e. 1.29% of GDP, on healthcare having grown at a 15% CAGR in the last five years. The Government's increased spending will see the sector growing strongly in the coming years.

Motor Insurance

Motor Insurance continues to be the largest general insurance segment with a GDPI of ₹ 692.08 billion in FY 2019-20. However, the growth rate was only 7.26% despite an increase in premium rates as the automobile sector is in a downcycle due to a change in emission norms and a shift happening towards electrification of vehicles. As per the Society of Indian Automobile Manufacturers (SIAM), automobile production in the country declined considerably from 30.91 million in FY 2018-19 to 26.36 million in FY 2019-20. It accounted for 36.56% market share of overall general insurance.

The IRDAI introduced several favourable initiatives to support the insurance segment. It called for an increase in premium rates – i.e. 21% for two-wheelers with engine capacities between 150cc and 350cc, 12% for cars with engine capacity up to 1000cc and 12.5% for those between 1000cc and 1500cc. It has allowed issuance of standalone annual own damage (OD) covers for both old and new cars and two-wheelers, including for fire or theft

if included. The norm of issuing bundled policies was removed, giving policy buyers the freedom to choose their preferred insurers.

Micro Insurance

Micro Insurance is a public-private partnership that uses a market-based mechanism to reduce poverty. It operates through Non-Government Organisations, Self-Help Groups, and Micro-Finance Institutions with several insurance companies partnering with them to tap the rural market. The IRDAI allowance to cooperative banks, regional rural banks, primary agricultural co-operative societies, and specific individuals as micro-insurance agents along with facilitating PoS (Point of Sale) channels will ensure its growth. Almost 40.35 Crore bank account holders under Jan Dhan Yojana are being provided the benefit of micro insurance in addition to others. The Government's target to drive financial inclusion and promote micro insurance for enhancing financial security will contribute to the segment's growth in the coming years.

Industry Outlook

India's non-life insurance industry has grown rapidly in the past two decades to become the 15th largest market globally. Although the COVID-19 pandemic may impact the industry due to lockdown and travel restrictions, it will also provide an impetus to the growth of health insurance as people realise its importance in the current times.

The industry remains underpenetrated with the regulator driving favourable policies and Indian demographics providing the right growth platform, the non-life insurance industry is set for an upward trajectory. (Source: Swiss Re Sigma)

GROWTH DRIVERS

Favourable demographics: India has one of the largest youth populations with a median age of 28.4 years in a population of 1.38 Crore. The youth are also more educated and aware of the benefits of insurance. Hence, they are a key target group for insurers. (Source: Worldometer)

Rising affluence and consumption: India's GDP per capita income has risen from ₹ 90,000 in FY 2013-14 to ₹ 1,52,000 in FY 2019-20. There is significant growth in the population of affluent consumers who are increasingly spending more for better living standards and this will drive the need for insurance. (Source: CMIE)

Government support: The present Central Government has launched multiple central insurance schemes like National Health Protection Scheme under Ayushman Bharat and Pradhan Mantri Fasal Bima Yojana (PMFBY) for farmers.

Digitalisation: Digital technologies are providing unmatched convenience to customers for buying, availing services and claims settlement. The recent push to digitalisation due to COVID-19 lockdowns will assist in customers increasingly using technology for their insurance needs.

Emerging risks: India is witnessing rising instances of climate change related extreme climatic conditions and cyber security breaches. This will drive the demand for climate change insurance and cyber security insurances.

KEY RISKS AND THEIR MITIGATION

At Future Generali India Insurance Company, we have robust policies on risk management and operational risk management detailing principles, strategies and processes to identify, evaluate and monitor risks. We follow a Three Lines of Defence risk governance structure to ensure highest level of control comprising operational structures, risk management, compliance and Internal Audit.

The Risk Management function is made stronger by having a Chief Risk Officer, Risk Champions who support risk takers / owners in monitoring activities, Risk Management Sub-committee at Management level and Risk Management Committee at the Board level. Risks Tolerance limits are defined and approved by the Risk Management Committee whereas some critical limits are inbuilt in the system to ensure 100% compliance. Monitoring reports (MIS) are generated from systems and reported to concern authority on a regular basis.

The Risk Management team and risk owners discuss the risks incorporated in the Risk Map which are classified to appropriately map risks with risk scenarios. We undertake preparing the risk profile depending on severity and probability of risks to set mitigation priorities. Alongside credible loss scenarios, the impact on the Company's performance are also assessed. Adequacy of existing risk control measures are reviewed and recommended controls if not sufficient. We have tools to monitor limits associated with investment function and to assess the impact of various risks results on solvency. We further practice modelling catastrophic risk prior to renewal of reinsurance program, carrying out Assets and Liability Management using LOB wise gap analysis.

OUR THREE LINES OF DEFENCE FOR RISK GOVERNANCE

- Operational Structures (Risk Owners)
- Risk Management and the Compliance
- Internal Audit

STRATEGIC RISKS

Inability to comprehend the competitive scenario and strategic errors as a result of it may have an adverse impact on our business.

Mitigation

- Our robust control systems facilitate regulating all processes
- We practice double-level scrutiny whereby each business is managed by a dedicated team along with supervisory control
- Our entire portfolio and business is centrally managed by the senior management resulting in a vigorous control mechanism
- We ensure centrally vetoing all risk assumptions that are beyond our defined threshold risk
- We update Business Continuity Management and conduct process test drills periodically

ACTUARIAL/UNDERWRITING/PRICING RISKS

Any wrong assumption in modelling by our actuarial function to generate the technical price of products and in quantifying probable future risk/uncertainty and its financial implication may lead to losses

Mitigation

- Use of advanced software like Freeware, Clickview, R Software, EMBLEM and VBA modelling for analysing emerging scenarios, developing predictive modelling and viewing developments in real-time facilitates in high accuracy of our actuarial function
- These technologies assist in competitively pricing products and building the right portfolio to enable us to meet claims
- We also adopt a policy-driven and regulatory compliant underwriting approach to further reduce probable losses from unpredictable events

SOLVENCY RISKS

Inability to maintain an adequate solvency ratio may stress our balance sheet in case of significant unforeseen exigencies.

Mitigation

- We ensure the health of our balance sheet by adhering to all regulatory requirements under the supervision of our Risk Management Committee (RMC) along with the following rigorous risk management practices
- Our solvency ratio at 151% in FY 2019-20 (154% in FY 2018-19) is well above the regulatory mandate
- We have strategically invested in liquid debt instruments to meet our short-term obligations

REGULATORY RISKS

Non-compliance in the highly regulated Indian insurance industry may lead to censure or closure.

Mitigation

- We maintain high ethical and governance principles and adhere to regulatory compliances. We take inspiration from the rich lineage of our parent companies who have strong corporate governance and ethical practices
- Our management is frequently updated on regulatory developments and ensures prompt adoption of necessary process changes

INVESTMENT RISKS

Inability to meet prospective liabilities/obligations or generate reasonable risk-adjusted returns can lead to income loss and business interruption.

Mitigation

- Our experienced investment management team follows due diligence to make investments in safe portfolios that can generate superior risk adjusted returns
- The team continuously monitors portfolios to monitor various risks inherent to our investment operations
- Our solid control structure – investment mid-office, risk management team and sub-committee (a management oversight committee) and RMC of the Board – enable us to maintain good track record in any fixed income exposures
- Our Assets Under Management have grown at a CAGR of 21% to ₹ 4,326 Crore as on March 31, 2020 in the last 5 years
- We have set limits in IT systems for investments, reinsurance retention and treaty, underwriting authority limits in Policy Asia and performance measurement evaluation on RACE

CATASTROPHE RISKS

The Company is exposed to the risk of occurrence of unpredictable events.

Mitigation

- We regularly evaluate zonal risk accumulation and implement preventive measures to keep associated risks under check
- We actively engage in reinsurance arrangements to partly mitigate risks
- We also continually estimate the loss probability of various emerging risks such as terrorist attacks, personal accidents, death and asset destruction among others

CORPORATE INFORMATION

BOARD OF DIRECTORS

G. N. Bajpai - Chairman
Non-Executive Director

Kishore Biyani
Non-Executive Director

Vijay Biyani
Non-Executive Director

Krishan Kant Rathi
Non-Executive Director

Sanjay Jain
Non-Executive Director

Parth Gandhi
Non-Executive Director
(Appointed w.e.f. August 14, 2019)

Hayden Seach
Non-Executive Director
(Resigned w.e.f. May 14, 2019)

Jennifer Sparks
Non-Executive Director

Fabrice Benard
Non-Executive Director
(Appointed w.e.f. August 14, 2019)

Bhavna Doshi
Independent Director
(Re-appointed w.e.f. March 24, 2020)

Devi Singh
Independent Director
(Re-appointed w.e.f. March 24, 2020)

Abhinandan K. Jain
Independent Director

Anup Rau
Managing Director & Chief Executive Officer (CEO)
(Appointed w.e.f. June 06, 2019)

KEY MANAGEMENT PERSONS

Anup Rau
Managing Director & CEO
(Appointed w.e.f. June 06, 2019)

Ajay Panchal
Chief Risk Officer

Anurag Sinha
Chief Bancassurance Officer

Ashish Lakhtakia
Chief Legal & Compliance Officer and
Company Secretary
(Appointed w.e.f. June 06, 2020)

Ashwani Kumar Arora
Appointed Actuary
(Resigned w.e.f. November 29, 2019)

Deepak Prasad
Chief - Corporate Sales

Devi Dayal Garg
Chief Financial Officer

Jatin Arora
Appointed Actuary
(Appointed w.e.f. December 17, 2019)

M. Raghavendra Rao
Chief - Retail Sales

Milan P. Shirodkar
Chief of Investments

Rajiv Joshi
Chief Legal Compliance &
Secretarial Officer
(Resigned w.e.f. close of business
hours of June 05, 2020)

Ritu Sethi
Chief Internal Audit Officer

Ruchika Malhan Varma
Chief Marketing Officer
(Appointed w.e.f. February 04, 2020)

Shreeraj Deshpande
Chief Operating Officer
(Re-designated w.e.f. September 09, 2019)

INVESTMENT COMMITTEE

G. N. Bajpai - Chairman
Krishan Kant Rathi - Member
Anup Rau Velamuri - Member¹
Ajay Panchal - Member
Devi Dayal Garg - Member¹
Ashwani Kumar Arora - Member²
Milan P. Shirodkar - Member
Jatin Arora - Member³
¹Inducted w.e.f. May 14, 2019
²Resigned w.e.f. November 29, 2019
³Inducted w.e.f. February 04, 2020

POLICYHOLDERS' PROTECTION COMMITTEE

G. N. Bajpai - Chairman
Krishan Kant Rathi - Member
Fabrice Benard - Member¹
Hayden Seach - Member²
Sandip Tarkas - Expert
Representative of Customer
¹Inducted w.e.f. August 14, 2019
²Resigned w.e.f. May 14, 2019

RISK MANAGEMENT COMMITTEE

G. N. Bajpai - Chairman
Krishan Kant Rathi - Member
Fabrice Benard - Member¹
Hayden Seach - Member²
¹Inducted w.e.f. August 14, 2019
²Resigned w.e.f. May 14, 2019

ETHICS AND COMPLIANCE COMMITTEE

G. N. Bajpai - Chairman
Krishan Kant Rathi - Member
Fabrice Benard - Member¹
Hayden Seach - Member²
¹Inducted w.e.f. August 14, 2019
²Resigned w.e.f. May 14, 2019

NOMINATION AND REMUNERATION COMMITTEE

Bhavna Doshi - Chairperson
G. N. Bajpai - Member
Devi Singh - Member
Krishan Kant Rathi - Member
Abhinandan K. Jain - Member

AUDIT COMMITTEE

Bhavna Doshi - Chairperson
G. N. Bajpai - Member
Devi Singh - Member
Abhinandan K. Jain - Member

CSR COMMITTEE

Devi Singh - Chairman
Krishan Kant Rathi - Member
Fabrice Benard - Member¹
Hayden Seach - Member²
¹Inducted w.e.f. August 14, 2019
²Resigned w.e.f. May 14, 2019

BANKING AFFAIRS COMMITTEE

Krishan Kant Rathi - Chairman
Anup Rau - Member¹
Shreeraj Deshpande - Member²
Devi Dayal Garg - Member²
¹Inducted w.e.f. May 14, 2019
²Inducted w.e.f. February 04, 2020

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai- 400083
Tel: +91 22 4918 6000
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

CORPORATE IDENTIFICATION NUMBER

U66030MH2006PLC165287

IRDAI REGISTRATION NUMBER

132

REGISTERED OFFICE & CORPORATE OFFICE

Unit No. 801 & 802, Tower C,
247 Embassy Park, LBS Marg,
Vikhroli (West), Mumbai - 400083. India.
Tel.: 91 22 4097 6666
Fax: 91 22 4097 6900
Email: fgcare@futuregenerali.in
Website: www.futuregenerali.in

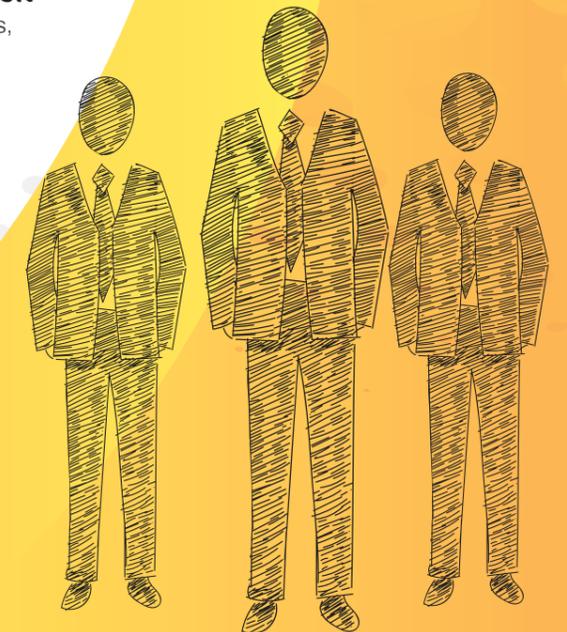
JOINT STATUTORY AUDITORS

Khandelwal Jain & Co.
Chartered Accountants

M.M. Nissim & Co.
Chartered Accountants

SECRETARIAL AUDITOR

Anish Gupta & Associates,
Company Secretaries





STATUTORY REPORTS

64-115

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Fourteenth Annual Report of your Company along with the audited statement of accounts for the financial year ended March 31, 2020 (hereinafter referred to as the "year under review" or "the FY 2019-20").

1. FINANCIAL HIGHLIGHTS

The highlights of the financial results of the Company for the financial year ended March 31, 2020, as compared to the previous financial year ended March 31, 2019, is summarized below:

(Amount in ₹ '000)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Gross Direct Premium	34,174,942	25,539,377
Gross Written Premium	34,896,188	26,009,628
Net Written Premium	21,635,228	17,214,582
Net Earned Premium	19,815,812	15,747,148
Net Incurred Claims	11,821,244	10,830,490
Net Commissions	887,842	734,825
Management Expenses	8,914,444	5,881,259
Income from Investment	3,537,712	2,725,250
Profit /(Loss) before Tax	1,729,994	1,025,824
Profit /(Loss) after Tax	995,972	1,178,155
Number of policies issued	2,371,736	1,869,901
Number of employees	2,200	1,953

2. OPERATIONAL REVIEW

Industry Overview

The Gross Direct Premium of the industry for the period April 01, 2019 to March 31, 2020 grew from ₹169,799 Crore to ₹189,302 Crore on a year-on-year basis, constituting to a growth of 12%.

Company Overview

Your Company has completed its twelfth full year of operations. During the year under review, your

Company achieved a Gross Direct Written Premium of ₹3,417 Crore against ₹2,554 Crore in the previous year, registering a growth of 34% over the previous year. The Company earned a net profit of ₹99.60 Crore against a net profit of ₹117.82 Crore in the last year.

During the year under review, the Company has not changed its nature of business and continued the business of General Insurance as its core activity.

Regional and Branch Office Network

During the year under review, the Company had optimized 7 branch offices to ensure that productivity is increased. Your Company has a network of 126 offices (including the Registered & Corporate Office) across the country. The Company is further focused on expanding its geographical reach in order to increase its penetration in retail and rural business segments across the country.

Training and Development

Learning & Development (“L&D”) took a fresh view of the competencies in the FY 2019-20 in order to do things in a more efficient manner by partnering in the actual action, enabling the employees and associates in achieving their business goals and encouraging equal progress for the employees and intermediaries.

L&D department aligned itself with the business by closely understanding the business enablement requirements through TNI/Assessments, meetings with business leads to the front-liners and launching new programs. Employees were incentivized to pursue professional development & skills enhancement through qualifying exams of the Insurance Institute of India. Anti-Money Laundering & Know Your Customer (AML/KYC); Information Security Programs were conducted for the employees and intermediaries of the Company.

During the year under review, the following initiatives were taken by L&D:

- Created Single-Point-of-Contact (SPOCs) for major channels/departments to engage on a regular basis with business teams, bringing-in proactive initiatives catering to their training needs.
- Made learning more participative and created a culture of ownership of learning in E-learning and in the classroom setting.
- Training Management System (TMS) a paperless yet robust system was implemented to ensure process efficiency and higher productivity with training in real-time. It provided end-to-end training solutions on a digital platform for the trainers to enable effective, efficient and seamless functioning of L&D. Through TMS, processes became speedier, keeping the time and efforts low, saving on costs and making them more productive by scheduling all the steps as per SOP. It helped in boosting confidence among the employees and associates by engaging and enabling them at the right time and with more than what is normally expected from L&D.

- Shubh Aarambh: A new program for Agent recruitment was launched by the Company. It was the first program of its kind.
- Foundation1, a 2-day program for new agents was designed to equip the newly coded agents with the requisite product and process understanding. It also included exercises and activities to help the agent map his market and build skills necessary for developing a successful agency career.
- As an overall training structure, locations are divided into 3 categories based on the present business performance and the potential. Trainers plan their itinerary on covering a few locations, high on both performance and potential – every month; once in two-months; once in a quarter.
- Standardized the communication SOPs for training programs conducted and post-training, mailers were shared mandatorily by trainers to the concerned. It helped in real-time, corrective actions for coordination and ensured proper training. Due to this standardization, the number of training programs increased and also participation.
- Fortnightly virtual conferencing with trainers was held to review the progress as per plan. New programs are implemented and/ or initiated. Guests (internal) are also invited as per the requirement of the training team and the priority of the Company.
- Bank Branch Training Programs were started. The trainers cover 3-4 branches in a month and also as per the requirement of the Banca team.
- Centralized Employee Induction Program “Prarambh” was started as the second stage of the induction program of a new employee. In the first stage of the program, a con call with ZHR is carried out in the first week of joining of the employee and in the following month, new employees are invited for a 3-day workshop style Prarambh induction program.
- **SAKSHAM (Professional Development)** career linked programs were conducted on a self-nomination basis for Executives, Senior Executives & Assistant Managers of the Company.



₹ 995,972

Net Profit after Tax
(PAT) for FY 2019-20
(₹ '000)

- **Gate- A (Grade M1 to M2A)** for 10 e-modules was rolled out to employees and 880 employees have completed at least one module so far. In **Gate- B (Grade M3 to M5)**, 6 modules were facilitated in a classroom setting and 65 employees had completed domain modules.

Solvency Ratio

Your Company has been continuously monitoring its solvency margins in accordance with the requirements of Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016 and has maintained the required solvency margin as at March 31, 2020, at 1.51, which is above the requirement of 1.50 prescribed by the Insurance Regulatory and Development Authority of India.

Investments and Investment Income

The investment philosophy of the Company is 'Safety, Liquidity and Sustainable Returns'. All the investments are made in accordance with the Insurance Regulatory and Development Authority of India ("IRDAI") Regulations and the Investment Policy of the Company. Against the book value of investments of ₹4,346.4 Crore, the market value of the investments as on March 31, 2020, was ₹4,490.8 Crore. The weighted average return on Investments for the period ended March 31, 2020, was at 8.62% p.a. The Company earned a total Investment income of ₹351.7 Crore during the financial year ended March 31, 2020.

Human Capital

Your Company appreciates the importance of human resources and takes continuous efforts to strengthen its people processes and practices with an intent to improve efficiency and accountability within the organisation.

Your Company, to understand employee engagement levels and expectations, continues to conduct regular engagement surveys to assess the gaps. Based on the findings, employees' engagement strategies were built, and various engagement programs were implemented

to align the Company's objectives, vision and values, and also create alignment and collaboration across the organisation.

To impact and empower a larger population of employees, learning and employee communication are going digital in your Company. Modern delivery vehicles like mobile applications that drive e-learning and bite size learning with gamification and learning validation are being used for a larger coverage and effective learning retention. Talent Mapping was done across the organization to identify and nurture HiPos for focused development and to create a robust talent pipeline for future readiness.

As on March 31, 2020, your Company had a workforce of 2,200 to meet the growing needs by entering into new business lines and to strengthen the existing channels.

Operations

During the year under review, your Company's focus on digital adoption by channel partners and customers has helped improve digital policy issuance to 38%.

Your Company is determined to work beyond the customers' expectations and provide the best customer experience. The major initiatives undertaken to achieve this are –

- As a part of our focus on the Small and Medium-Sized Enterprises (SME) sector, we are continually enhancing our service offerings to seize the market potential and increase customer satisfaction. Additionally, aligned with customer preference for a Quick Turn Around Time, we have facilitated our channel partners so that they can respond to customer requirements in the most efficient and effective manner. Over the counter quote generation and policy issuance for Package policies for this segment, like Shops, Offices,



Hotels & Restaurants, Educational Institutions, Petrol Stations have been enabled in the Agent's portal (Agent virtual office-AVO).

- The portal has also been extended to our Bancassurance channel, thereby enabling the Sales Managers to directly service the customers of the various bank tie-ups.
- As hallmarks to achieve great customer service and to provide seamless experience, your Company has launched easy to use Mobile Applications for instant policy issuance and for pre-inspection of vehicles. The i-insure mobile application, enables our channel partners to source and issue individual health and personal accident policies with multiple online payment options. Similarly, the vehicle inspection application of our Agent virtual office portal enables our channel partners as well as our customers to self-inspect their vehicles, capture images/videos of their vehicles and upload it on this application. These images/videos are then examined and evaluated by the underwriters and decision on acceptance for insurance is given.
- We leveraged technological and digital advancements like Robotic Process Automation (RPA) tools to improve efficiencies in our various processes. This has improved customer satisfaction manifold by optimizing the processes and cutting timelines substantially for quicker and faster servicing.
- Your Company has received reaffirmation of the ISO 9001-2015 certification during the year under review for the core functions of Operations, Underwriting, Claims, Facility & Administration, Contact Centre & Customer Services and Health Processes.

Claims

The Health claims team of Future Generali has won various awards and recognitions in FY 2019-20 for its empathetic and customer-centric approach to claims. These include the coveted Asia Pacific Gold Stevie Awards for surpassing customer expectations and the ABP News BFSI Award for best claim service. With the best in industry NPS score of more than 70, the health claims team strives to maintain the highest standards of customer service.

The Motor OD team had to deal with multiple catastrophes during the year in different states. Motor claims team achieved a settlement ratio of 95% in spite of the Catastrophe ("CAT") challenge. The team continued with best-in-class customer service which

can be measured in terms of NPS of more than 72 for the FY 2019-20. The team continued to focus on the digital initiative in a motor claims survey and achieved more than 500 claims surveys per month through i-VISS, video streaming application.

The Company's non-motor claims handling has been consistently rated high by the Insurance Broker's Association of India (IBAI). For the third year in a row since this rating was instituted by IBAI, your Company's non-motor claims capabilities have been rated in the top quartile by the broker's body.

The Company's claims settling capabilities are evidenced in the following statistics:

Details	Movement as compared to the previous year
Number of claims reported	Increased by 43%
Claim amounts settled	Decreased by 26%
Claim settlement ratio	89% as compared to 84% in the previous year
Nat CAT event claims numbers	Increased by 178%
Nat CAT settlement ratio	93% as compared to 82% in the previous year
Nat CAT claims settlement TAT	68 days as compared to 76 days in the previous year

During the FY 2019-20, your Company witnessed 260,370 claims being reported, out of which motor and health insurance claims accounted for 87%. There was an increase of 16% in claims reported in comparison to the previous FY 2018-19. Your Company settled 260,511 claims during the year under review as compared to 236,078 in the previous financial year, thereby witnessing an increase of 9% in claims settlement.

During the year under review, the claimed amount was ₹1,497 Crore as compared to ₹990 Crore in the FY 2018-19.

Information Technology

Digital workplace

The Company deployed Microsoft Teams platform last year, which helped it in moving to a digital workplace in a seamless manner that became a pillar of sustenance during COVID-19 Lockdown era. This helped the organization in increased transparency of the workforce, increased productivity and enriched communication and least dislocation.

Transformational Projects

The Company has undertaken a transformational journey that includes phase-wise Core system Replacement, Data Warehouse & Analytics and enterprise-wide Workflow system. This transformation will enable the Company in achieving goals through:

- Significantly scaled-up speed to market (reduced go-to-market time);
- Technical relevance in accessing/consuming modern technologies;
- Improving service levels and standards;
- Capturing and utilizing data to create internal or customer-facing analytics; and
- Instant rebuilding of sales engines according to online user behaviour.

Reinsurance

The Reinsurance program of the Company is formulated in accordance with the Reinsurance program approved by the Board of Directors and as per the relevant regulations of the Insurance Regulatory and Development Authority of India. The Reinsurance program aims to adhere to the objectives of increasing retention and building automatic capacity with adequate risk coverage. There is adequate protection for the retained risk against any risk or catastrophic loss. The program is structured considering the business plans of the Company.

Rural and Social Business

Like all the preceding years, your Company has overachieved the rural and social obligation during the FY 2019-20. In the rural sector, the Company achieved a total of ₹1,344.37 Crore premium against the required obligation of ₹239.19 Crore. In the social sector, your Company has provided coverage of 16.51 lakh people as against the regulatory coverage of 0.77 lakh. Your Company generated ₹0.61 Crore in the FY 2019- 20 under CSC-SPV, which is a project of the Government of India under the National e-governance Program, well supported by the Insurance Regulatory and Development Authority of India (“IRDAI”) to have technology enabled insurance distribution services in the rural areas of the Country.

IRDAI had notified the Obligations of Insurers pursuant to Rural and Social Sectors Regulations, 2015 on August 24, 2015, which was applicable from the FY 2016-17. The said Regulation specifies the minimum business commitment to be achieved by a general insurance Company in the rural and social sectors depending upon the period of operation of the Insurance Companies. This gradual business penetration would help your Company in effectively expanding into the rural markets, which will progressively increase the

microinsurance business of your Company over the next few years. The total business for the purpose of the said regulations is the total policies issued for individual insurance and the number of lives covered in case of group insurance. In particular, health insurance in the rural sector could also play a major role in the development of this line of business considering the frequency of people visiting hospitals in rural areas is much lesser compared to urban areas and most importantly the overall cost may be lower than costs incurred at multi-speciality hospitals.

Further to the development of Rural Products “Sukshma Hospicash” and the new product successfully launched in FY 2018-19 “Alpha Bima”, your Company has enrolled 12 Lakh members in FY 2019-20 with the new product. The product offers multiple coverages to further penetrate the MFI & NGO markets. Your Company has 10 rural partners to distribute the products in the rural markets and the rural distribution is expanding further.

Share Capital

The Authorized Share Capital of the Company as on March 31, 2020, was ₹1,000 Crore. During the year under review, the Company issued and allotted equity shares to the shareholders of the Company on a rights basis as under:

- 5,00,00,000 Equity Shares of ₹10/- each allotted on June 30, 2019;
- 4,50,00,000 Equity Shares of ₹10/- each allotted on December 31, 2019.

During the year under review, the Company did not issue any equity shares with differential voting rights or sweat equity shares or equity shares under the Employees Stock Option Scheme. Hence, the disclosure under Section 43(a)(ii) of the Companies Act 2013 (“the Act”), read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 or Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 and Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is not required to be furnished.

During the year under review, the Board of Directors of the Company approved the offer of 5,00,00,000 Equity Shares on Rights basis to the Shareholders of the Company at its Meeting held on February 04, 2020. However, the said Rights Offer was not fully subscribed and the Board of Directors of the Company at its Meeting held on June 05, 2020, cancelled the aforesaid Offer.

The issued share capital of the Company as on March 31, 2020, was ₹9,049,937,490/- and the subscribed and paid-up share capital was ₹9,048,037,050/-.

Corporate Governance

Your Company has taken various initiatives towards Corporate Governance standards and its practices are valued by various stakeholders. Your Company continuously strives to adapt to better corporate governance practices in order to comply with the established rules and principles, in letter and spirit. A detailed report on Corporate Governance in accordance with the Guidelines for Corporate Governance for insurers in India issued by the Insurance Regulatory and Development Authority of India vide circular dated May 18, 2016 (IRDAI Corporate Governance Guidelines, 2016), is annexed and forms part of this report as “Annexure - I”.

Certification for Compliance of Corporate Governance Guidelines

Certificate for compliance of Corporate Governance Guidelines, as required under the IRDAI Corporate Governance Guidelines, 2016 is annexed and forms part of this Report as “Annexure – II”.

IRDAI Registration

The Certificate of Renewal of Registration issued to the Company by the Insurance Regulatory and Development Authority of India on February 25, 2014, continues to remain valid and in force from April 01, 2015 onwards pursuant to the provisions of Section 3 read with Section 3A of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015.

3. FUTURE OUTLOOK

The current financial year (FY 2020-21) will be dominated by the impact of the Covid-19 pandemic. To contain the pandemic, the government imposed a nationwide lockdown starting March 25, 2020. As a result of the lockdown, there has been a significant slowdown in economic activity in India. Global economic activity has also slowed down sharply given restrictions imposed in various parts of the world. While we expect the lockdown in India to be gradually eased, social distancing norms (and other related restrictions) will need to be maintained for most of the year. The situation is likely to normalize only once a treatment protocol is approved and accepted (currently both drug-based and vaccine-based treatments seem to be a few months away).

The imposition of the lockdown and resultant slowdown in economic activity has led to short term disruptions in the insurance industry. The travel, hospitality, entertainment and other consumer discretionary segments have been deeply impacted and will remain so for most of the current financial year. Several leading automobile manufacturers have shown “Zero” sales in the month of April. The motor insurance segment will likely show negative growth until the

restrictions are eased given the lack of primary sales. The marine segment may also be impacted due to the ongoing slowdown in economic activity.

Despite the short term disruptions, the current crisis will be positive for the insurance industry in the medium to long term. The pandemic has led to increased awareness among consumers on the need for protection. Consumers are more willing to engage with insurers and understand products better. This is likely to lead to an increased insurance penetration in India. The health insurance segment has seen a sharp increase in demand since the outbreak of Covid-19, which is expected to be sustained going forward due to increased awareness. Your Company will retain its strategic focus on retail health insurance and scale up the business rapidly to deliver value to shareholders. The Corporate and Crop segments have remained resilient and are expected to do well during the year.

The current crisis will most likely result in significant market dislocation. Insurers who adapt well to the “New Normal” will emerge as “Winners” with market share gains. Digitally enabled companies are likely to perform better given the restrictions on physical movement. Your Company has committed significant investments to upgrade its technology backbone and digital systems to provide an enhanced experience to customers and to enable data-driven decision making. We will continue to invest in providing sales support and in increasing brand awareness through cost-effective and scalable digital marketing strategies. We will also continue our efforts to drive digital adoption. Innovation and disruption will be heightened in the industry as Insurers try to adapt to changing consumer behaviour and to capture emerging demand in relatively newer segments like cyber insurance, demand for usage-based insurance products, etc.

Your Company remains confident of adapting to the rapidly changing market environment and scaling the Company to new highs. We remain committed to our core values and believe the same will guide us to success despite the market uncertainties.

4. COMMITTEES OF THE BOARD

Your Company has constituted the following Committees of the Board under the IRDAI Corporate Governance Guidelines, 2016 and the Companies Act, 2013:

- Audit Committee;
- Nomination and Remuneration Committee;
- Corporate Social Responsibility Committee;
- Risk Management Committee;

- Policyholders' Protection Committee;
- Ethics & Compliance Committee;
- Investment Committee;
- Banking Affairs Committee; and
- Share Transfer and Allotment Committee.

During the year under review, the Share Transfer and Allotment Committee of the Company was dissolved with effect from February 04, 2020, by the Board of Directors of the Company at its Meeting held on February 04, 2020.

The Committees of the Board, function in accordance with the Board approved Terms of Reference. The Committees also make recommendations to the Board of Directors on matters wherever the oversight of the Board is required.

The terms of reference, composition, the number of meetings held during the FY 2019-20 and the attendance of the members of the above Committees are provided in the Corporate Governance Report forming part of this report.

5. MANAGEMENT REPORT

Pursuant to the provisions of Regulation 3 of the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002, the Management Report forms part of the Financial Statements of the Company.

6. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013 and as amended by the Companies (Amendment) Act, 2017, the extract of annual return for the FY 2019-20 in Form MGT-9 as per the provisions of 92(3) of the Act is annexed and forms part of this report as "Annexure – III".

7. MEETINGS OF THE BOARD

During the year under review, the Board of Directors met four (4) times. The intervening gap between the meetings was within the timelines prescribed under the provisions of Companies Act, 2013 and IRDAI Corporate Governance Guidelines, 2016. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

8. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief and according to the information, explanations and certifications obtained from the Management, the Internal and Statutory Auditors, your Directors make the following statements in accordance with the provisions of Section 134(5) of the Companies Act, 2013 and confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures (if any);
- b) such accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give true & fair view of the state of affairs of the Company as on March 31, 2020, and of the profit and loss of the Company for the year ended on that date;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for prevention and early detection of fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis; and
- e) proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. DECLARATION BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013 AND STATEMENT ON COMPLIANCE OF CODE OF CONDUCT

The Company has received declarations from Dr. Devi Singh (DIN: 00015681), Mrs. Bhavna Doshi (DIN: 00400508) and Mr. Abhinandan Kumar Jain (DIN: 00351580), Independent Directors of the Company pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

The Code of Conduct for Independent Directors prescribed vide Schedule IV of the Companies Act, 2013 provides for an evaluation mechanism for the Board/Chairperson/Non-executive Directors which needs to be done by the Independent Directors at a separate meeting, without the attendance of

non-independent Directors and members of management. The Independent Directors of the Company met on August 08, 2020 to review the performance of non-independent Directors and the Board as a whole, the performance of the Chairman of the Company and assessed the quality, quantity and timeliness of the flow of information between the Company management and the Board.

10. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS

The Nomination and Remuneration Committee of the Company have adopted a Nomination and Remuneration Policy which, inter alia, deals with the nomination, remuneration and performance evaluation of the Directors, Key Managerial Personnel and Officials comprising the senior management of the Company.

10.1 Criteria for selection of Non-Executive Directors

- a. The Non- Executive Directors possesses high standards of ethics, personal integrity and probity with relevant expertise and experience in accounting and finance, marketing, administration, corporate and strategic planning or fund management so as to have a diverse Board of Directors.
- b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee satisfies itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The Committee ensures that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The Committee considers the following attributes/criteria, whilst recommending to the Board, the candidature for appointment as a Director:
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, professional or business standing; and
 - The diversity of the Board.
- e. In case of the re-appointment of Non-Executive Directors, the Board takes into consideration the performance evaluation of the Director and his engagement level.

10.2 Criteria for selection/appointment of Managing Director and /or Chief Executive Officer, Chief Financial Officer and Company Secretary

The Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position of Managing Director and/or Chief Executive Officer, Chief Financial Officer and Company Secretary and takes into consideration recommendation, if any, received from any member of the Board.

The Committee also ensures that the incumbent fulfils such other criteria with regard to age, qualifications, etc., as laid down under the Companies Act, 2013 and IRDAI Corporate Governance Guidelines, 2016 and other applicable laws.

11. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The Remuneration paid to Non-Executive Directors and Managing Director & Chief Executive Officer (MD & CEO) of the Company is according to the Nomination and Remuneration Policy of the Company for Directors, Key Managerial Personnel (KMP) and Senior Management which is duly approved by the Board of Directors.

Objectives of the Nomination and Remuneration Policy

The overall objectives for laying down the Nomination and Remuneration Policy for Non-Executive Directors and MD & CEO is to offer compensation systems that make it possible to attract, retain and motivate the most outstanding professionals in order to enable the organization to attain its strategic objectives, sustainable growth and long-term goals within the increasingly competitive context in which it operates.

Further, the remuneration system is in line with the various regulatory frameworks existing in the Insurance environment and the compensation system is aligned to the IRDAI's guidelines for sound compensation practices and follow the general principles of:

- Effective and independent governance and monitoring of compensation;
- Alignment of compensation with profitability and growth of the Company in terms of the strategic plan of the Company;
- Prudent risk-taking through well designed and consistent compensation structures; and
- Clear and timely disclosure to facilitate supervisory oversight by all stakeholders.

Design and structure of Remuneration processes

The remuneration paid to MD & CEO is derived by considering all aspects of the remuneration structure such as fixed pay, perquisites, bonus, guaranteed pay, severance package, stock, pension plan, gratuity, etc., and also a long-term performance-based deferred cash plan and the remuneration structure leads to a proper balance between fixed and variable pay and is based on the performance and various other parameters as per the matrix.

Remuneration to the Directors, Key Managerial Personnel and other Senior Official's salary

The Non-Executive Directors including the Independent Directors are entitled to receive remuneration by way of sitting fees for participation in the Board/ Committee meetings of such sum as approved by the Board of Directors within the overall limits prescribed under the IRDAI Corporate Governance Guidelines, 2016, the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The level and composition of remuneration shall be the guiding principle for fixing the remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management, which shall be reasonable and sufficient to attract, retain and motivate them.

The Directors, KMPs and other Senior Official's salary shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nomination and Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable Companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee may consult the Chairman of the Board in appropriate cases, if it deems necessary.

Remuneration of the Managing Director & Chief Executive Officer

At the time of appointment or re-appointment, the Managing Director & Chief Executive Officer shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the Managing Director & CEO within the overall limits prescribed under the provisions of Section 34A of the Insurance Act and Guidelines on Remuneration of

Non-executive Directors and Managing Director/Chief Executive Officer/Whole-time Directors of Insurers issued by IRDAI, the IRDAI Corporate Governance Guidelines, 2016 and the applicable provisions of the Companies Act, 2013 read with rules framed thereunder.

The remuneration shall be subject to the approvals from the Shareholders of the Company in General Meeting and the Insurance Regulatory and Development Authority of India.

12. AUDITORS

12.1 Statutory Auditors and their Report

The Shareholders of the Company at the Tenth Annual General Meeting ("AGM") held on June 03, 2016, had approved the appointment of M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) as the Joint Statutory Auditors of the Company for a period of five years until the conclusion of the Fifteenth AGM. At the Eleventh AGM of the Company held on August 11, 2017, the Shareholders approved the appointment of M/s. M.M. Nissim & Co., Chartered Accountants (Firm Registration No. 107122W) as the Joint Statutory Auditors of the Company for a period of five years until the conclusion of the Sixteenth AGM.

Pursuant to the amendments to Section 139 of the Companies Act, 2013, by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Shareholders for the appointment of the Statutory Auditors at the AGM of the Company has been withdrawn. Accordingly, no resolution is required to be proposed for ratification of the appointment of the Statutory Auditors, who were appointed in the Tenth and Eleventh AGM of the Company, respectively. Therefore, M/s. Khandelwal Jain & Co., Chartered Accountants and M/s. M.M. Nissim & Co., Chartered Accountants continue to be the Joint Statutory Auditors for the financial year 2020-21.

The observation(s) made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments under Section 134(3)(f) of the Act.

The Statutory Auditors Report to the Shareholders for FY 2019-20 does not contain any qualifications, reservations or adverse remarks or disclaimers. The Joint Statutory Auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act, during the year under review.

12.2 Secretarial Auditor and Secretarial Audit Report

Pursuant to provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Anish Gupta & Associates, Company Secretaries (Membership No. F5733/COP: 4092) as the Secretarial Auditor of the Company to conduct the Secretarial Audit for the FY 2019-20.

The Secretarial Audit Report in Form MR-3 for the FY 2019-20, as received by M/s. Anish Gupta & Associates, Company Secretaries, is annexed and forms part of this report as “Annexure – IV”.

The Secretarial Audit report for the FY 2019-20 does not contain any qualifications, reservations or adverse remarks or disclaimers.

12.3 Internal Auditors

The Company has in place an internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organisation’s risk management, control and governance processes. Pursuant to the IRDAI Corporate Governance Guidelines, 2016, the Audit Committee is required to oversee the efficient functioning of the Internal Audit Department of the Company. The Internal Audit Head of the Company reports to the Audit Committee and the reports are submitted to the Committee on a quarterly basis.

12.4 Concurrent Auditors

Pursuant to the provisions of the IRDAI (Investment) Regulations, 2016, the Company had appointed M/s. AMK & Associates, Chartered Accountants (FRN: 327817E) as the Concurrent Auditors to conduct an audit of the Investment functions of the Company for the FY 2019-20.

There were no observations, qualifications, reservations or adverse remarks or disclaimers in the Concurrent Audit Reports issued by M/s. AMK & Associates Chartered Accountants (FRN: 327817E).

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

In terms of the provisions of sub-section 11 of Section 186 of the Companies Act, 2013, as amended by the Companies (Removal of Difficulties) Order, 2015 dated February 13, 2015, issued by the Ministry of Corporate Affairs, the provisions of Section 186, except sub-section 1 is not applicable to your Company.

14. DIVIDEND & RESERVES

In order to conserve the resources of the Company, the Directors do not recommend any dividend for the financial year ended March 31, 2020.

The Company proposes to carry forward the undistributed profits of ₹78.46 Crore in the Profit & Loss Account.

15. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds specified under section 125 of the Companies Act, 2013, lying unpaid or unclaimed. Accordingly, there were no funds that were required to be transferred to the Investor Education and Protection Fund (IEPF).

16. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes or commitments, affecting the financial position of the Company between March 31, 2020, and the date of signing of this report.

17. PARTICULARS REGARDING CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Considering the nature of the business of your Company, the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption does not apply to the Company. Your Company has, however, taken extensive steps pertaining to the below:

(i) The steps taken or impact on the conservation of energy.

The Company is using CFL and LED lights across all its offices and use of star rated Air- conditioning system to minimize energy consumption, after looking at Cost-Benefit Analysis. AC’s are operated @ 24 degrees Celsius.

(ii) The steps taken by the Company for utilizing alternate sources of energy.

The Company explored utilizing solar energy, however considering the high investment cost at the initial stages, this was not feasible for small offices.

(iii) The capital investment in energy conservation equipment.

Presently, the Company is not using any energy conservation equipment, except LED lights across offices.

18. FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

Earnings in foreign currency - ₹12.69 Crore.

Expenditure in foreign currency - ₹70.17 Crore.

19. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has a Board approved "Risk Management Policy", which contains principles, strategies and processes aimed at identifying, evaluating and monitoring risks. The Risk Management System relies on the following building blocks:

- **Risk Governance**

The Risk Governance structure of the Company is based on Three Lines of Defense: The operational structures (Risk Owners) are the first line of defense. Risk Management and Compliance represent the Second Line of Defense and finally, Internal Audit is the Third Line of Defense. The Company has in place a documentation tree based on different levels of policies and guidelines i.e. Risk Management Policy, Asset and Liability Management Policy, Operational Risk Management Policy Underwriting Policy, Investment Policy, Anti-Money Laundering Policy, Whistle Blower Policy, IT Security Policies & Guidelines, Outsourcing Policy, Corporate Governance Guidelines, etc.

- **Risk Management Controls and Limits**

The Company has an independent Enterprise Risk Management ("ERM") function, which is headed by the Chief Risk Officer. The Company monitors and controls the risk evolution at different levels of the operating structures. Risk Observers support Risk Takers and Risk Owners in their monitoring activities. The limits defined in the Delegation of Authority document are incorporated in respective standard operating procedures and guidelines. Some critical limits are inbuilt in the system to ensure 100% compliance. Monitoring reports (MIS) are generated from systems and reported to concern authority on a regular basis. The limits/indicators defined for monitoring or operating objectives of the strategic plan and solvency position are monitored by the management on a monthly/quarterly basis.

- **Risk Measurement and Models**

There is no common measurement methodology and model applicable to all the risks. ERM team and risk owners discuss jointly the risks incorporated in the Risk Map. The risk map comprises of Financial Risks, Credit Risks, Operational Risks, Insurance Risks, Strategic Risks, Emerging Risks,

Reputational and Liquidity Risks. These risks are further classified (Risk Level 2) in order to map risks with risk scenarios appropriately. The Company risk profile is prepared on the basis of the severity and probability of risks. The Company risk profile depicts high, medium-high, medium-low and low levels of risks. This helps us set priorities on risk mitigations. The risks are identified, credible loss scenarios are developed, impacts on the Company's performance and results are assessed. Adequacy of existing risk control measures is reviewed and controls are recommended, if not adequate. ERM function has developed a tool to monitor limits associated with investment function. ERM has also developed a tool to assess the impact of various risks results on solvency. Prior to the renewal of the reinsurance program, the catastrophic risk is modeled after taking into account the proposed strategic plan. Assets and Liability Management is carried out using LOB wise gap analysis. The impact of the stress test results is assessed. The technical reserves are estimated using various actuarial models and considering premium deficiency reserve, outstanding claims, unearned premium and IBNR (incurred but not reported).

- **Embedding in Business Processes**

- Incorporated limits in IT systems i.e. Mfund for investments, reinsurance retention and treaty, underwriting authority limits in Policy Asia, Performance measurement evaluation on RACE, etc.
- Operating limits approved by the Board of Directors are incorporated in Standard Operating Procedures.
- Risk Champions nominated by business units are trained in Key Risk Indicators and Key Control Indicators monitoring. They participate in various risk management activities.
- Risk assessment of outsourced vendors is carried out according to IRDAI outsourcing guidelines.
- Update Business Continuity Management and conduct process test drills periodically.
- Trainings are conducted on risk management, underwriting, products, IT system, selling skills, Fraud Control, insurance domain, customer service, etc.

- **Risk Reporting**

The Company has Risk Management Sub-committee at the management level and Risk Management Committee at the Board level. The Chief Risk Officer presents the risk profile of the Company, ALM status and Stress Test results, Risk Assessment results, monitoring status, other risk management activities, Fraud Analysis, Information & Cyber Security monitoring status, etc., to both these committees quarterly. The committees review the risk profile and recommend necessary actions for improvements.

20. ANNUAL PERFORMANCE EVALUATION

Pursuant to the applicable provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, Managing Director & Chief Executive Officer, Independent Directors and the evaluation of the working of Committees. A structured questionnaire was prepared, covering various aspects of the Board's functioning. Various parameters are considered for evaluations of the Board and its Committees such as the varied background of the members, their areas of expertise and knowledge, frequency of the Meetings and attendance, quality of inputs, follow-up of actions, etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process, which reflected the overall engagement of the Board and its Committees with the Company.

21. DETAILS OF THE DIRECTORS & KEY MANAGERIAL PERSONNEL APPOINTED/ REAPPOINTED/ RESIGNED

A] Directors

Directors Retiring by Rotation

Pursuant to Section 152(6) of the Companies Act, 2013, Mr. G.N. Bajpai (DIN: 00946138) and Mr. Kishore Biyani (DIN: 00005740), Non - Executive Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Appointments

During the year under review, the following appointments were made pursuant to Section 152 and Section 161 of the Companies Act, 2013, read with the applicable rules and regulations and IRDAI Corporate Governance Guidelines, 2016:

- **Mr. Anup Rau - Managing Director & Chief Executive Officer ("MD & CEO")**

Mr. Anup Rau (DIN: 06511806) was appointed as the Additional Director of the Company by the Board of Directors on May 14, 2019,

to hold office up to the date of the ensuing Annual General Meeting ("AGM"). At the same Board Meeting, Mr. Anup Rau was appointed as the MD & CEO subject to Shareholders' and IRDAI's approval.

The Shareholders of the Company at the Thirteenth AGM of the Company held on August 14, 2019, approved the appointment of Mr. Anup Rau as the Director and MD & CEO of the Company.

The appointment of Mr. Anup Rau as the MD & CEO of the Company was approved by the IRDAI vide its letter dated September 03, 2019, for a period of 3 years with effect from June 06, 2019.

- **Mr. Sanjay Jain - Non-Executive Director**

Mr. Sanjay Jain (DIN: 02055254) was appointed as an Additional Director (Non-Executive) by the Board of Directors on October 04, 2018. Subsequently, the Shareholders of the Company at the Thirteenth AGM of the Company held on August 14, 2019, approved the appointment of Mr. Sanjay as the Non-Executive Director of the Company.

- **Mr. Fabrice Benard - Additional Director (Non-Executive)**

Mr. Fabrice Benard (DIN: 08495865) was appointed as an Additional Director (Non-Executive) of the Company w.e.f. August 14, 2019. Mr. Fabrice holds office up to the date of the ensuing AGM of the Company.

As per the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a Shareholder of the Company signifying its intention to propose the appointment of Mr. Fabrice as a Non-executive Director of the Company. The resolution seeking Shareholders' approval for his appointment forms part of the notice of the AGM.

- **Mr. Parth Gandhi - Additional Director (Non-Executive)**

Mr. Parth Gandhi (DIN: 01658253) was appointed as an Additional Director (Non-Executive) of the Company w.e.f. August 14, 2019. Mr. Parth holds office up to the date of the ensuing AGM of the Company.

As per the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a

Shareholder of the Company signifying its intention to propose the appointment of Mr. Parth as a Director of the Company. The resolution seeking shareholders' approval for his appointment forms part of the notice of the AGM.

Resignation

- **Mr. Hayden Seach - Non-Executive Director**
Mr. Hayden Seach (DIN: 07409596) resigned from the Board of Directors of the Company w.e.f May 14, 2019. Your Directors place on record their appreciation for the invaluable contribution made by him during his tenure as a Director.

Reappointment of Independent Directors

Ms. Bhavna Doshi (DIN: 00400508) and Dr. Devi Singh (DIN: 00015681) were reappointed as Independent Directors of the Company for the second term of 5 consecutive years w.e.f March 24, 2020. The Board of Directors at its Meeting held on February 04, 2020, and the Shareholders at the Extra-Ordinary General Meeting held on the same date approved the reappointments, respectively.

B] Key Managerial Personnel

During the year under review, following Key Managerial Personnel were appointed/have resigned as per the Companies Act, 2013 and IRDAI Corporate Governance Guidelines, 2016:

Appointments

- **Mr. Shreeraj Deshpande - Chief Operating Officer**
Mr. Shreeraj Deshpande was appointed as the Principal Officer of the Company w.e.f November 17, 2018, for a period, till the new MD & CEO was appointed. On receipt of approval of IRDAI on the appointment of Mr. Anup Rau as the MD & CEO of the Company, Mr. Shreeraj vacated the position of Principal Officer of the Company w.e.f from September 03, 2019, and was re-designated as the Chief Operating Officer of the Company w.e.f September 09, 2019.
- **Mr. Jatin Arora - Appointed Actuary**
Mr. Jatin Arora was appointed as the Appointed Actuary of the Company w.e.f December 17, 2019, with the approval of the IRDAI.

- **Ms. Ruchika Malhan Varma - Chief Marketing Officer**

Ms. Ruchika Varma was appointed as the Chief Marketing Officer of the Company w.e.f February 04, 2020.

- **Mr. Ashish Lakhtakia - Chief Legal & Compliance Officer and Company Secretary**

Mr. Ashish Lakhtakia was appointed as the Chief Legal & Compliance Officer and Company Secretary of the Company w.e.f June 06, 2020.

Resignations

- **Mr. Ashwani Kumar Arora - Appointed Actuary**

Mr. Ashwani Kumar Arora resigned from the services of the Company as the Appointed Actuary with effect from November 29, 2019.

- **Mr. Rajiv Joshi - Sr. Vice President & Head-Legal, Compliance and Secretarial and Principal Compliance Officer**

Mr. Rajiv Joshi resigned from the services of the Company as the Sr. Vice President & Head- Legal, Compliance and Secretarial and Principal Compliance Officer w.e.f close of business hours of June 05, 2020.

22. SUBSIDIARY COMPANIES, JOINT VENTURE OR ASSOCIATE COMPANIES

During the year under review, there were no Companies which have become/ceased to become a Subsidiary/ Joint Venture/Associate Companies.

23. PUBLIC DEPOSITS

During the year under review, your Company did not accept any deposits from the public within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

24. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/ TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the regulators or courts or tribunals against the Company impacting its status as going concern status and operations.

25. INTERNAL FINANCIAL CONTROLS AND COMPLIANCE SYSTEM

Based on the framework of internal financial controls and compliance systems established and maintained by your Company (with its inherent weaknesses), work performed by the internal, statutory and secretarial auditors and external consultants specially appointed for this purpose, including an audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant Board committees, the Board is of the opinion that your Company's internal financial controls were adequate and effective for the FY 2019-20.

Adequacy of Internal Financial Controls

Internal financial controls with reference to the Financial Statements were adequate and operating effectively.

26. CORPORATE SOCIAL RESPONSIBILITY POLICY

The Annual Report on Corporate Social Responsibility ("CSR") activities of the Company pursuant to Section 134 and Section 135 of the Companies Act, 2013, and IRDAI Corporate Governance Guidelines, 2016 is annexed and forms part of this report as "**Annexure - V**".

27. RELATED PARTY TRANSACTIONS

Pursuant to Section 177 read with Section 188 of the Companies Act, 2013, the Audit Committee of the Board of Directors approves the estimated related party transactions of the Company at the beginning of every financial year. Related party transactions entered during the year under review were in the ordinary course of business and on arm's length basis, thus not requiring Board/Shareholders approval. The Company has a Board approved Policy on Related Party Transactions.

During the year under review, there were no material contracts or arrangements or transactions which were not in the ordinary course of business and not on arm's length basis that needs to be disclosed in Form AOC-2 as required under the Companies Act, 2013.

As per Accounting Standard 18 on 'Related Party Disclosures', the details of related party transactions entered into by the Company are included in the Notes to Accounts.

28. PARTICULARS OF EMPLOYEES

Details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, with respect to particulars of employees of the Company is set out in "**Annexure - VI**" to this Report. Pursuant to the provisions of Section 136(1) of the Act, the Report and Accounts, as set out herein, are being sent to the Shareholders of the Company excluding the aforesaid Annexure. Any Shareholder interested in obtaining a

copy of the said Annexure may write to the Company Secretary at the Registered Office of the Company.

29. IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS (IND-AS) IN INSURANCE SECTOR

The Insurance Regulatory and Development Authority of India ("IRDAI") vide its circular dated June 28, 2017, on "implementation of IND AS in the Insurance Sector" had deferred the implementation of IND-AS to FY 2021. However, the insurers were required to submit the proforma IND AS financial statements on a quarterly basis.

The above circular has been withdrawn by the IRDAI vide its circular dated January 21, 2020. Also, the requirement of submitting the Pro-forma IND AS financial statements on a quarterly basis to the IRDAI has been dispensed. The effective date of implementation will be decided by the IRDAI after the finalization of IFRS 17 by the International Accounting Standards Board.

30. SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India. The same has also been confirmed by the Secretarial Auditor of the Company in Form MR-3.

31. MANAGING THE RISK OF FRAUD, CORRUPTION AND UNETHICAL PRACTICES

Whistle Blower Policy/ Vigil Mechanism

Your Company values integrity, honesty and fairness in everyone from top to bottom and has a policy of encouraging openness and preventing malpractice or any cover-up of malpractice. Any actual or alleged illegality or ethical lapse would be a matter of serious concern for the Company.

To meet this requirement, the Company has put in place, a whistleblower policy where employees can raise concerns internally, about any possible irregularities, governance weakness, financial reporting issues and other matters. Details of the whistleblower policy are given in the Corporate Governance report.

Code of Conduct

Your Company has adopted the code of conduct for all the employees including members of supervisory and management bodies.

Anti-Fraud Policy

Your Company has adopted an Anti-Fraud Policy to identify and assess the risks of fraud and to implement the processes, procedures and controls needed to mitigate the risks and reduce the opportunities for fraud. This ensures consistent and effective investigation, reporting and disclosure of fraud occurrences and provides clear guidance to the employees and others

dealing with the Company, forbidding them from involvement in any fraudulent activity and the action to be taken by them when they suspect any fraudulent activity. The Anti-Fraud Policy is reviewed on an annual basis by the Risk Management Committee, Audit Committee and the Board of Directors.

32. DISCLOSURE OF UNCLAIMED AMOUNT ON THE WEBSITE

Your Company has provided a facility to the policyholders, enabling them to find out whether any amount due to them is lying unclaimed with the Company for any reason whatsoever. This information is regularly updated on the website of the Company.

33. POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMAN EMPLOYEES AT WORKPLACE

Your Company is committed to creating a healthy working environment in which all employees can work together free from sexual harassment. The Company has adopted a Policy on Sexual Harassment in accordance with the provisions of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company has also set up an internal committee to consider and address the complaints of its employees as and when received under the sexual harassment policy. The Company believes that all employees and other persons dealing with the Company have a right to be treated with dignity. Sexual harassment is an offence and is punishable under law.

During the year under review, the Company did not receive any complaints.

34. APPRECIATION AND ACKNOWLEDGMENT

Your Directors express their sincere appreciation for the co-operation and assistance received from the Insurance Regulatory and Development Authority of India, Insurance Information Bureau, Reserve Bank of India, the Registrar of Companies, General Insurance Council and other regulatory authorities for their support and advice. The Directors also place on record their sincere thanks for the support and co-operation extended by the Policyholders, Reinsurers, Bancassurance partners, Insurance Agents and Brokers.

Your Directors express their sincere appreciation for the commitment, co-operation, active involvement and dedication displayed by all the employees in the growth of the Company.

Your Directors thank you for your continued support, trust and confidence reposed in them.

On behalf of the Board of Directors

Future Generali India Insurance Company Limited

G. N. Bajpai

Chairman

DIN: 00946138

Registered Address: Indiabulls Finance Centre, Tower 3, 6th Floor, Senapati Bapat Marg, Elphinstone (W), Mumbai – 400 013

Dated: August 14, 2020

Place: Mumbai

REPORT ON CORPORATE GOVERNANCE

1. INTRODUCTION

Corporate Governance is about commitment to values and ethical business conduct. It is also about how an organization is managed vis-à-vis the corporate and business structures, its culture, policies and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial position of the Company, its performance and ownership form part of effective corporate governance.

2. PHILOSOPHY ON CORPORATE GOVERNANCE

Good governance practices stem from the culture and mindset of the organization. It is therefore not merely about enacting regulations and procedures but also about establishing an environment of trust and confidence among various stakeholders. It is about demonstrating a high level of integrity, transparency, accountability and disclosures across the Company's operations and in its interaction with its stakeholders, including shareholders, customers, employees, the regulatory authorities and the society.

The Corporate Governance philosophy of the Company is driven by the following fundamental principles:

- Conduct the affairs of the Company in a transparent and ethical manner;
- Ensure transparency in all dealings;
- Ensure the highest level of responsibility and accountability;
- Ensure compliance with all laws and regulations; and
- Ensure accurate and timely dissemination of material information & matters of interest to stakeholders.

The Company through effective dissemination of information to the Directors and active interaction of the Board Members with senior management ensures effective oversight of the Company's businesses and activities.

Through the robust governance mechanism in the Company, the Board along with its Committees endeavours to strike the right balance with various stakeholders' interests.

3. BOARD OF DIRECTORS

The Board has been constituted in a manner which results in an appropriate mix of executive and non-executive directors to ensure proper governance and management.

The Corporate Governance Principles of the Company ensure that the Board remains informed, independent and actively involved in the Company. The Company ensures its best efforts towards better Corporate Governance to mitigate "Non-Business" risks.

The Directors of the Company possess the highest personal and professional ethics, integrity and values and are committed to representing the long-term interest of the stakeholders. The Company's business is conducted by its employees under the direction of the Managing Director & Chief Executive Officer and the overall supervision of the Board.

The Company's commitment to ethical and lawful business conduct is a fundamental shared value of the Board of Directors, the Senior Management and all other employees of the Company.

3.1 Composition of the Board

As at March 31, 2020, the Board of Directors of your Company consisted of twelve (12) Directors comprising of three (3) Non – Executive Independent Directors including a Woman Director, eight (8) Non – Executive Directors and one (1) Executive Director as the Managing Director & Chief Executive Officer ("MD & CEO"). The Directors are appointed based on their qualifications and experience in related fields of the Company's business needs including expertise in fields of insurance, marketing, management, finance, etc.

3.2 Information on Directors

- **Mr. G.N. Bajpai (DIN: 00946138) - Non-Executive Director and Chairman**

Mr. Bajpai is a distinguished leader in Indian business and has served as the Chairman of the Securities and Exchange Board of India (SEBI) and the Life Insurance Corporation of India (LIC).

Mr. Bajpai is known for his visionary leadership and exemplary integrity. He has served as Non-Executive Chairman and Director on corporate boards in India and other countries. He has been Chairman of the Corporate Governance Task Force of International Organization of Securities Commissions, Insurance Institute of India and has also served on the Governing Boards of Indian Institute of Management, Lucknow and National Insurance Academy. He has also received awards for contribution to business and has authored several books, 'The Essential Book of Corporate Governance' released 2016, being one of them.

Mr. Bajpai has delivered lectures at London School of Economics (LSE), Harvard University and MIT and also addressed Stanford University, OECD & IMF seminars. He has received among others the outstanding contribution to the Development of Finance award from the then Prime Minister Dr. Manmohan Singh.

Mr. Bajpai holds a Degree in Law and a Masters in Commerce. He was appointed as the Director of the Company on March 16, 2007.

- **Mr. Kishore Biyani (DIN: 00005740)- Non-Executive Director**

Mr. Kishore Biyani founded Pantaloons in 1997 followed by a number of popular retail formats in India. Over the past two decades, Mr. Biyani has created and leads some of India's most popular retail chains like Big Bazaar, Central, Brand Factory, Foodhall, fbb, among others. Over time, various retail chains like Nilgiris, Aadhaar, Easyday, Heritage, HyperCity and others have also become part of Future Group under his guidance. Simultaneously, he has also led the creation of a wide portfolio of consumer goods brands in fashion, food and electronics space, that are distributed through Future Group's retail chains and various other modern retail networks in the country. A staunch believer in the group's corporate credo, 'Rewrite Rules, Retain Values,' Mr. Kishore Biyani considers "Indianness" as the core value driving the group. He was awarded the Ernst & Young Entrepreneur of the Year 2006 in the Services Sector and the Lakshmi Pat Singhania - IIM Lucknow Young Business Leader Award by the then Prime Minister Dr. Manmohan Singh in 2006. He was also awarded the CNBC First Generation Entrepreneur of the Year 2006.

Mr. Kishore Biyani holds a Bachelor's Degree in Commerce and has done Post Graduation Diploma in Marketing. He was appointed as the Director of the Company on March 16, 2007.

- **Mr. Vijay Biyani (DIN: 00005827) - Non-Executive Director**

Mr. Vijay Biyani has more than 37 years of experience in manufacturing, textiles, yarn and ready-made apparels and retail industry.

Mr. Vijay Biyani holds a Bachelor's Degree in Commerce. He was appointed as the Director of the Company on March 16, 2007.

- **Mr. Krishan Kant Rathi (DIN: 00040094) - Non-Executive Director**

Mr. Krishan Kant Rathi has approximately 32 years of professional experience in corporate finance, strategic business planning and investment

advisory. He has worked in organizations such as KEC International, H&R Johnson and Motilal Oswal Private Equity Advisors. He has previously worked as Group CFO with Pantaloon Retail.

Mr. Krishan Kant Rathi is a qualified Chartered Accountant and a Company Secretary. He was appointed as the Director of the Company on October 30, 2006.

- **Mr. Sanjay Jain (DIN: 02055254) - Non-Executive Director**

Mr. Sanjay Jain has nearly 26 years of experience with leading business houses. Mr. Sanjay has served as the Group CFO of Future Group and Zee Group. He was also the CFO of international operations of Avantha Group. Mr. Jain is a BSE Gold Medallist. He has been a part of leading consolidation in the retail industry by acquiring Bharti Retail (Walmart India Operations), Heritage, Nilgiri's, HyperCity, Sangam Retail, FabFurnish. Besides, he also helped augment the portfolio of brands and product offerings by acquiring Kara from Grasim and strengthened back-end supply chain logistics through the acquisition of cold chain as part of Brattle Foods and last-mile delivery through Vulcan from Snapdeal.

He has been instrumental in the acquisition of companies in Belgium, Canada, US, Ireland, France and Indonesia. Mr. Sanjay has been honoured with multiple awards including Best CFO for "Capital Restructuring" by IMA in 2016, Best CFO for "M & A" by Businessworld, Yes Bank in 2018 and Overall Champion CFO by Businessworld, Yes Bank in 2018.

Mr. Sanjay is an MBA in Finance. He was appointed as the Director of the Company on October 04, 2018.

- **Mr. Parth Gandhi (DIN: 01658253) - Additional Director (Non-Executive)**

Mr. Parth Gandhi is a Senior Partner and Managing Director at AION India Investment Advisors Private Limited. Prior to that, Mr. Gandhi was the President of Private Equity at ICICI Venture Funds Management Company Limited. Mr. Gandhi brings nearly two decades of investing experience in India.

Mr. Gandhi currently serves on the board of Aion Capital Partners, Aion Capital Management, Clix Capital and Clix Finance. Also in the past, he has served on the boards of Varun Beverages, RJ Corp, Geometric Software Service Ltd. and Mahindra Retail Pvt. Ltd.

In addition to his investment activities, Mr. Gandhi is a charter member of TIE Global (The Indus Entrepreneurs) and an active member of The Explorers Club and ASSOCHAM (The Associated Chambers of Commerce and Industry of India). In his previous stints, Mr. Gandhi has served as the Managing Director at Navigator Capital Advisors Limited and prior to that he was a Consultant with Ernst and Young.

Mr. Gandhi is an MBA from Michigan State University and a BE from the University of Mumbai. He was appointed as the Additional Director of the Company on August 14, 2019.

- **Ms. Jennifer Sparks (DIN: 07111138)- Non-Executive Director**

Ms. Jennifer Sparks is the Chief Financial Officer of Generali Asia. She is responsible for driving the regional finance and accounting operations as well as monitoring the financial management of Generali's businesses in Asia.

Ms. Sparks has over 34 years of international experience in insurance and financial services across Australia, Japan and Korea. Prior to joining Generali, she was CEO of Hartford Life Insurance KK. Between 2003 and 2011, she held various senior management positions within AIG, including Chief Financial Officer for AIG Edison Life in Japan and Regional Controller for AIG Life Companies in Japan and Korea. Ms. Sparks started her career with AMP in Australia before moving to Japan in 1997.

Ms. Sparks has been a specialist in various actuarial and underwriting roles and has significant experience in financial and risk management. Her strong command over both English and Japanese and her participative leadership style has helped her effectively communicate with all levels of management.

Ms. Sparks is a graduate from the University of Adelaide and holds a Bachelor of Science with First Class Honours in Applied Mathematics. She is also a Fellow of the Institute of Actuaries of Australia. She was appointed as the Director of the Company on February 01, 2016.

- **Mr. Fabrice Benard (DIN: 08495865)- Additional Director (Non-Executive)**

Mr. Fabrice Benard is the Regional Head of Property & Casualty (P&C), Retail of Asia. He is responsible for steering the strategic growth and development of the Generali P&C business in Asia. With over 15 years of experience, Mr. Fabrice brings on board deep technical and strategic experience in P&C retail, actuarial, risk management, financial,

bancassurance and M&A. He has worked in Europe and the Gulf in a variety of roles with AXA, Credit Agricole, PricewaterhouseCoopers and Zurich.

Mr. Fabrice is a qualified and certified French Actuary and also a Masters in Actuarial Sciences, Masters in Actuarial and Financial Sciences and Masters in Mathematics Applied to Finance. He was appointed as the Additional Director of the Company on August 14, 2019.

- **Ms. Bhavna Doshi (DIN: 00400508)- Independent Director**

Ms. Bhavna Doshi has over 29 years of wide-ranging experience in the fields of taxation, corporate laws, accounting, corporate governance, restructuring and valuations and she has also handled varied assignments across sectors for domestic and multinational entities involving accounting, taxation and regulatory matters.

Ms. Doshi was actively involved in the development of Goods and Service Tax implementation in India. She was elected to the Council of the Institute of Chartered Accountants of India (ICAI) for four terms of three years each, the only woman in the profession of accountancy to achieve this distinction. During her tenure in the Council, she had the opportunity to serve on several committees like Board of Studies, Research Committee, Professional Development Committee, Examination Committee, Ethical Standards Committee, Vision Committee and others. Notable among them is her chairing the Accounting Standards Board, which has the responsibility of formulating and implementing accounting standards in India.

She has served as a member of the Compliance Committee of International Federation of Accountants, headquartered in New York, the first Indian to have this honour. The Committee, during her tenure, worked on the development of the Member Body Compliance program involving Statement of Membership Obligations (SMOs) and also commenced its implementation across the world.

She serves as an Independent Director on the Boards of listed companies where she brings her expertise and exposure of having worked on several matters and committees nationally and internationally. A former partner of a member firm of KPMG in India, she is currently providing advisory services.

Ms. Doshi is a fellow member of the Institute of Chartered Accountants of India and was ranked second in the merit list and holds a Master's

Degree in Commerce from the University of Mumbai. She was appointed as the Independent Director of the Company on March 24, 2015, for a term of 5 consecutive years. Further, she was re-appointed as the Independent Director of the Company for the second term of 5 consecutive years w.e.f March 24, 2020.

- **Dr. Devi Singh (DIN: 00015681)- Independent Director**

Dr. Devi Singh has served as the Vice-Chancellor of FLAME University, Pune. He spent about a year in Jaipur setting up a new University before moving to Pune in August 2016.

Dr. Devi Singh was a Director of the Indian Institute of Management, Lucknow for more than ten years. Before joining IIM-L, he was a Director of Management Development Institute (MDI) Gurgaon for four and a half years. He is a well-known Professor of International Finance and Management.

Dr. Singh is recognized as one of the top Academic Leaders in India who has created and transformed Institutions of higher learning. IIM Lucknow and MDI took major strides and made all-round progress under his dynamic leadership.

Before joining MDI, Dr. Singh was a visiting Professor at the Faculty of Management, McGill University, Canada for five years. He has been a Ford Foundation and UNDP Fellow (International Management Education). He has been a visiting faculty at the International Centre for Public Enterprises, Slovenia. ESCP Europe, SKK Graduate School of Business, Seoul, and Kelly School of Business, Indiana. He is an alumnus Fellow of the Institute of World Affairs, Connecticut. He has taught at leading Business Schools in India.

He has published and presented research papers at various national/international journals/conferences. Dr. Singh is the author of three books in Finance and Management. He has also been a consultant to leading Indian and multinational organizations in India.

He has been on several policy level Committees of Government of India, All India Council for Technical Education, Ph.D. Chamber of Commerce & Industry (PHDCCI), Standing Committee on Public Enterprises (SCOPE) and All India Management Association (AIMA). He has been a member of Boards/Executive Councils of Indian Institute of Management, Kozikhode, Narsee Monjee Institute of Management Studies, Mumbai, Indian Institute of Mass Communication, New Delhi, NITTIE, Mumbai, Ambedkar University, Lucknow, Jamia Islamia University, New Delhi, Tejpur University, Tejpur, University of Allahabad, Allahabad and two

new Central Universities. Mentor and Founder Director, IIM Rohtak(2010-11) and IIM Kashipur (2011-12).

Dr. Singh has served as a Member on the RBI'S Appointments Board for two years (2011 & 2012). He was also a Member of the UPSC Committee Constituted for Designing CSAT (2009-2010).

Dr. Singh was on the Board of India Fulbright for two years (2005-07) and was nominated by the International Accreditation Advisory Board of Association of MBAs for three years. He served as a Member of the Nomination Committee of AACSB for the year 2014-15.

He was the President of Association of Indian Management Schools in 2006-07, and member of the All India Board of Management Studies of AICTE for six years (2000-2006).

He has served on many corporate boards including Board of Governors of some of the leading Public and Private Sector companies.

He has received several awards including ISTE National Fellow (2007), UP Ratan (2008), Best Director of a Business School (1999), Ravi J Mathai Fellow (2013), and Bharat Ashmita Award (2013).

Dr. Singh holds a Ph.D. in International Finance from Indian Institute of Management, Ahmedabad (1984). He was appointed as the Independent Director of the Company on November 15, 2010, for a term of 5 consecutive years. Further, he was re-appointed as the Independent Director of the Company for the second term of 5 consecutive years w.e.f March 24, 2020.

- **Mr. Abhinandan K. Jain (DIN: 00351580)- Independent Director**

Mr. Abhinandan K. Jain with a special interest in customer-based business strategy and the case method of learning is an adjunct professor at Indian Institute of Management, Ahmedabad (IIMA) since 2011.

He retired as Professor in 2010 after completing 42 years of service and teaching a multitude of students pursuing master's and doctoral level programs. He has been a visiting faculty at IIM Udaipur, IIM Shillong, IPMI Jakarta, Indonesia, Multi-Media University, Malaysia and Pokhara and Tribhuvan, Nepal. He has served as a member of several high-level committees set up by professional and government institutions and on the Board of Governors (IIMA).

Judged as the best teacher by participants of several batches of IIMA, Mr. Jain has been felicitated for lifetime contribution in the area

of management education and research by the International Conference on Research in Marketing (2013) (Organised by IIT Delhi, XLRI Jamshedpur, and Curtin University, Australia).

He has published three books including (Co-author) Marketing Management: Cases and Concepts; several articles/papers in national and international journals and conferences on media planning, advertising and case method; and a large number of cases in books and journals. Published/presented several papers in national and international journals/ conferences and written more than one hundred learning materials (cases and technical notes) on marketing and general management.

Mr. Jain has also provided consultation in the areas of marketing and management to a large number of public, private, and government organizations in varied sectors: FMCG, engineering, auto, chemicals, fertilizers, IT, and services. The organisations were of both domestic and international origin.

Mr. Jain holds degrees in BE (Mechanical Engineering from Jodhpur University), Post Graduate Programme in Management (IIMA), and Fellow Programme in Management (IIMA). He was appointed as the Director of the Company on June 07, 2017.

- **Mr. Anup Rau (DIN: 06511806) – Managing Director & Chief Executive Officer**

An industry veteran, Mr. Anup, has a career spanning over 23 years of which the last 18 years have been with leading insurance companies. Prior to joining Future Generali India Insurance, he was associated with Edelweiss General Insurance as a Chief Executive Officer. He has also worked with Reliance Nippon Life Insurance, HDFC Life and ICICI Prudential Life Insurance in key leadership positions.

Mr. Anup has a wide experience in working of both Life Insurance Company and General Insurance Company. He was elected in the 4 members Executive Committee of the Life Council, the official industry representative body of the Life Insurance industry. Mr. Anup was selected by Business Today amongst India's best young CEOs in 2014.

Mr. Anup holds an Honours degree in Economics from Delhi University. He has also done MBA in Marketing from Mumbai University. He was appointed as the MD & CEO of the Company by the Board of Directors on May 14, 2019. Insurance Regulatory & Development Authority of India approved his appointment as the MD & CEO of the Company on September 03, 2019 which was effective from June 06, 2019.

3.3 Status of Directorships in other Companies

Sr. no.	Name of the Director	Directorships held in other Companies as on March 31, 2020
1.	Mr. G.N. Bajpai	Future Generali India Life Insurance Company Limited
		Future Consumer Limited
		Dalmia Cement (Bharat) Limited
		Micromax Informatics Limited
		Indianivesh Fund Managers Private Limited
		Invent Assets Securitisation and Reconstruction Private Limited
		Intuit Consulting Private Limited
		Invent ARC Private Limited
		Indianivesh First Bridge Fund Managers Private Limited
		Samco Trustee Private Limited
		International Development Enterprises (India)
2.	Mr. Kishore Biyani	Birla Institute of Management Technology
		Future Corporate Resources Private Limited (formerly known as Suhani Trading and Investment Consultants Private Limited)
		Future Enterprises Limited
		Future Consumer Limited
		Future Generali India Life Insurance Company Limited
		Future Retail Limited (Formerly known as Pantaloon Retail (India) Limited)
Future Lifestyle Fashions Limited		

Sr. no.	Name of the Director	Directorships held in other Companies as on March 31, 2020
3.	Mr. Vijay Biyani	Future Enterprises Limited Shendra Advisory Services Private Limited Sprint Advisory Services Private Limited Utsav Mall Management Company Private Limited Dhanshree Fashions Private Limited Kuber Mall Management Private Limited Kesari Realty Private Limited Future Corporate Resources Private Limited Nimbi Jodha Trading & Finvest Private Limited
4.	Mr. Krishan Kant Rathi	Future Consumer Limited Future Generali India Life Insurance Company Limited AU Small Finance Bank Limited (Formerly AU Financiers (India) Limited) Autoline Industries Limited Indianivesh First Bridge Fund Managers Private Limited (Formerly known as First Bridge Finance & Investments Private Limited) Indianivesh Fund Managers Private Limited Sprint Advisory Services Private Limited. INNEFU Labs Private Limited CLR Facility Services Private Limited Shendra Advisory Services Private Limited
5.	Mr. Sanjay Jain	Future Generali India Life Insurance Company Limited
6.	Mr. Parth Gandhi	LM Media Services Private Limited Clix Finance India Private Limited Clix Capital Services Private Limited IGT Solutions Private Limited
7.	Ms. Jennifer Sparks (Directorship in Indian Companies)	Future Generali India Life Insurance Company Limited Sprint Advisory Services Private Limited Shendra Advisory Services Private Limited
8.	Mr. Fabrice Benard (Directorship in Indian Companies)	-
9.	Ms. Bhavna Doshi	Everest Industries Limited Torrent Power Limited Sun Pharma Advanced Research Company Limited Future Generali India Life Insurance Company Limited Nuvoco Vistas Corporation Limited LIC Pension Fund Limited IndusInd Bank Limited Connect Capital Private Limited
10.	Dr. Devi Singh	Future Generali India Life Insurance Company Limited Mahindra Aerospace Private Limited Intuit Consulting Private Limited Energy Infratech Private Limited
11.	Mr. Abhinandan Kumar Jain	Tamboli Capital Limited Tamboli Castings Limited Future Generali India Life Insurance Company Limited
12.	Mr. Anup Rau	-

4. ANNUAL EVALUATION OF THE BOARD

The evaluation of the Board and its committees is governed by the performance evaluation policy adopted by the Board of Directors. This Policy has been formulated to ensure that the Directors in their individual capacity and the Board as a whole work effectively and efficiently in achieving their functions towards attaining the overall organizational goals.

Performance evaluation of the Independent Directors is done by the Board of Directors excluding the Director being evaluated. The Board reviews and assesses the performance of Independent Directors by way of a peer to peer review i.e. each of the Independent Directors shall be assessed by the other directors based on the criteria prepared by the Board of Directors from time to time. The Board shares the findings of the performance evaluation with the Independent Directors and discuss and analyze the areas for improvement.

Performance evaluation of the Board is carried out by the Independent Directors on a yearly basis. The Independent Directors decide on the criteria to assess the performance of the Board. The Independent Directors meet annually to review and assess the performance of the Board of Directors.

6. ATTENDANCE RECORD OF THE DIRECTORS

During the financial year ended March 31, 2020 ("year under review"), four (4) meetings of the Board of Directors of the Company were held on May 14, 2019, August 14, 2019, November 08, 2019 and February 04, 2020. The maximum time gap between any two consecutive meetings during this period did not exceed an interval of one hundred and twenty (120) days at any point in time.

The details of the Board Meetings held and attended by the respective Directors are given below along with their attendance at the Thirteenth Annual General Meeting ("AGM") of the Company held on August 14, 2019:

Name of Director	Category	Attendance Particulars		
		Meetings held during the tenure of the Director	Meetings attended	Attendance at the AGM
Mr. G. N. Bajpai	Non-Executive Director, Chairman	4	4	Yes
Mr. Kishore Biyani	Non-Executive Director	4	4	Yes
Mr. Vijay Biyani	Non-Executive Director	4	4	Yes
Mr. Krishan Kant Rathi	Non-Executive Director	4	4	Yes
Dr. Devi Singh	Independent Director	4	4	Yes
Ms. Bhavna Doshi	Independent Director	4	4	Yes
Mr. Abhinandan K Jain	Independent Director	4	4	Yes
Ms. Jennifer Sparks	Non-Executive Director	4	4	Yes
Mr. Sanjay Jain	Non-Executive Director	4	2	No
Mr. Hayden Seach ¹	Non-Executive Director	1	0	NA
Mr. Anup Rau ²	Managing Director & Chief Executive Officer	3	3	Yes
Mr. Parth Gandhi ³	Non-Executive Director	2	0	NA
Mr. Fabrice Benard ³	Non-Executive Director	2	2	NA

¹ Resigned as the Non-Executive Director w.e.f May 14, 2019.

² Appointed as the MD & CEO w.e.f June 06, 2019.

³ Appointed as the Non-Executive Director w.e.f August 14, 2019.

The Appointed Actuary and the Chief Risk Officer of the Company are invited to attend all the meetings of the Board of Directors.

5. DETAILS OF SITTING FEES

The details of sitting fees paid to the Directors of the Company for attending the Meetings of the Board of Directors and its Committees during the FY 2019-20 are as follows:

Name of the Director	Amount (in ₹)
Mr. G.N. Bajpai	4,40,000
Dr. Devi Singh	2,90,000
Ms. Bhavna Doshi	2,80,000
Mr. Abhinandan K. Jain	2,80,000
Mr. K. K. Rathi	4,10,000
Mr. Kishore Biyani	2,00,000
Mr. Vijay Biyani	2,00,000
Mr. Sanjay Jain	1,00,000
Ms. Jennifer Sparks	-
Mr. Fabrice Benard	-
Mr. Parth Gandhi	-
Mr. Anup Rau	-

The Directors are paid sitting fees of ₹10,000 per Committee meeting and ₹50,000 for every Board Meeting that they attend.

Besides payment of sitting fees, the Company has no other pecuniary relationship either with the Non-Executive Directors or with the Independent Directors of the Company.

7. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company provides advice to the Board on the adequacy of the internal control & risk management system and financial disclosures.

The Terms of Reference ("ToR") of the Audit Committee, inter-alia, includes the following:

- a. Define the guidelines for the internal control & risk management system of the Company;
- b. Assess the adequacy and effectiveness of the internal control & risk management system of the Company on a regular basis;
- c. Assess the reliability of the financial statements and disclosures of the Company;
- d. Oversee the independence, qualifications and performance of the appointed external auditor and the performance of the internal audit activity;
- e. Oversee the efficient functioning of the internal audit department and review its reports and also monitor the progress made in the rectification of irregularities and changes in processes wherever deficiencies have come to notice;
- f. Oversee the identification and management of main corporate risks faced by the Company;
- g. Make recommendations and proposals for upgrading and further strengthening of the enterprise risk management, internal control and governance processes of the Company;
- h. Oversee the financial statements, financial reporting, and statement of cash flow and disclosure processes of the Company, both on an annual and quarterly basis;
- i. Examine the contents of the Annual Audit Opinion and any Reports issued by the appointed external audit firm which has been engaged to audit the financial statements of the Company;
- j. Be directly responsible for the recommendation of the appointment, remuneration, performance and oversight of the work of the Auditors (internal/statutory/Concurrent);
- k. Consider and approve the Related Party transactions of the Company pursuant to the Policy on Related Party Transaction of the Company including according to omnibus approval for applicable related party transactions of the Company;
- l. Have the oversight on the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the insurer, whether raised by the auditors or by any other person;
- m. Discuss with the statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussions to address areas of concern;
- n. Monitor and report to the Board on any significant compliance breaches that are observed; and
- o. Act as a Compliance Committee to discuss the level of compliance in the Company and any associated risks and to monitor and report to the Board on any significant compliance breaches.

Apart from the above ToR, the Audit Committee expresses its opinion on:

- a. The adequacy and effectiveness of the internal control & risk management framework of the Company, whose principles and main features shall be duly formalized and timely documented;
- b. The adequacy of the Internal Audit Department of the Company, in terms of qualifications and number of internal audit staff and budget allocations, taken into consideration the complexity of operations, size and organization structure of the Company, and its efficient functioning;
- c. The Annual Internal Audit Activity Plan and the quarterly Summary Report on Internal Audit Activity prepared and proposed by the Internal Audit Department before they are submitted to the Board of Directors for final approval; and
- d. Corrective actions to be undertaken by management to address weaknesses and resolve any shortcomings which are identified during the audits and highlighted in the internal audit reports.

The Audit Committee also makes proposals in relation to:

- a. Changes or amendments to the internal control & risk management framework of the Company in order to reduce the occurrence of significant negative events which could impair the assets and/or negatively affect the reputation of the Company and/or the Group, taken into consideration the overall implementation cost of such changes and corresponding benefits;
- b. The appointment, removal, evaluation and compensation of the Head of the Internal Audit Department; and
- c. Changes or amendments to the Policy on Related Party Transactions of the Company.

The ToR and other functions of the Committee as mentioned above are in addition to the scope of the Committee as determined under Section 177 of the Companies Act, 2013 ("Act") read with the relevant rules, IRDAI Corporate Governance Guidelines, 2016 and any other guidelines, rules or regulations as may be prescribed.

7.1 Composition and Attendance at Meetings

The Audit Committee is constituted pursuant to the provisions of Section 177 of the Companies Act, 2013, and the IRDAI Corporate Governance Guidelines, 2016.

As on the date of this report, the Audit Committee consists of four (4) members, all being Non-Executive Directors, three (3) of them being Independent Directors.

During the year under review, the Audit Committee met four (4) times on May 14, 2019, August 14, 2019, November 08, 2019, and February 03, 2020.

The details of the composition, categories and attendance are as under:

Name of Director	Category	Attendance Particulars	
		Meetings held during the tenure of Director/Member	Meetings attended
Ms. Bhavna Doshi	Independent Director, Chairperson	4	4
Mr. G.N. Bajpai	Non-Executive Director	4	4
Dr. Devi Singh	Independent Director	4	4
Mr. Abhinandan K. Jain	Independent Director	4	4

The statutory auditors, internal auditors and senior management are invited to attend the meeting of the Audit Committee. The minutes of the Audit Committee meetings are noted by the Board of Directors at their Meetings. In addition, the Chairperson of the Audit Committee appraises the Board members about the significant discussions at Audit Committee meetings.

8. INVESTMENT COMMITTEE

The Investment Committee has been constituted to assist and provide advice to the Board of Directors in discharging its duties with respect to the investment operations. The primary responsibility of the Investment Committee is to provide general direction for the management of the investment funds and other related responsibilities as may be delegated by the Board of Directors.

The Investment Committee constituted by the Board of Directors is responsible for laying down an overall investment policy and operational framework for the investment operations of the Company. The decisions of the Investment Committee shall constitute recommendations to the Board of Directors and top management.

The Terms of Reference of the Investment Committee, inter-alia, includes the following:

- a. Assess the aspects concerning liquidity for smooth operations;
- b. Compliance with prudential regulatory norms on investments;

- c. Risk management/mitigation strategies to ensure commensurate yield on investments;
- d. Review of investment manager selection;
- e. Establishment of investment benchmarks;
- f. Review of investment performance; and
- g. Risk exposures deriving from the investment operations of the Company.

The Investment Committee also discusses, reviews and makes recommendations on the following:

- a. General direction for the management of investment funds and investment strategies;
- b. Overall investment policy, guidelines and operational framework for the portfolio and the investment operations of the Company;
- c. Internal control system supporting the investment policy of the Company, including but not limited to investment mandates, schedules of delegations to management, allowable investments, investment benchmarks, empanelment of brokers, the appointment of the custodian and investment managers and risk control limits;
- d. Policies and guidelines involving the use of derivatives and structured products;
- e. Any large and/or non-standard investment transactions upon completion of the review and comments by the Risk Management Department and the Investment Department;
- f. The degree of attention given to prudential asset-liability management (ALM) in the investment policy and the models used to steer efficiently in the direction pointed out by the Board;
- g. Risks that the investment activity brings to the portfolios of the Company;
- h. Performance of investments made by or on behalf of the Company or the policyholders and its impact on the Company's finances;
- i. Evaluation of dynamic market conditions, including the future outlook and its impact on the investment policy of the Company;
- j. Quality of investment-related assessments by the Investment Department and the advice of third parties supported by the findings of the due diligence process and the credit ratings provided by external agencies;
- k. Quality and performance of the financial intermediaries and other financial service providers that the Company employs to carry out its investment operations; and
- l. Effective standalone reporting systems (i.e. independent from any audit mechanisms, either internal or concurrent) to ensure compliance with the investment policy for a sustained and ongoing monitoring of investment operations.

8.1 Composition and Attendance at Meetings

The Investment Committee is constituted pursuant to the IRDAI Corporate Governance Guidelines, 2016.

As on the date of this report, the Investment Committee consists of seven (7) members viz. two (2) Non-Executive Directors, Managing Director & Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Chief of Investments and Appointed Actuary.

During the year under review, the Investment Committee met four (4) times on May 13, 2019, August 13, 2019, November 07, 2019, and February 03, 2020.

The details of the composition, categories and attendance are as under:

Name of Director	Category	Attendance Particulars	
		Meetings held during the tenure of Director/KMP	Meetings attended
Mr. G.N. Bajpai	Non-Executive Director, Chairman	4	4
Mr. Krishan Kant Rathi	Non-Executive Director	4	4
Mr. Devi Dayal Garg	Chief Financial Officer	4	4
Mr. Milan P. Shirodkar	Chief of Investments	4	4
Mr. Ajay Panchal	Chief Risk Officer	4	4
Mr. Shreeraj Deshpande ¹	Principal Officer	1	1
Mr. Anup Rau ²	Managing Director & Chief Executive Officer	3	3
Mr. Ashwani Kumar Arora ³	Appointed Actuary	3	3
Mr. Jatin Arora ⁴	Appointed Actuary	1	1

¹ Ceased to be a member of the Committee w.e.f May 14, 2019.

² Inducted as a member of the Committee w.e.f May 14, 2019.

³ Resigned as the Appointed Actuary of the Company w.e.f November 29, 2019.

⁴ Appointed as the Appointed Actuary w.e.f December 17, 2019 & Inducted as a member of the Committee w.e.f February 04, 2020.

The minutes of the Investment Committee meetings are noted by the Board of Directors at their meetings.

9. POLICYHOLDER'S PROTECTION COMMITTEE

The Policyholder's Protection Committee assists and provides advice to the Board of Directors in relation to the protection of the interests of policyholders. The Policyholder's Protection Committee puts in place systems to ensure that policyholders have access to redressal mechanisms and establish policies and procedures to deal with customer complaints and resolve disputes expeditiously.

The Policyholder's Protection Committee lays special emphasis on the protection of policyholder's interests and on the adoption of sound and healthy market conduct practices.

The Terms of Reference of the Policyholder's Protection Committee, inter-alia, includes the following:

- Ensure that policyholders are kept well informed of and educated about insurance products and internal complaint-handling procedures;
- Putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including misselling by intermediaries;
- Ensure compliance with the statutory requirements as laid down in the regulatory framework;
- Recommend policy on customer education for approval of the Board and ensure proper implementation of the same;
- Adopt standard operating procedures to treat the customer fairly including time-frames for policy and claims servicing parameters and monitoring implementation thereof;
- Put in place a framework for review of awards given by Insurance Ombudsman/Consumer Forums. Analyze the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any;
- Review all the awards given by Insurance Ombudsman/Consumer Forums remaining unimplemented for more than three (3) months with reasons therefore and report the same to the Board for initiating remedial action, where necessary;
- Review the measures and take steps to reduce customer complaints at periodic intervals;
- Provide details of grievances at periodic intervals in such formats as may be prescribed by the Authority;
- Review of Claims Report, including the status of Outstanding Claims with the ageing of outstanding claims;

- k. Reviewing Repudiated claims with analysis of reasons;
- l. Review of unclaimed amounts of Policyholders, as required under the Circulars and guidelines issued by the Authority;
- m. Review the internal complaint-handling and redress mechanism of the Company at periodic intervals;
- n. Ensure adequacy of disclosure of “material information” to the policyholders. These disclosures shall, for the present, comply with the requirements laid down by the Authority both at the point of sale and at periodic intervals;
- o. Review the periodic report on policyholders’ complaints prepared by the appointed Complaints Officer on a quarterly basis and review the measures and take steps to reduce customer complaints at periodic intervals;
- p. Monitor on a regular basis the progress made in the rectification of identified shortcomings wherever deficiencies in processes, products or services have come to notice;
- q. Review the status of complaints at periodic intervals to the policyholders; and
- r. Provide details of insurance ombudsman to the policyholders.

9.1 Composition and Attendance at Meetings

The Policyholders’ Protection Committee is constituted pursuant to the IRDAI Corporate Governance Guidelines, 2016.

As on the date of this report, the Policyholders’ Protection Committee consists of three (3) members, all being Non-Executive Directors.

Mr. Sandip Tarkas is the Expert Representative of Customer and a permanent invitee to the Meetings of the Committee.

During the year under review, the Policyholders’ Protection Committee met four (4) times on May 13, 2019, August 14, 2019, November 08, 2019 and February 03, 2020.

The details of the composition, categories and attendance are as under:

Name of Director	Category	Attendance Particulars	
		Meetings held during the tenure of Director/Member	Meetings attended
Mr. G.N. Bajpai	Non-Executive Director, Chairman	4	4
Mr. Krishan Kant Rathi	Non-Executive Director	4	4
Mr. Hayden Seach ¹	Non-Executive Director	1	0
Mr. Fabrice Benard ²	Non-Executive Director	2	2
Mr. Sandip Tarkas	Expert Representative of Customer	4	2

¹ Resigned as the Non-Executive Director w.e.f May 14, 2019.

² Appointed as the Non-Executive Director of the Company and inducted as a member of the Committee w.e.f August 14, 2019.

The minutes of the Policyholders’ Protection Committee meetings are noted by the Board of Directors at their meetings.

10. ETHICS & COMPLIANCE COMMITTEE

The Ethics & Compliance Committee assists and advises the Board of Directors in relation to ethical and compliance matters and monitors the risk profile of the Company related to compliance with external laws and regulations and internal policies. The ultimate responsibility for ethics and compliance matters rests with the Board of Directors and top management.

The Terms of Reference of the Ethics & Compliance Committee, inter-alia, includes the following:

- a. Advice and help the Board set the correct “tone at the top” by communicating, or supporting the communication throughout the Company, of the importance of ethics and compliance and promote an organizational culture that encourages law-abiding and ethical conduct;
- b. Monitor and review the adequacy and effectiveness of the Company’s ethics, business conduct and compliance standards and training programs and their adherence by the employees and officers of the Company and recommend enhancements to the Board and management;

- c. Supervise, monitor and evaluate the procedures for the receipt, retention, treatment and investigation of protected disclosures involving alleged misconduct, unethical behaviour or potential conflicts of interest and any other matters reported using the Whistle Blowing Policy of the Company or other confidential mechanisms for employees and others to report ethical and compliance concerns or potential breaches or violations;
- d. Review and evaluate the Company's policies and procedures addressing the identification and resolution of conflicts of interest involving the Company, its employees, officers and directors, including the establishment of safeguards whenever necessary;
- e. Monitor the Company's policies and practices in the areas of corporate responsibility and with respect to contributions to charitable and educational organizations and government relations;
- f. Review and recommend to the Board of Directors for approval the codes and standards of conduct that apply to the directors, officers and employees of the Company;
- g. Review the procedures established by the Board of Directors to resolve conflicts of interest and handle related party transactions, including techniques for the identification of potential conflict situations and for restricting the use of confidential information;
- h. Periodically (at least annually) assess the adequacy and effectiveness of the Compliance Function of the Company and its compliance risk management system;
- i. Review and recommend the appointment, removal, evaluation and compensation of the Principal Compliance Officer for the approval of the Board of Directors;
- j. Review the Annual Compliance Activity Plan prepared and proposed by the Compliance Function before it is submitted to the Board of Directors for final approval;
- k. Review and recommend for approval by the Board of Directors the compliance programs of the Company which are intended to foster compliance with applicable laws and regulations, review their effectiveness on a regular basis and sign off on any material compliance issues or matters;
- l. Receive and review periodic reports from the Compliance Function; and
- m. Make recommendations to the Board of Directors and to management with respect to the interpretation and enforcement of ethics policies.

The Ethics & Compliance Committee also undertakes and carries out any additional duties and responsibilities as the Board of Directors may from time to time prescribe.

10.1 Composition and Attendance at Meetings

The Ethics & Compliance Committee is constituted pursuant to the provisions of the IRDAI Corporate Governance Guidelines, 2016.

As on the date of this report, the Ethics & Compliance Committee consists of three (3) members, all being Non-Executive Directors.

During the year under review, the Ethics & Compliance Committee met four (4) times on May 13, 2019, August 14, 2019, November 08, 2019 and February 03, 2020.

The details of the composition, categories and attendance are as under:

Name of Director	Category	Attendance Particulars	
		Meetings held during the tenure of Director/Member	Meetings attended
Mr. G.N. Bajpai	Non-Executive Director, Chairman	4	4
Mr. Krishan Kant Rathi	Non-Executive Director	4	4
Mr. Hayden Seach ¹	Non-Executive Director	1	0
Mr. Fabrice Benard ²	Non-Executive Director	2	2

¹Resigned as the Non-Executive Director w.e.f May 14, 2019.

²Appointed as the Non-Executive Director of the Company and inducted as a member of the Committee w.e.f August 14, 2019.

The minutes of the Ethics & Compliance Committee meetings are noted by the Board of Directors at their meetings.

11. RISK MANAGEMENT COMMITTEE

The Risk Management Committee assists and provides advice to the Board of Directors in relation to the risk management system of the Company. The ultimate responsibility for enacting and implementing adequate and effective risk management and asset-liability management system rests with the Board of Directors.

The Terms of Reference of the Risk Management Committee are as follows:

- a. Establish an effective Risk Management framework and recommend to the Board of Directors, the Risk Management Policy of the Company;
- b. Assist the Board of Directors in its decision-making process by helping to outline the risk profile of the Company and develop a strong risk management system and sound mitigation strategies;
- c. Lay down the risk management strategy and risk tolerance limits of the Company through policies that will address diverse risk areas; and
- d. Assist the Board of Directors to formulate, monitor and revise strategies related to assets and liabilities to achieve the financial objectives of the Company, given its risk appetite, risk tolerances and business profile.

The Risk Management Committee also discusses, reviews and makes recommendations on the following:

- a. The existing risk profile of the Company with special regard to solvency, capital allocation, asset allocation, insurance risks, operational risks and products;
- b. The enterprise risk management policies, guidelines and limits of the Company;
- c. The risk-taking criteria to be adopted by management within the Company;
- d. Review the Annual Risk Report and the overall risk profile of the Company for all categories of risk;
- e. Periodically review the Summary Report on Enterprise Risk Management Activities prepared by the Enterprise Risk Management Department;
- f. Periodically review the adequacy of the Enterprise Risk Management Department of the Company;
- g. Review and recommend the appointment, removal, evaluation and compensation of the Chief Risk Officer;
- h. Regularly review and evaluate the optimal ALM strategies at the enterprise level, in order to meet risk/reward objectives;
- i. Review and monitor the solvency position of the Company, business continuity, fraud monitoring; and
- j. Any proposal to alter the risk-reward profile of the Company.

11.1 Composition and Attendance at Meetings

The Risk Management Committee is constituted pursuant to the provisions of the IRDAI Corporate Governance Guidelines, 2016.

As on the date of this report the Risk Management Committee consists of three (3) members, all being Non-Executive Directors.

During the year under review, the Risk Management Committee met four (4) times on May 13, 2019, August 14, 2019, November 08, 2019 and February 03, 2020.

The details of the composition, categories and attendance are as under:

Name of Director	Category	Attendance Particulars	
		Meetings held during the tenure of Director/Member	Meetings attended
Mr. G.N. Bajpai	Non-Executive Director, Chairman	4	4
Mr. Krishan Kant Rathi	Non-Executive Director	4	4
Mr. Hayden Seach ¹	Non-Executive Director	1	0
Mr. Fabrice Benard ²	Non-Executive Director	2	2

¹ Resigned as the Non-Executive Director w.e.f May 14, 2019.

² Appointed as the Non-Executive Director of the Company and inducted as a member of the Committee w.e.f August 14, 2019.

The minutes of the Risk Management Committee meetings are noted by the Board of Directors at their meetings.

12. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (“CSR”) committee has been constituted with an advisory and oversight role for supporting and guiding the Company towards accomplishing its responsibilities towards CSR Activities.

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

- Formulate and recommend to the Board, a CSR Policy which shall enumerate the activities to be undertaken by the Company and to review the same from time to time;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Ensure that CSR policy is implemented as per the Act and the Rules;
- Funds are strictly utilized for the purposes of the CSR activities as approved by the Board;
- CSR expenditure to be audited independently for a better level of transparency;
- Evaluating the CSR Activities undertaken by the Company on an annual basis;
- Prepare the Annual CSR Report to be filed by the Company upon obtaining approval of the Board;
- Ensure that the expense incurred on CSR shall not be included for the purpose of calculation of ceilings on Expenses of Management under Section 40B or Section 40C, as the case may be; and
- Ensure that the expenses incurred on CSR activities should not be charged to the Policyholders’ Account.

12.1 Composition and attendance at Meetings

The CSR Committee is constituted pursuant to the provisions of Companies Act, 2013 and the IRDAI Corporate Governance Guidelines, 2016.

The CSR Committee consists of three (3) members, all being Non - Executive Directors and the Chairman of the Committee being an Independent Director.

During the year under review, the CSR Committee met on May 14, 2019.

The details of the composition, categories and attendance are as under:

Name of Director	Category	Attendance Particulars	
		Meetings held during the tenure of Director/Member	Meetings attended
Dr. Devi Singh	Independent Director, Chairman	1	1
Mr. Krishan Kant Rathi	Non-Executive Director	1	1
Mr. Hayden Seach ¹	Non-Executive Director	1	0
Mr. Fabrice Benard ²	Non-Executive Director	0	0

1 Resigned as the Non-Executive Director w.e.f May 14, 2019.

2 Appointed as the Non-Executive Director of the Company and inducted as a member of the Committee w.e.f August 14, 2019.

The minutes of the CSR Committee meetings are noted by the Board of Directors at their meetings.

13. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company performs an advisory and oversight role on the remuneration and compensation policy of the Company with respect to the Chief Executive Officer, key management personnel and the Executive Directors of the Company.

The Terms of Reference of the Committee are as follows:

- Assist and provide advice to the Board of Directors in relation to the evaluation and compensation of the Chief Executive Officer, Key Management Personnel and the Executive Directors of the Company, succession planning and development of senior-level positions and executives and the integrity of Directors;
- Review and recommend the Company’s remuneration and compensation policy;

- c. Ensure that the remuneration packages are closely connected with the performance objectives laid down for the key management persons and as per the Nomination and Remuneration Policy of the Company;
- d. Verify that the Directors of the Company meet the “fit and proper” criteria, in line with international and domestic norms;
- e. Ensure that the proposed appointments/ re-appointments of Key Management Persons or Directors are in conformity with the Board approved policy on retirement/ superannuation;
- f. Ensure that the appointment and reporting of Key Management Persons should be as per the directions provided under the Corporate Governance Guidelines issued by the IRDAI;
- g. On an annual basis, review and recommend the corporate goals and objectives relevant to the remuneration and compensation of the Chief Executive Officer and the Executive Directors of the Company and to review and evaluate the performance in line with the goals;
- h. Regularly review, evaluate and make recommendations with respect to the Company’s long-term incentive compensation plans, equity-based plans and pension plans, including but not limited to the use of stock option plans and other equity-based plans, review policies concerning fringe benefits;
- i. On an annual basis, review the Company’s compensation disclosures in its annual financial report; and
- j. Scrutinize the various declarations to be obtained from the proposed candidate as per the applicable Laws.

13.1 Composition and Attendance at Meetings

The Nomination and Remuneration Committee is constituted pursuant to the provisions of the IRDAI Corporate Governance Guidelines, 2016.

As on the date of this report, the Nomination and Remuneration Committee consists of five (5) members, all being Non-Executive Directors, three (3) of them being Independent Directors.

During the year under review, the Nomination and Remuneration Committee met four (4) times on May 14, 2019, August 14, 2019, November 08, 2019 and February 04, 2020.

The details of the composition, categories and attendance are as under:

Name of Director	Category	Attendance Particulars	
		Meetings held during the tenure of Director/Member	Meetings attended
Ms. Bhavna Doshi	Independent Director, Chairperson	4	4
Mr. G.N. Bajpai	Non-Executive Director	4	4
Dr. Devi Singh	Independent Director	4	4
Mr. Abhinandan K. Jain	Independent Director	4	4
Mr. Krishan Kant Rathi	Non-Executive Director	4	4

The minutes of the Nomination and Remuneration Committee meetings are noted by the Board of Directors at their meetings.

14. BANKING AFFAIRS COMMITTEE

The Banking Affairs Committee was constituted to exercise oversight of the operations and processes of the Company’s banking and finance relationships and also consider approval of opening\closure\operations of bank accounts and change in authorized signatories, as per the business needs.

The Terms of Reference of the Committee are as follows:

- a. Exercise oversight of the operations and processes of the Company’s banking and finance relationships;
- b. Approve the proposals presented by the Management for opening\closure\operations of bank/ Demat to grant requisite authorities to the Directors/Executives of the Company for operations of Bank accounts including change, if any required, in the authorized signatories for operation of the bank /Demat accounts; and
- c. Recommend and set authority limits for operations of the Company’s bank/ Demat Accounts and modify them, from time to time.

14.1 Composition and Attendance at Meetings

As on the date of this report, the Banking Affairs Committee consists of four (4) members viz Managing Director & CEO, one (1) Non-Executive Director, Chief Operating Officer and Chief Financial Officer.

During the year under review, the Banking Affairs Committee met twice (2) on May 14, 2019 and February 11, 2020.

The details of the composition, categories and attendance are as under:

Name of Director	Category	Attendance Particulars	
		Meetings held during the tenure of Director/Member	Meetings attended
Mr. Krishan Kant Rathi	Non-Executive Director, Chairman	2	2
Mr. Anup Rau ¹	Managing Director & CEO	1	1
Mr. Shreeraj Deshpande ²	Chief Operating Officer	2	2
Mr. Devi Dayal Garg ³	Chief Financial Officer	1	1

¹ Inducted as a member of the Committee w.e.f May 14, 2019.

² Ceased to be a member of the Committee w.e.f May 14, 2019 and inducted again as a member of the Committee w.e.f February 04, 2020.

³ Inducted as a member of the Committee w.e.f February 04, 2020.

15. SHARE TRANSFER AND ALLOTMENT COMMITTEE

The Share Transfer and Allotment Committee oversees and approves the allotment, transfer and issuance of duplicate certificates of the Company.

During the year under review, no meetings of the Share Transfer and Allotment Committee were held.

The members of the Committee are Mr. G. N. Bajpai, Mr. Krishan Kant Rathi and Mr. Anup Rau. The Board of Directors of the Company at their meeting held on February 04, 2020, dissolved the Share Transfer and Allotment Committee.

16. OTHER COMMITTEES CONSTITUTED UNDER THE IRDAI REGULATIONS

16.1 PRODUCT UNDERWRITING AND REINSURANCE MANAGEMENT COMMITTEE

The Product Underwriting and Reinsurance Management Committee ("PURMC") is constituted in accordance with the provisions of the Guidelines on Product Filing Procedures for General Insurance Products (File & Use Guidelines) issued by the IRDAI to ensure proper due diligence of product design and thereby protection of the policyholders' interests and also to review and recommend all the products that are in existence and new products proposed to be filed with the Authority and carry out a due diligence process and record its concurrence on various products related risks for all products falling under File and Use and Use and File procedures.

The PURMC consisted of the following members as on March 31, 2020, in accordance with the IRDAI Regulations:

- Mr. Shreeraj Deshpande- Chief Operating Officer;
- Mr. Devi Dayal Garg- Chief Financial Officer;
- Mr. Ajay Panchal- Chief Risk Officer;
- Mr. Rajiv Joshi- Sr. Vice President & Head- Legal, Compliance and Secretarial;
- Mr. Shib Shankar Saha- Head and VP - Reinsurance and Commercial Underwriting;
- Mr. Raghavendra Rao- Chief- Retail sales;
- Mr. Jatin Arora- Appointed Actuary; and
- Ms. Ruchika Malhan Varma- Chief Marketing Officer.

During the year under review, the PURMC met Seven (7) times on April 02, 2019, June 27, 2019, September 16, 2019, September 19, 2019, January 13, 2020, March 06, 2020, and March 25, 2020.

16.2 OUTSOURCING COMMITTEE

The Outsourcing Committee is constituted in accordance with the provisions of Outsourcing of Activities by Indian Insurers Regulation, 2017, issued by the IRDAI to ensure that prudent practices are followed by the Company on the management of risks arising out of outsourcing with a view to prevent negative impact and to protect the interests of the policyholders.

The Outsourcing Committee consisted of the following members as on March 31, 2020, in accordance with the IRDAI Regulations:

- Mr. Anup Rau- Managing Director & Chief Executive Officer;
- Mr. Shreeraj Deshpande- Chief Operating Officer;
- Mr. Ajay Panchal- Chief Risk Officer;
- Mr. Devi Dayal Garg- Chief Finance Officer;
- Mr. Rajiv Joshi- Sr. Vice President & Head- Legal, Compliance and Secretarial;
- Mr. Daniel Muwar- Assistant Vice President – Procurement; and
- Mr. Manoj Kumar Shrivastava- Chief Information Security Officer.

During the year under review, the Outsourcing Committee met two (2) times on April 08, 2019 and May 20, 2019.

17. WHISTLE BLOWER POLICY

The Whistle blower policy is a mechanism for employees to raise concerns on the matters that can have a grave impact on the performance of the Company. The policy aims to encourage employees to report to the Board about any misconduct or any legal or regulatory violation, etc.;

The whistle blower policy covers inter alia the following:

- a. Fraud;
- b. Criminal offences, non-compliance with legal obligations or miscarriage of justice;
- c. Illegal or unethical accounting practices and/or controls and accounting irregularities (such as falsification of documents; audit issues; inflated assets or accounting records; underestimated liabilities; etc.);
- d. Safety & security issues (such as environmental and health issues; threats or reference of physical threats to employees, customers or facilities; I.T. security issues or breaches; etc.);
- e. Unethical or illegal behaviour (such as bribery; corruption; inappropriate giving or receiving of gifts; theft of cash, goods and services; illegal use of proprietary information; non-compliance with laws or regulatory policies; etc.);
- f. Conflicts of interest and issues that could harm the reputation of the Company; and
- g. Any deliberate cover-up of the above.

18. GENERAL BODY MEETINGS

The details of the Annual General Meetings held for the past three (3) years are as follows:

Year	No. of AGM	Date and Time of AGM	Venue
2016-17	11th	11th day of August, 2017 at 05:00 p.m.	Indiabulls Finance Centre, Tower 3, 6th Floor, Senapati Bapat Marg, Elphinstone Road (W), Mumbai – 400013
2017-18	12th	24th day of September, 2018 at 04:00 p.m.	Indiabulls Finance Centre, Tower 3, 6th Floor, Senapati Bapat Marg, Elphinstone Road (W), Mumbai – 400013
2018-19	13th	14th day of August 2019 at 09.30 a.m.	Indiabulls Finance Centre, Tower 3, 6th Floor, Senapati Bapat Marg, Elphinstone Road (W), Mumbai – 400013

18.1 Extraordinary General Meeting

During the year under review, One (1) Extra-Ordinary General Meeting of the members of the Company was held on February 04, 2020.

DISCLOSURES

i) Related Party Transactions

Pursuant to the IRDAI Corporate Governance Guidelines, 2016, the Company is required to put in place adequate systems, policies and procedures to address actual and/or potential conflicts of interest with Related Parties, including Board level review of key transactions and disclosures of any conflicts of interest to manage and control such issues.

All the Related Party Transactions have been disclosed and forms part of the Financial Statement.

ii) Penalty or strictures

No penalty was levied by the authority on the Company during the year under review.

iii) Onsite Inspection

During the year under review, a Thematic Onsite Inspection of the Company was carried out by IRDAI on Corporate Governance, Related Party Transactions, Outsourcing activities & Expenses of Management from December 02, 2019 to December 06, 2019.

iv) Disclosure of accounting treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

v) Disclosures on Risk Management

The Company has implemented the Risk Management Policy and Operational Risk Management Policy, which are periodically reviewed by the Risk Management Committee and the Board.

vi) Reappointment of Directors

Pursuant to Section 152(6) of the Companies Act, 2013, Mr. G.N. Bajpai (DIN: 00946138) and Mr. Kishore Biyani (DIN: 00005740), Non - Executive Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Pursuant to Section 152 of the Companies Act, 2013, the Independent Directors of the Company have been excluded from the total number of Directors for the purpose of determining the number of Directors whose period of office will be liable to retirement by rotation.

vii) Actual solvency margin details vis-à-vis the required margin as on March 31, 2020

Particulars	Amount (in ₹ lacs)
Available Assets	529,940
Liabilities	450,365
Available Solvency Margin (ASM)	79,575
Required Solvency Margin (RSM)	52,725
Solvency Ratio	1.51

viii) Financial performance including growth rate and current financial position of the Company.

The Company has a gross written premium of ₹3,490 Crore against ₹2,601 Crore in the previous year.

The issued capital of the Company as on March 31, 2020, was ₹9,049,937,490/- and the subscribed and paid-up share capital was ₹9,048,037,050/-.

ix) Risk Management

The internal control and risk management system oversee the risks and controls as an integrated and synergic whole, identifying and stressing on interactions. The system is based on accurate identification of the responsibilities of the various players involved and, most of all, on the implementation of suitable and structured safeguard mechanisms in

order to ensure compliance with the strategies set by the Board of Directors in this area. To obtain a higher level of clarity, in a context marked by the proliferation and the overlapping of control bodies and functions, the internal control and risk management system defines the proper role for all the Company functions based on a dual-level organizational backdrop.

- The first level is the operational one, centered around the Senior Management and enriched by dedicated units focused on specific areas of risk management and controls; and
- The second level has a high degree of organizational independence and is tasked with checking the system's performance in terms of controls and risk management.
- For internal control and risk management purposes, these organizational levels are structured along three defence lines:
 - Operational functions (risk owners);
 - Risk management function and compliance function; and
 - Internal audit function.

x) Details of number of claims intimated, disposed of and pending

Particulars	Total no. of Claims
Outstanding at the beginning of the year	31,472
Reported during the year	260,370
Settled during the year	260,511
Outstanding at the end of the year	31,331

xi) Details of all pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis your Company

During the year under review, there has been no pecuniary relationship or transactions with the Non-Executive Directors vis-à-vis the Company except the payment of sitting fees to them.

CERTIFICATION FOR COMPLIANCE OF THE CORPORATE GOVERNANCE GUIDELINES

I, Rajiv Joshi, hereby certify that Future Generali India Insurance Company Limited has complied with the Corporate Governance Guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

For Future Generali India Insurance Company Limited

Rajiv Joshi

Sr. Vice President & Head- Legal, Compliance and Secretarial

Date: June 05, 2020

Place: Mumbai

EXTRACT OF ANNUAL RETURN

FORM NO. MGT -9

As on the financial year ended March 31, 2020

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

I. REGISTRATION & OTHER DETAILS

CIN	U66030MH2006PLC165287
Registration Date	October 30, 2006
Name of the Company	Future Generali India Insurance Company Limited
Category/Sub-category of the Company	Company limited by Shares/ Non- Government Company
Address of the Registered Office & contact details	Indiabulls Finance Centre, Tower 3, 6th Floor, Senapati Bapat Marg, Elphinstone (W), Mumbai - 400 013 Tel : 022-4097 6666 Website: https://general.futuregenerali.in/
Whether listed Company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Name: Link Intime India Pvt. Ltd. Address: Link Intime India Pvt. Ltd, C- 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400 083. Tel : 022- 4918 6270

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

SI No	Name & Description of main products/services	NIC Code of the Product /Service	% to total turnover of the Company
1	Non-Life Insurance	6512	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SI No	Name & Address	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Not Applicable					

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS A PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt. (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	206,549,994	396,703,711	603,253,705	74.49	674,022,828	6*	674,022,834	74.49	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	206,549,994	396,703,711	603,253,705	74.49	674,022,828	6*	674,022,834	74.49	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	206,550,000	206,550,000	25.51	230,780,871	0	230,780,871	25.51	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	206,550,000	206,550,000	25.51	230,780,871	0	230,780,871	25.51	0
Total shareholding of Promoter (A) =(A)(1)+ (A)(2)	206,549,994	603,253,711	809,803,705	100.00	904,803,699	6*	904,803,705	100.00	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	206,549,994	603,253,711	809,803,705	100.00	904,803,699	6*	904,803,705	100.00	0

*Shares held by Future Enterprises Limited jointly with individuals

ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	Future Enterprises Limited	206,550,000*	25.50	0	230,780,872*	25.50	0	0
2	Shendra Advisory Services Private Limited	396,703,705	48.99	0	443,241,962	48.99	0	0
3	Generali Participations Netherlands N.V. (Formerly known as Participatie Maatschappij Graafschap Holland N.V.)	206,550,000	25.51	0	230,780,871	25.51	0	0
	Total	809,803,705	100.00	0	904,803,705	100.00	0	0

*Includes 6 shares held by Future Enterprises Limited jointly with individuals.

iii) Change in Promoters' Shareholding

Sl. No.	Name of Promoter(s)	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No of shares	% of total shares of the Company
1.	Future Enterprises Limited*				
	At the beginning of the year 01.04.2019	206,550,000	25.50	-	-
	Add: Allotment made on 30.06.2019	12,753,091	25.50	219,303,091	25.50
	Add: Allotment made on 31.12.2019	11,477,781	25.50	230,780,872	25.50
	At the end of the year 31.03.2020	-	-	230,780,872	25.50
2.	Shendra Advisory Services Private Limited				
	At the beginning of the year 01.04.2019	396,703,705	48.99	-	-
	Add: Allotment made on 30.06.2019	24,493,819	48.99	421,197,524	48.99
	Add: Allotment made on 31.12.2019	22,044,438	48.99	443,241,962	48.99
	At the end of the year 31.03.2020	-	-	443,241,962	48.99
3.	Generali Participations Netherlands N.V. (Formerly known as Participatie Maatschappij Graafschap Holland N.V.)				
	At the beginning of the year 01.04.2019	206,550,000	25.51	-	-
	Add: Allotment made on 30.06.2019	12,753,090	25.51	219,303,090	25.51
	Add: Allotment made on 31.12.2019	11,477,781	25.51	230,780,871	25.51
	At the end of the year 31.03.2020	-	-	230,780,871	25.51

*Includes 6 shares held by Future Enterprises Limited jointly with individuals.

iv) Shareholding Pattern of top ten Shareholders

(other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

v) Shareholding of Directors & Key Managerial Personnel (KMP)

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
Additions	0	0	0	0
Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 34A of the Insurance Act, 1938, and relevant provisions of Insurance Laws (Amendment) Act, 2015, ceiling as per the Companies Act, 2013, shall not apply to any matter in respect of which the approval of the Authority has to be obtained under section (1) of Section 34A the Insurance Act, 1938. Further, any excess in annual remuneration, in any form, payable to the official, over and above the amount approved by the Authority shall be borne by the Shareholders.

A. Remuneration to Managing Director, Whole-Time Director and/or Manager

Sl. No.	Particulars of Remuneration	Name of the Managing Director/ Whole-Time Director/ Manager	
		Mr. Anup Rau Managing Director & CEO (w.e.f June 06, 2019)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961		22,411,809
	(b) Value of perquisites (u/s 17(2) of the Income-tax Act, 1961		1,343,558
	(c) Profits in lieu of salary (u/s 17(3) of the Income Tax Act, 1961)		-
2	Stock option		-
3	Sweat Equity		-
4	Commission		-
	as % of profit		-
	others (specify)		-
5	Others, please specify		
	(a) Retirals (Employer's contribution to PF & Gratuity Provision)		2,203,974
	(b) Reimbursements (Flexible Benefits Plan, expense claims reimbursements & Car rentals)		20,000
	Total		25,979,341
	Ceiling as per the Act		N.A

B. Remuneration to other Directors

Sl. No	Particulars of Remuneration	Name of the Directors												Total
		Mr. G. N. Bajpai	Dr. Devi Singh	Ms. Bhavna Doshi	Mr. Abhinandan K. Jain	Mr. Kishore Biyani	Mr. Vijay Biyani	Mr. K. K. Rathi	Mr. Hayden Seach*	Ms. Jennifer Sparks	Mr. Sanjay Jain	Mr. Parth Gandhi [§]	Mr. Fabrice Benard [¶]	
1	Independent Directors													
	(a) Fee for attending Board/ Committee meetings	N.A	290,000	280,000	280,000	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	850,000
	(b) Commission	N.A	0	0	0	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	0
	(c) Others, please specify	N.A	0	0	0	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	0
	Total (1)	N.A	290,000	280,000	280,000	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	850,000
2	Other Non-Executive Directors													
	(a) Fee for attending Board/ Committee meetings	440,000	N.A	N.A	N.A	200,000	200,000	410,000	0	0	100,000	0	0	1,350,000
	(b) Commission	0	N.A	N.A	N.A	0	0	0	0	0	0	0	0	0
	(c) Others, please specify.	0	N.A	N.A	N.A	0	0	0	0	0	0	0	0	0
	Total (2)	440,000	N.A	N.A	N.A	200,000	200,000	410,000	0	0	100,000	0	0	1,350,000
	Total (1+2)	440,000	290,000	280,000	280,000	200,000	200,000	410,000	0	0	100,000	0	0	2,200,000
	Overall Ceiling as per the Act.	N.A												

*Mr. Hayden Seach Resigned as Non-Executive Director w.e.f May 14, 2019.

§Mr. Parth Gandhi was appointed as Additional Non-Executive Director w.e.f August 14, 2019.

¶Mr. Fabrice Benard was appointed as Additional Non-Executive Director w.e.f August 14, 2019.

Note: The Company has not made any payment to Directors, except sitting fees as specified under section 197(5) of the Companies Act, 2013. Further, the sitting fee is in accordance with the provisions of Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

C. Remuneration to Key Managerial Personnel other than Managing Director/ Whole Time Director/ Manager

(₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Devi Dayal Garg	Mr. Rajiv Joshi	Other KMPs*	
		Chief Financial Officer	Principal Compliance Officer, Company Secretary and Head- Legal		
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	11,323,682	6,373,776	59,348,482	77,045,940
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	764,604	-	1,360,452	2,125,056
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify				
	(a) Bonus/ Ex-gratia	-	-	14,741,127	14,741,127
	(b) Retirals (Employer's contribution to PF & Gratuity Provision)	1,218,552	401,028	4,302,144	5,921,724
	(c) Reimbursements (Flexible Benefits Plan, expense claims reimbursements & Car rentals)	1,232,758	25,200	2,592,165	3,850,123
	Total	14,539,596	6,800,004	82,344,370	103,683,970

* As defined under the IRDAI Corporate Governance Guidelines, 2016.

** Figures mentioned in above table are on payment basis, made during the year.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
B. DIRECTORS					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
C. OTHER OFFICERS IN DEFAULT					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
FUTURE GENERALI INDIA INSURANCE COMPANY LIMITED
Mumbai

We have conducted the Secretarial Audit of **Future Generali India Insurance Company Limited** (hereinafter called the “Company”) to review the compliance of applicable statutory provisions and the adherence to good corporate practices. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances/ board process and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the electronic data provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, the explanations and clarifications given to us and there presentations made by the Management and considering the relaxations granted by the Insurance Regulatory and Development Authority of India and the Ministry of Corporate Affairs, due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the Financial Year ended on March 31, 2020 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the “Act”) and the rules made thereunder, as may be applicable;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment; and
- (iv) Based on the representation made by the Company and its officers, the Company has adequate system

and process in place for compliance under the other applicable Laws, Acts, Rules, Regulations, Guidelines and Standards including the following:

- (i) Insurance Act, 1938 and The Insurance Law (Amendments) Act, 2015; and
- (ii) Insurance Regulatory and Development Authority Act, 1999 (“IRDA”) and the rules, regulations, circulars, guidelines, instructions etc. issued by IRDAI;

We have relied on the representations made by the Company and its officers and report of the Internal Auditor for systems and mechanism formed by the Company for compliances under other applicable Laws. Other major Statutes, Acts, Laws, Rules, Regulations, Guidelines and Standards etc., applicable to the Company, as per the details provided by the management of the Company, are given below:

- (i) Maharashtra Shops and Establishments Act, 1948; and Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017;
- (ii) Maharashtra Labour Welfare Fund Act, 1953;
- (iii) The Minimum Wages Act, 1948;
- (iv) Payment of Wages Act 1936 and Payment of Wages (Amendment) Act, 2017;
- (v) The Equal Remuneration Act, 1976;
- (vi) The Maternity Benefits Act, 1961 and The Maternity Benefit(Amendment) Act 2017;
- (vii) Contract Labour (Regulation and Abolition) Act, (for branches where ever applicable), 1970;
- (viii) Payment of Bonus Act, 1965;
- (ix) Professional Tax Act, 1975;
- (x) Maharashtra State Tax on Profession , Trade , Callings and Employments Act, 1975;
- (xi) Payment of Gratuity Act, 1972;The Payment of Gratuity (Amendment) Act, 2018;
- (xii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013;

- (xiii) The Employment Provident Funds and Miscellaneous Provision Act, 1952; and
- (xiv) The Micro, Small and Medium Enterprises Development Act, 2006.

Provisions of the following Regulations and Guidelines prescribed are not applicable to the Company, since the Company is not listed on any of the Stock Exchange(s) in India, for the financial year ended March 31, 2020 under report:-

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

The Company is an unlisted Company and therefore compliance with listing regulations is not applicable.

The Institute of Company Secretaries of India has prescribed Secretarial Standards on Meeting of Board and Committees (SS-1) and on General Meetings (SS-2) which are mandatory for the financial year 2019-20.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors

and Woman Director. 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 notices were given to all the directors to schedule the Board Meetings and Committee Meetings. The agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All resolutions/decisions including Circular Resolutions of the Board of Directors and its Committees are approved by the requisite majority and are duly recorded in the respective minutes.

Majority decision is carried through, while the dissenting views of the Directors/ Members, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period there were material corporate events/actions undertaken by the Company which have a major bearing on the Company's affairs in respect of the above referred laws, rules, regulations, guidelines, standards, etc., which are provided as below:

- i. The Company has appointed Mr. Anup Rau as the Managing Director and Chief Executive Officer at its Board Meeting held on 14th May, 2019. His appointment was confirmed by the Shareholders in the Annual General Meeting held on 14th August, 2019. Further, the Insurance Regulatory and Development Authority of India vide its letter dated 3rd September, 2019, approved his appointment with effect from 6th June, 2019.
- ii. The Board vide circular resolution allotted 5,00,00,000 equity shares on Rights Issue basis. The Board of Directors approved the Issue of equity shares through right issue in its Board Meeting held on 14th May, 2019.

S. No.	Date of Allotment	No. of Equity Shares allotted	Amount Received
1	30-06-2019	5,00,00,000	₹50,00,00,000/-

- iii. The Company at its Board Meeting held on 8th November, 2019 has approved the shifting of registered office address within the local limits of the city w.e.f.30th May, 2020. However, due to the current outbreak of pandemic COVID-19, the Company has sought a further

date for shifting of registered office which will be taken up at the Board Meeting to be held on 5th June, 2020.

- iv. The Board vide circular resolution allotted 4,50,00,000 equity shares on Rights Issue basis. The Board of Directors approved the Issue of equity shares through right issue at its Board Meeting held on 8th November, 2019.

S. No.	Date of Allotment	No. of Equity Shares allotted	Amount Received
1	31-12-2019	4,50,00,000	₹45,00,00,000/-

- v. The Company has reappointed Dr. Devi Singh and Mrs. Bhavna Doshi as the Independent Directors of the Company for a second term of 5 consecutive years w.e.f March 24, 2020 by passing Special resolution at the Extra Ordinary General Meeting held on 4th February, 2020.
- vi. The Board of Directors approved the Issue of equity shares on Rights Issue basis at its Board Meeting held on 4th February, 2020.

The equity shares were subscribed only by the foreign shareholder within the offer period and could not be subscribed by other shareholders due to outbreak of pandemic COVID-19. The Company has not allotted the shares within 60 days from the date of receipt of share application money and full amount of share application money received from the foreign shareholder was refunded within 15 days after the expiry of the said period of 60 days i.e. on 28th May, 2020.

For Anish Gupta & Associates
Company Secretaries
FRN:I2001MH236100

Anish Gupta
Proprietor

Place: Mumbai
Date: 04.06.2020

FCS: 5733, CP No. 4092
UDIN: F005733B000316901

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

“ANNEXURE A”

To,
The Members,
FUTURE GENERALI INDIA LIFE INSURANCE COMPANY LIMITED
Mumbai

Our 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. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures and systems on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. "In view of the restrictions imposed by the Government of India on the movement of people across India to contain the spread of Covid-19 pandemic, which led to the complete lockdown across the nation, we have relied on electronic data for verification of certain records as the physical verification was not possible."

For Anish Gupta & Associates
Company Secretaries
FRN: I2001MH236100

Anish Gupta
Proprietor

FCS: 5733, CP No. 4092
UDIN: F005733B000316901

Place: Mumbai
Date: 04.06.2020

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING AN OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS

Our CSR policy

The CSR policy outlines our area of focus on the welfare of the people. The policy lays the objectives to be achieved, details regarding monitoring of projects undertaken, the applicability of the policy and defines the roles and responsibilities of the CSR Committee and the Board of Directors in monitoring yearly CSR plan.

Please refer to the link given below to access our CSR policy –

<https://general.futuregenerali.in/policies>

CSR initiatives: an overview

Future Generali India Insurance Company Limited (“FGII”) fulfills its social responsibility through various CSR initiatives. The very essence of sustainability is reflected in its ‘Triple Bottom Line’ approach. This approach showcases FGII’s focus on not just making profits, but on generating profits in a way that is better for both people and the planet.

FGII, under three key pillars of Education, Health and Environment, aims to create a measurable impact in the society by bringing a positive change in people’s lives.

The Company derives its inspiration for CSR from one of its core values - ‘Live the community’. Community is the social, economic and environmental fabric of the society, the very foundation on which Generali Group has built its history. Being a part of this global Group, FGII has imbibed a global perspective which reflects in the way it operates. The Company’s vision statement – ‘to actively protect and enhance people’s lives’ places emphasis on the impact that the Company has on the community and on the quality of people’s lives.

In addition to its existing CSR program, FGII has also adopted a global CSR initiative – The Human Safety Net (THSN) in September 2018. THSN is a movement pioneered by the Company’s joint venture partner - Generali.

THSN is currently running across 19 countries and is based on the idea that communities of ‘people helping people’ can bring about sustainable change.

Under the aegis of THSN, the Company is supporting various programs to meet the objective of ‘promoting equal-life chances for children who grow up in poverty’.

Our CSR initiatives for the period from April 2019 to March 2020 are as follow:

The CSR activities/projects are implemented using internal resources or through collaborating with NGOs / specialized agencies/trusts/institutions/foundations/ societies / Government bodies etc. in accordance with the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The details of major CSR initiatives undertaken by the Company during the FY 2019-20 are given below –

- **STEM Learning – Building Science Centers at Schools (Thane and Panvel)**

With the main objective of encouraging scientific thoughts and learning amongst children, FGII has undertaken stem learning project. This project is undertaken by the Company in the schools of Thane and Panvel, Maharashtra.

For the success of this project, FGII is concentrating on 4 main interventions:

- Infrastructure upgradation
- Teacher development
- Learner support and exposure
- Parent engagement

FGII have identified 8 schools in the areas of focus under STEM Learning and aims to benefit 2400 students.

- **School Library Building**

It is rightly said 'A good book is a man's best friend'. To inculcate the habit of reading in our future generation, the project 'School Library' was undertaken by the Company.

The project mainly focused on the easy accessibility of books to children, providing a child-friendly learning environment and also on the overall professional development of teachers. This initiative is directly going to benefit 3600 students studying in schools of Thane and Panvel, Maharashtra. The initiated is already kick started by the Company with 4 schools out of the 12 schools identified by the Company.

- **Ankur – School Readiness & Parentability**

This initiative is undertaken by the Company to provide knowledge to the parents as well as the children on the appropriate age of learning and being school ready. The initiative aims at ensuring that the children are able to achieve their age-appropriate learning milestones before entering formal schooling at the age of 6 years.

Through this initiative, 6 anganwadi centres in 6 villages with 300+ families in Panvel- block II have benefited.

The care activities carried undertaken in this project are as follows:

- Anganwadi infrastructure building for hygiene environment
- Learning materials for children as per grade
- Parents meeting for child development
- Awareness of nutrition

- **Disaster Relief- Cyclone Fani Relief Fund**

The Company through this initiative provided support in sponsoring a combined Water and Hygiene Kit (NFI Kit) to families of 2 adults and 3-4 children affected by Cyclone Fani. The identified areas to extend relief support were three blocks of Puri namely Brahmagiri, Krushnaprasad and Konark in Odisha.

The initiative was effectively put in action from May 20, 2019, till July 05, 2019. 165 families were benefited from this relief fund.

- **WASH project**

The Company through WASH aimed at providing improved access to adequate sanitation and safe water facility in a Government school in Ghotsai village in Thane, Maharashtra. Inadequate safe water and sanitation facilities are one of the major factors causing the dropout rate among students, especially girls. To counter this, FGII undertook WASH initiative in a Zila Parishad school in Ghotsai village. This initiative directly benefitted 136 boys and 153 girls studying in the school. Under this project, the Company constructed toilet units, urinals, and handwash facilities. Also, to ensure access to safe drinking water to the children, water filtration unit is installed in the school premises. As part of our continued intervention in the school, FGII also contributed towards the construction of the terrace and donated computers for the school computer lab.

- **Health camps**

The Company had organized general health and eye camp along with awareness sessions on health and sanitation in 11 different areas of Tripura and Assam. Screening of various diseases like hypertension, hypotension, diabetes was done. Along with it, assessment of refractive errors of the lens, haemoglobin estimation in blood and Lung Function Test (LFT) was also done. Post-screening, the diagnosed patients were referred to the nearest Primary Health Center (PHC)/District Hospitals or Medical Colleges as per the advice of the physician in charge.

- **Comprehensive day care program for children of migrant labourers living at construction sites**

In India, every year millions of children die before reaching the age of 6 due to lack of care and protection. Those children, who survive, don't reach their full potential. The situation is worse for the children on construction sites who are even more vulnerable.

Through our this initiative, we ensured education, health, nutrition and holistic development for 130 children on the sites of Dharavi and Pendhar (Navi Mumbai). Also, we had supported creches for children of 0-3 years, pre-schools for 3-6 years and after school for 6-14 years. Theme-based learning, regular doctor's visit, nutritious food and teacher training are some of the main components of our program.

In addition to the above support, the Company had planned for infrastructure development at both the sites (Dharavi and Pendhar) for which the Company had created a provision of the additional budget of ₹ 604,080/- in FY 2018-2019. However, the idea of this additional support was withdrawn due to lack of permission at the site's, thereby reversing the provisioned amount in FY 2019-2020.

2. THE COMPOSITION OF THE CSR COMMITTEE AS ON MARCH 31, 2020

- (a) Dr. Devi Singh - Chairman
- (b) Mr. Krishan Kant Rathi - Member
- (c) Mr. Fabrice Benard - Member

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

(Amount in ₹ '000)

FY 2018-19	FY 2017-18	FY 2016-17	Average Profit / Losses of Last 3 Financial Year
1,025,824/-	786,279/-	427,972/-	746,692/-

4. PRESCRIBED CSR EXPENDITURE (TWO PERCENT OF THE AMOUNT AS IN ITEM 3 ABOVE)

Pursuant to section 135(5) of Companies Act, 2013, the CSR obligation of your Company for the FY 2019-20 was ₹14,934,000/-.

5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR: ₹10,319,560/-

- (a) Total amount to be spent for the financial year: ₹14,934,000/-
- (b) Amount unspent: ₹4,614,440/-
- (c) The amount spent during the FY 2019-20 is detailed below:

(Amount in ₹)

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	STEM Learning	Education	Panvel and Thane District of Maharashtra	5,375,260/-	Direct expenditure	5,375,260/-	Implementing agency- United Way, Mumbai
2.	School Library Building	Education	Panvel and Thane District of Maharashtra	1,141,708/-	Direct expenditure	1,141,708/-	Implementing agency- Room to Read
3.	Ankur- School Readiness & Parentability	Education & Health	Panvel District of Maharashtra	3,165,462/-	Direct expenditure	3,165,462/-	Implementing agency- United Way, Mumbai
4.	Cyclone Relief Fund	Sanitation	Odisha	1,000,000/-	Direct expenditure	1,000,000/-	Implementing agency- Plan India
5.	WASH	Education, Health, Water and sanitation	Ghotsai, Thane, Maharashtra	154,430/-	Direct expenditure	154,430/-	Implementing agency-Habitat for Humanity India
6.	Health Camp	Health	Melaghar, Moran, Tripura	86,780/-	Direct expenditure	86,780/-	Implementing agency-Satrupa Samajik Samiti

Note: The Company reversed the provision of ₹604,080/- in FY 2019-20.

Details of the Implementing agency

- **United Way Mumbai**

United Way Mumbai (UWM) is a part of 130+ year old United Way movement spanning 41 countries across the world. UWM mission is to improve lives by mobilizing the caring power of communities to advance the common good. Over the past 17 years, UWM has partnered with over 300 companies and over 1,00,000 individual donors investing close to ₹ 390 Crore for community development projects. UWM expertise lies in identifying, designing & implementing high impact projects in the areas of Education, Health, Income, Environment, Public Safety & Social Inclusion in both urban as well as rural communities across the country.

- **Room to Read**

Room to Read is an award-winning, non-profit organisation working to transform children's lives through literacy and gender equality in education. It focuses on two critical phases of a child's educational development: primary and secondary school. First, Room to Read operates Literacy Programme in primary schools to help all children obtain reading skills and develop the habit of reading — the foundation of all learning. Room to Read India was launched in 2003. Room to Read, India implements Literacy Programme in government primary schools in Chhattisgarh, Delhi, Karnataka, Maharashtra, Rajasthan, Telangana, Uttarakhand and Uttar Pradesh. The girl's Education Programme operates in Andhra Pradesh, Chhattisgarh, Delhi, Madhya Pradesh, Rajasthan, Telangana and Uttarakhand.

- **Plan India**

Plan India is a nationally registered not-for-profit organisation striving to advance children's rights and equality for girls, thus creating a lasting impact in the lives of vulnerable and excluded children and their communities. Since 1979, Plan India and its partners have improved the lives of millions of children and young people by enabling them access to protection, quality education and healthcare services, a healthy environment, livelihood opportunities and participation in decisions which affect their lives. Plan India is a member of the Plan International Federation, an independent development and humanitarian organisation that advances children's rights and equality for girls. Plan International is active in more than 70 countries.

- **Habitat for Humanity India**

Founded in 1983, Habitat for Humanity India is one of the largest housing programmes in the Asia-Pacific region. It is affiliated to Habitat For Humanity International, a global non-government organisation present in more than 70 countries.

6. IN CASE THE COMPANY HAS FAILED TO SPEND THE 2% OF THE AVERAGE NET PROFITS OF THE LAST THREE FINANCIAL YEARS OR ANY PART THEREOF, THE COMPANY SHALL PROVIDE THE REASONS FOR NOT SPENDING IN ITS BOARD REPORT

The amount spent by the Company in FY 2019-20 was ₹10,319,560/- against the budget of ₹14,934,000/- to be spent by the Company as 2% of the average net profits of the previous three financial years. The unspent amount has been carried forward and will be utilized in the projects identified for the FY 2020-21.

7. RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives and policy.

Dr. Devi Singh
Chairman CSR Committee
DIN: 00015681

Mr. Krishan Kant Rathi
Member
DIN: 00040094



FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

To
The Members of
Future Generali India Insurance Company Limited

Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying financial statements of **Future Generali India 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 account'), the Profit and Loss account and the Receipts and Payments account for the year then ended, the schedules annexed there to, a summary of the significant accounting policies and other explanatory notes thereon.

In our opinion and to the best of our information and according to the explanations given to us, we report that the aforesaid financial statements prepared in accordance with the requirements of Accounting Standards as specified under Section 133 of the Companies Act, 2013 (the 'Act'), the Act, Insurance Act, 1938 read with Insurance Laws (Amendment) Act, 2015 (to the extent notified) (the Insurance Act), the Insurance Regulatory and Development Act, 1999 (the "IRDAI Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "IRDAI Financial Statement Regulations"), give a true and fair view in conformity with the accounting principles generally accepted in India as applicable to insurance companies:

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

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 is relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

- i) We draw attention to note no. 39 to Schedule 16 to the Financial Statements relating to recoverability of dues aggregating to ₹ 1,098,060 thousands from other entities carrying on insurance business, where the Company has initiated legal process for the recovery of dues. The management is of the view that the said dues are fully recoverable and no provision is considered necessary for the reasons stated in the said note.
- ii) We draw attention to Note 43 of Schedule 16 to the Financial Statements which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions imposed by the Government and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of these matters.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Directors are responsible for the other information. The other information comprises the information included in the Company's Annual report, but does not include the financial statements and our auditor's report thereon. The Company's Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the other information. 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. When we read the Company's Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, underwriting results, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards specified under Section 133 of the Act, the Insurance Act, the IRDAI Act, the IRDAI Financial Statement Regulations and orders / directions prescribed by the Insurance Regulatory and Development Authority of India ('IRDAI') in this behalf and current practices prevailing within the insurance industry in India.

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

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

The Board of Directors is 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 assurance, but it not a guarantee that an audit conducted in accordance with Standards of Auditing 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, that 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 ability of the Company 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. Our conclusions are based on the audit evidence obtained up to the date of this report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

OTHER MATTER

The actuarial valuation of liabilities in respect of Incurred But Not Reported (the "IBNR"), Incurred But Not Enough Reported (the "IBNER") and Premium Deficiency Reserve (the "PDR") is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities, that are estimated using statistical methods as at March 31, 2020 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon

the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for outstanding claims reserves and the PDR contained in the financial statements of the Company.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated June 18, 2020 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDAI Financial Statement Regulations.
2. As required by the paragraph 2 of Schedule C to the IRDAI Financial Statement Regulations and Section 143(3) of the Act, in our opinion and according to the information and explanations give to us, 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. As the Company's accounts are centralized and maintained at the corporate office, no returns for the purposes of our audit are prepared at the branches and other offices of the Company.
 - c. 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.
 - d. The Balance sheet, the Revenue accounts, the Profit and Loss account and the Receipts and Payments account dealt with by this report are in agreement with the books of account.
 - e. The aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act and with the accounting principles prescribed by the Regulations and orders/directions prescribed by IRDAI in this regard.
 - f. The Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account referred to in this report are prepared in accordance with the requirements of the Insurance Act, the IRDAI Act and the Act to the extent applicable and the manner so required.
 - g. Investments have been valued in accordance with the provisions of the Insurance Act, the Regulations and orders/directions issued by IRDAI in this regard.
3. With respect to the other matters to be included in the Auditor's report, in terms of the requirements of Section 197(16) of the Act, we report that managerial remuneration payable to the Company's Directors is governed by the provisions of Section 34A of the Insurance Act, 1938 and requires approval of IRDAI. Accordingly, the managerial remuneration limits specified under Section 197 of the Act do not apply.
 - h. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - i. The actuarial valuation of liabilities in respect of Incurred But Not Reported ('IBNR'), Incurred But Not Enough Reported ('IBNER') and Premium Deficiency Reserve (the "PDR") as at March 31, 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 by him for such valuation are in accordance with the guidelines and norms prescribed by the IRDAI and the Actuarial Society of India in concurrence with the IRDAI.
 - j. 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".
 - k. 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 no. 36 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any outstanding long term derivative contracts – Refer Note no. 37 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note no. 38 to the financial statements.

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Registration No. 105049W)

(Narendra Jain)
Partner
Membership No.048725
ICAI UDIN:

Place: Mumbai
Date : June 18, 2020

For M. M. Nissim & Co.
Chartered Accountants
(Firm Registration No.107122W)

(Varun P. Kothari)
Partner
Membership No. 115089
ICAI UDIN:

Place: Mumbai
Date : June 18, 2020

ANNEXURE “A”

Referred to in paragraph ‘j’ of Section ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of **Future Generali India Insurance Company Limited** (“the Company”) on the financial statements as of and for the year ended March 31, 2020

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of **Future Generali India Insurance Company Limited** (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the “internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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.

AUDITOR’S 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 (the “Guidance Note”) and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, 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”.

OTHER MATTER

The actuarial valuation of liabilities in respect of Incurred But Not Reported (the “IBNR”), Incurred But Not Enough Reported (the “IBNER”) and Premium Deficiency Reserve (the “PDR”) is the responsibility of the Company’s Appointed Actuary (the “Appointed Actuary”). The actuarial valuation of

these liabilities, that are estimated using statistical methods as at March 31, 2020 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. The said actuarial valuations of liabilities for outstanding claims reserves and the PDR have been relied upon by us as mentioned in Other Matters paragraph in our Audit Report on the financial statements for the year ended March 31, 2020. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the adequacy and operating effectiveness of the internal controls over the valuation and accuracy of the aforesaid actuarial liabilities.

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Registration No. 105049W)

(Narendra Jain)
Partner
Membership No.048725
ICAI UDIN:

Place: Mumbai
Date : June 18, 2020

For M. M. Nissim & Co.
Chartered Accountants
(Firm Registration No.107122W)

(Varun P. Kothari)
Partner
Membership No. 115089
ICAI UDIN:

Place: Mumbai
Date : June 18, 2020

INDEPENDENT AUDITORS' CERTIFICATE

To,
The Board of Directors,
Future Generali India Insurance Company Limited,
Indiabulls Finance Centre, Tower 3
6th Floor, Senapati Bapat Marg,
Prabhadevi (W), Mumbai – 400 013

Dear Sirs,

(Referred to in paragraph 1 of our Independent Auditors' Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated June 18, 2020)

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

MANAGEMENT'S RESPONSIBILITY

The Company's Board of Directors is responsible for complying with the provisions of The Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act 2015) (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

AUDITORS' RESPONSIBILITY

It is our responsibility to obtain reasonable assurance and form an opinion based on our audit and examination of books and records as to whether the Company has complied with the matters contained in paragraphs 3 and 4 of Schedule C of the Regulations read with regulation 3 of Regulations.

We audited financial statements of the Company as of and financial year ended March 31, 2020 on which we issued an unmodified audit opinion vide our report dated June 18, 2020. Our audit of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI').

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI').

The Guidance Note requires that we comply with the independence and other ethical requirements of the Code of ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

OPINION

In accordance with information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by the Company for the year ended March 31, 2020, we certify that:

- a) We have reviewed the Management Report attached to the financial statements for year ended March 31, 2020, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;
- b) Based on management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration as stipulated by the IRDAI;
- c) We have not verified the cash balances due to lockdown on account of Covid 19. We have verified securities relating to the Company's investments on the basis of certificates/ confirmations received from the custodian and Depository Participants appointed by the Company. The Company does not have any loan as on March 31, 2020;
- d) The Company is not the trustee of any trust; and
- e) No part of the assets of the policyholders' fund has been directly or indirectly applied in contravention to the provisions of the Insurance Act relating to the application and investment of the policyholders' funds.

RESTRICTION TO USE

This certificate is addressed to and provided to the Board of Directors of the Company, solely for inclusion in the annual accounts of the Company as per the Regulations and should not be used by any other person or for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Registration No. 105049W)

(Narendra Jain)
Partner
Membership No.048725
ICAI UDIN:

Place: Mumbai
Date : June 18, 2020

For M. M. Nissim & Co.
Chartered Accountants
(Firm Registration No.107122W)

(Varun P. Kothari)
Partner
Membership No. 115089
ICAI UDIN:

Place: Mumbai
Date : June 18, 2020

MANAGEMENT REPORT

With respect to the operations of Future Generali India Insurance Company Ltd. for the year ended 31st March 2020 and results thereof, the Management of the Company confirms and declares that:

1. The Company obtained Regulatory approval to undertake General Insurance business on 4th September 2007 from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration.
2. We certify that all dues payable to the statutory authorities have been generally paid to the extent they have fallen due.
3. The shareholding pattern is in accordance with the statutory and regulatory requirements as required under the Insurance Act, 1938 (as amended thereafter) and the IRDAI (Registration of Indian Insurance Companies) Regulations, and there was no transfer of shares during the year.
4. The Management has not invested directly or indirectly outside India any funds of its policyholders in India.
5. We confirm that the required solvency margin has been maintained.
6. We certify that the values of all the assets have been reviewed on the date of Balance Sheet and in Management's belief, the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the headings – "Loans", "Investments", "Agents balances", "Outstanding Premiums", "Interest, Dividends and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the several items specified under "Other Accounts" except

debt securities which are shown at amortised cost as per IRDAI Regulations.

7. The Company is exposed to a variety of risks associated with its insurance business and the investment portfolio. The Company strives to maintain a diversified portfolio of insurance products across various lines of business and between personal and commercial lines of business. The Company is also adequately covered by Reinsurance including a "Catastrophe Excess of Loss Insurance". The limits of the reinsurance treaty are set based on estimated accumulations of risk and business projection. The reinsurance treaties have been filed with IRDAI. The investment portfolio is diversified and has been made as per the limits set under the IRDAI regulations.

The Company has adopted an integrated approach to risks management and has constituted Risk Management Committee with the members of the Board of Directors with an objective to outline the risk profile of the Company and develop a strong risk management system and sound mitigation strategies. The Risk Management Committee assists the Board of Directors to formulate, monitor and revise strategies to achieve the financial objectives of the Company.
8. The Company does not have insurance operations outside India.
9. In the Financial Year 2019-20 a total of 260,370 claims were reported and 260,511 were settled with an overall settlement ratio of 89%. The average claims settlement time during the preceding five years are given in Annexure 1 and the ageing analysis of claims registered and not settled during the same period is given in Annexure 2.
10. We certify that the values, as shown in the Balance Sheet, of the investments which consists of fixed

income securities, equities and mutual fund units have been valued as per accounting policies prescribed by IRDAI. Fixed income securities are valued at historical cost adjusted for amortization of premium/discount. The investments in equities listed and actively traded are valued at the last quoted closing prices on the National Stock Exchange of India Limited. The investments in the Mutual Funds are valued at the Net Asset Values (NAV) of the Mutual funds as on the Balance Sheet date.

11. The Company follows the Investment philosophy of 'Safety, Liquidity and sustainable Returns'. Accordingly the portfolio is primarily composed of high quality assets i.e. Government securities, high quality Corporate Bonds, Commercial Papers, Bank Deposits, liquid Mutual Funds and Equity. The focus is to provide good and consistent risk adjusted returns on our investment portfolio. In the last couple of years, India has seen a tough credit environment and it has been our endeavor to manage the risk in our portfolio prudently and conservatively. Almost 90% of the Investment Assets are invested in Government Securities and AAA rated companies.

The ongoing NBFC crisis sparked by the default of ILFS group in 2018 led to two other Companies, Dewan Housing Finance Limited (DHFL) and Reliance Capital to default on their NCD obligations. Your Company has an exposure of ₹ 18.50 Crore i.e. 0.42% of Investment Assets, to DHFL. Provisioning of ₹ 18.50 Crore has been done till 31st March 2020 in accordance with extant regulatory guidelines (IRDAI and RBI). The Company has stopped accrual of interest on all the NCDs held.

Similarly, in case of Reliance Capital, which defaulted in October 2019, your Company has an exposure of ₹ 6.78 Crore i.e. 0.15% of Investment Assets. Although your Company has received all its interest dues we have taken cognisance of the default and stopped accrual of interest.

Also as reported last year, your Company has an exposure of ₹ 22.28 Crore i.e. 0.51% of Investment Assets, to the ILFS group. Provisioning to the extent of ₹ 12.50 Crore has been done till 31st March 2020 in accordance with extant regulatory guidelines (IRDAI and RBI). The Company has stopped accrual of interest on all the NCDs held.

For and on behalf of Board of Directors

G N Bajpai
Chairman

K K Rathi
Director

Anup Rau
Managing Director & CEO

Devi Dayal Garg
Chief Financial Officer

Rajiv Joshi
Company Secretary

Place: Mumbai
Date: 5th June 2020

We are continuously monitoring the situation on all three investments and working with the concerned entities to recover our dues.

12. The investment portfolio is monitored on a dynamic basis to optimize returns while keeping the risk at the minimum. Based on the past track record, the Management is confident of the quality and performance of the investments, in line with the investment philosophy.
13. The Management of Future Generali India Insurance Company Limited certifies that:
- The financial statements of Future Generali India Insurance Co. Ltd. have been prepared in accordance with the applicable accounting standards, principles and policies with no material departures;
 - The management has adopted 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 operating profit and of the profit of the Company for the year;
 - 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 (as amended thereafter) and Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - The financial statements have been prepared on a going concern basis;
 - The management has set up an internal audit system commensurate with the size and nature of the business and the same is operating effectively.
14. The schedule of payments, which have been made to individuals, firms, companies and organizations in which the Directors of the Company are interested is given in Annexure 3.

ANNEXURE 1

Average Claims Settlement Time during preceding five years

Line of Business	2019-20		2018-19		2017-18		2016-17		2015-16	
	No of Claims	Average settlement Time (days)	No of Claims	Average Settlement Time (days)	No of Claims	Average Settlement Time (days)	No of Claims	Average Settlement Time (days)	No of Claims	Average Settlement Time (days)
Aviation	0	0	0	0	2	528	0	0	0	0
Marine Cargo	4,358	111	5,501	141	4,525	128	4,291	105	4,870	104
Engineering	502	203	597	189	597	218	645	198	618	191
Fire	3,848	102	1,483	178	1,352	229	1,600	187	1,173	163
Health	92,145	20	80,831	18	75,587	24	63,659	28	56,209	23
Liabilities	41	271	50	347	54	359	68	300	48	269
Motor-OD	124,460	25	110,740	25	109,219	36	1,43,036	32	1,40,873	30
Motor-TP	3,106	805	4,194	856	2,032	880	2,976	645	3,737	542
Personal Accident	2,785	126	3,158	99	3,645	146	3,513	137	3,385	171
Overseas Medical	817	126	799	88	712	158	848	130	661	103
Workmen Compensation	1,226	146	1,098	182	1,081	178	940	163	825	188
Others	27,223	152	27,627	135	18,259	83	3,603	113	4,299	97
Grand Total	260,511	50	236,078	47	2,17,065	50	2,25,179	46	2,16,698	44

ANNEXURE 2

Ageing analysis of Claims registered and not settled for the preceding five years

As at 31st March 2020

(₹ in lakhs)

Line of Business	Aviation		Marine Cargo		Engineering		Fire	
	No of Claims	Amount of Claims						
0 - 30 days	0	-	154	284	38	228	139	977
30 days - 6 months	0	-	351	594	112	1,066	238	6,391
6 months - 1 year	0	-	177	347	114	1,741	236	3,074
1 year - 5 years	0	-	388	1,925	432	1,697	385	16,358
More than 5 years	0	-	38	598	302	249	28	283
Grand Total	0	-	1,108	3,747	998	4,982	1,026	27,084

As at 31st March 2020

(₹ in lakhs)

Line of Business	Health		Liabilities		Motor-OD		Motor-TP	
	No of Claims	Amount of Claims						
0 - 30 days	2,572	1,196	5	8	3,534	1,920	349	2,381
30 days - 6 months	1,955	857	17	57	2,231	3,704	1,302	8,427
6 months - 1 year	1,618	149	14	43	242	604	1,086	7,546
1 year - 5 years	1,165	223	16	89	277	1,068	3,961	35,509
More than 5 years	7	11	2	6	190	997	1,736	12,077
Grand Total	7,317	2,435	54	203	6,474	8,292	8,434	65,941

As at 31st March 2020

(₹ in lakhs)

Line of Business	Personal Accident		Overseas Medical		Workmen Compensation		Others		Total No of Claims	Total Amount of Claims
	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims		
0 - 30 days	71	89	34	58	81	77	680	1,251	7,657	8,468
30 days - 6 months	304	373	84	109	281	383	644	1,681	7,519	23,641
6 months - 1 year	72	190	38	150	83	181	166	369	3,846	14,393
1 year - 5 years	161	439	14	88	113	473	2,974	1,499	9,886	59,368
More than 5 years	24	269	1	26	10	35	85	599	2,423	15,150
Grand Total	632	1,359	171	431	568	1,149	4,549	5,398	31,331	1,21,020

As at 31st March 2019

(₹ in lakhs)

Line of Business Period	Aviation		Marine Cargo		Engineering		Fire	
	No of Claims	Amount of Claims						
0 - 30 days	0	-	386	511	34	78	81	682
30 days – 6 months	0	-	468	1,520	90	1,442	240	9,054
6 months – 1 year	0	-	190	490	83	644	225	7,291
1 year – 5 years	0	-	235	853	670	1,047	321	13,541
More than 5 years	0	-	32	575	15	195	14	108
Grand Total	0	-	1,311	3,949	892	3,406	881	30,676

As at 31st March 2019

(₹ in lakhs)

Line of Business Period	Health		Liabilities		Motor-OD		Motor-TP	
	No of Claims	Amount of Claims						
0 - 30 days	2,222	906	5	6	2,847	1,893	270	1,731
30 days – 6 months	1,460	517	12	32	1,855	3,311	1,004	6,724
6 months – 1 year	229	78	9	51	176	539	1,077	9,703
1 year – 5 years	582	85	14	93	228	722	3,520	31,098
More than 5 years	1	6	-	-	246	1,249	1,814	10,462
Grand Total	4,494	1,592	40	182	5,352	7,714	7,685	59,718

As at 31st March 2019

(₹ in lakhs)

Line of Business Period	Personal Accident		Overseas Medical		Workmen Compensation		Others		Total No of Claims	Total Amount of Claims
	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims		
0 - 30 days	150	228	49	168	89	77	680	693	6,813	6,973
30 days – 6 months	292	518	77	94	266	323	754	1,046	6,518	24,581
6 months – 1 year	155	301	26	40	75	210	127	287	2,372	19,634
1 year – 5 years	124	589	29	86	62	388	7,791	1,885	13,576	50,387
More than 5 years	10	82	-	-	9	30	52	381	2,193	13,088
Grand Total	731	1,718	181	388	501	1,028	9,404	4,292	31,472	1,14,663

As at 31st March 2018

(₹ in lakhs)

Line of Business Period	Aviation		Marine Cargo		Engineering		Fire	
	No of Claims	Amount of Claims						
0 - 30 days	0	-	218	350	47	192	101	1,828
30 days - 6 months	0	-	486	903	419	933	260	4,490
6 months - 1 year	0	-	550	660	68	445	158	8,065
1 year - 5 years	0	-	148	917	663	1,066	249	5,947
More than 5 years	0	-	25	345	8	18	6	65
Grand Total	0	-	1,427	3,175	935	2,654	774	20,395

As at 31st March 2018

(₹ in lakhs)

Line of Business Period	Health		Liabilities		Motor-OD		Motor-TP	
	No of Claims	Amount of Claims						
0 - 30 days	6,698	1,256	3	1	2,674	1,677	393	3,343
30 days - 6 months	885	376	17	28	1,810	3,044	1,225	10,259
6 months - 1 year	181	64	4	11	294	917	1,013	7,447
1 year - 5 years	95	63	19	65	305	1,061	4,031	30,999
More than 5 years	6	8	0	-	198	1,025	1,744	9,560
Grand Total	7,865	1,767	43	105	5,281	7,724	8,406	61,608

As at 31st March 2018

(₹ in lakhs)

Line of Business Period	Personal Accident		Overseas Medical		Workmen Compensation		Others		Total No of Claims	Total Amount of Claims
	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims		
0 - 30 days	178	433	31	21	77	58	458	340	10,878	9,499
30 days - 6 months	442	1,420	99	58	187	229	22,530	1,187	28,090	22,927
6 months - 1 year	192	578	38	84	85	194	451	835	3,034	19,300
1 year - 5 years	127	348	25	165	55	277	493	1,947	6,210	42,855
More than 5 years	41	195	3	10	7	24	33	200	2,071	11,450
Grand Total	980	2,974	196	338	411	782	23,965	4,509	50,283	1,06,031

As at 31st March 2017

(₹ in lakhs)

Line of Business Period	Aviation		Marine Cargo		Engineering		Fire	
	No of Claims	Amount of Claims						
0 - 30 days	-	-	267	285	48	135	124	1,106
30 days – 6 months	-	-	331	721	140	637	363	5,328
6 months – 1 year	-	-	127	788	57	360	134	8,005
1 year – 5 years	1	4	88	909	656	1,004	155	4,032
More than 5 years	-	-	12	339	4	14	3	52
Grand Total	1	4	825	3,042	905	2,150	779	18,523

As at 31st March 2017

(₹ in lakhs)

Line of Business Period	Health		Liabilities		Motor-OD		Motor-TP	
	No of Claims	Amount of Claims						
0 - 30 days	2,521	666	7	18	3,347	2,038	282	1,507
30 days – 6 months	608	261	8	18	2,230	3,619	945	5,522
6 months – 1 year	28	20	16	107	430	1,151	1,071	7,690
1 year – 5 years	19	31	13	76	377	1,354	3,688	24,529
More than 5 years	7	11	-	-	144	796	1,191	6,069
Grand Total	3183	989	44	219	6,528	8,958	7,177	45,317

As at 31st March 2017

(₹ in lakhs)

Line of Business Period	Personal Accident		Overseas Medical		Workmen Compensation		Others		Total No of Claims	Total Amount of Claims
	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims		
0 - 30 days	301	232	27	28	84	116	381	230	7,389	6,361
30 days – 6 months	283	299	67	239	230	383	351	769	5,556	17,796
6 months – 1 year	36	79	43	101	64	274	146	482	2,152	19,057
1 year – 5 years	165	405	36	58	49	219	640	2,135	5,887	34,756
More than 5 years	25	150	2	2	3	9	9	52	1,400	7,494
Grand Total	810	1,165	175	428	430	1,001	1,527	3,668	22,384	85,464

As at 31st March 2016

(₹ in lakhs)

Line of Business Period	Aviation		Marine Cargo		Engineering		Fire	
	No of Claims	Amount of Claims						
0 - 30 days	-	-	228	381	66	218	166	1,821
30 days – 6 months	1	1,940	345	1,229	103	1,140	346	7,952
6 months – 1 year	-	-	124	568	351	499	115	2,014
1 year – 5 years	-	-	183	1,208	372	803	141	4,100
More than 5 years	-	-	7	176	2	2	2	36
Grand Total	1	1,940	887	3,561	894	2,661	770	15,924

As at 31st March 2016

(₹ in lakhs)

Line of Business Period	Health		Liabilities		Motor-OD		Motor-TP	
	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims
0 - 30 days	3,219	941	1	4	4,935	2,344	292	1,886
30 days – 6 months	1,332	176	10	47	4,036	5,661	941	5,750
6 months – 1 year	10	3	19	18	557	1,115	853	5,961
1 year – 5 years	26	27	16	85	445	1,543	3,787	19,126
More than 5 years	4	3	0	-	91	431	664	2,736
Grand Total	4,591	1,151	46	155	10,064	11,094	6,537	35,459

As at 31st March 2016

(₹ in lakhs)

Line of Business Period	Personal Accident		Overseas Medical		Workmen Compensation		Others		Total No of Claims	Total Amount of Claims
	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims	No of Claims	Amount of Claims		
0 - 30 days	162	145	36	54	56	75	160	370	9,321	8,239
30 days – 6 months	138	173	96	211	169	216	717	1,219	8,234	25,714
6 months – 1 year	51	92	34	161	54	141	183	1,052	2,351	11,624
1 year – 5 years	194	500	31	53	40	155	268	1,377	5,503	28,977
More than 5 years	14	26	0	-	1	4	8	55	793	3,469
Grand Total	559	935	197	479	320	591	1,336	4,073	26,202	78,023

ANNEXURE 3

Schedule of payments, made to individuals, firms, companies and organizations in which the Directors of the Company are interested.

(₹ in lakhs)

Sr. No	Entity in which Director is interested	Name of the Director	Interested As	Payment during the Year
1	Future Generali India Life Insurance Company Limited(Two of the Joint Venturers having Joint control)	G.N. Bajpai, Kishore Biyani, K.K. Rathi, Devi Singh, Sanjay Jain, Bhavna Doshi, A K Jain, Jennifer Sparks	Director	Insurance Premium Paid: ₹ 60.81 Insurance Claim Paid : ₹ 1.13 Operating Expense (net): ₹ 0.24 Rent/Elect. Deposits (net): ₹ 19.19
2	Future Retail Ltd	Kishore Biyani	Director	Operating expenses: ₹ 3.55
3	Future Enterprises Limited	Kishore Biyani	Director	Insurance Claim Paid: ₹ 55.34

FORM B - RA

Future Generali India Insurance Company Limited
IRDA Registration No 132. Dated 4th September, 2007

Revenue Account For the year ended 31st March, 2020

Fire Insurance Business

(₹ '000)

Particulars	Schedule	For the year ended 31 st March 2020	For the year ended 31 st March 2019
1. Premiums earned (Net)	1	9,17,766	6,49,348
2. Profit/(Loss) on sale/redemption of Investments		34,851	7,334
3. Others-Miscellaneous Income		5	693
4. Interest, Dividend & Rent - Gross		3,20,197	2,75,444
Total (A)		12,72,820	9,32,819
1. Claims Incurred (Net)	2	4,88,568	4,47,138
2. Commission	3	69,630	15,330
3. Operating Expenses related to Insurance Business	4	6,20,222	7,33,764
4. Premium deficiency		-	-
5. Contribution from Shareholders Fund towards excess EOM		-	-
Total (B)		11,78,420	11,96,232
Operating Profit / (Loss) from Fire Business		94,400	(2,63,413)
Appropriations			
Transfer to Shareholders' Funds		94,400	(2,63,413)
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		94,400	(2,63,413)

Significant Accounting Policies and Notes to Financial Statement 16

The Schedules referred to above form an integral part of Revenue Accounts

We certify that all expenses of management in respect of General Insurance Business Transactions in India by the Company have been fully recognised in the Revenue Accounts as expenses.

As per our report of even date

For and on behalf of

M. M. Nissim & Co.
Chartered Accountants
FRN 107122W

Varun P. Kothari
Partner
Membership No. 115089

Place : Mumbai
Dated : 5th June, 2020

For and on behalf of

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

Narendra Jain
Partner
Membership No. 048725

For and on behalf of the Board of Directors

G N Bajpai
Chairman

Devi Dayal Garg
Chief Financial Officer

K K Rathi
Director

Rajiv Joshi
Company Secretary

Anup Rau
Managing Director & CEO

FORM B - RA

Future Generali India Insurance Company Limited
IRDA Registration No 132. Dated 4th September, 2007

Revenue Account For the year ended 31st March, 2020

Marine Insurance Business

(₹ '000)

Particulars	Schedule	For the year ended 31 st March 2020	For the year ended 31 st March 2019
1. Premiums earned (Net)	1	5,23,435	4,82,705
2. Profit/(Loss) on sale/redemption of Investments		5,738	1,748
3. Others-Miscellaneous Income		2	434
4. Interest, Dividend & Rent - Gross		49,880	60,235
Total (A)		5,79,054	5,45,122
1. Claims Incurred (Net)	2	3,06,865	3,52,959
2. Commission	3	72,547	80,399
3. Operating Expenses related to Insurance Business	4	1,57,135	89,720
4. Premium deficiency		-	-
5. Contribution from Shareholders Fund towards excess EOM		(59,389)	-
Total (B)		4,77,158	5,23,078
Operating Profit / (Loss) from Marine Business		1,01,896	22,044
Appropriations			
Transfer to Shareholders' Funds		1,01,896	22,044
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		1,01,896	22,044

Significant Accounting Policies and Notes to Financial Statement 16

The Schedules referred to above form an integral part of Revenue Accounts

We certify that all expenses of management in respect of General Insurance Business Transactions in India by the Company have been fully recognised in the Revenue Accounts as expenses.

As per our report of even date

For and on behalf of

For and on behalf of

For and on behalf of the Board of Directors

M. M. Nissim & Co.
Chartered Accountants
FRN 107122W

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

G N Bajpai
Chairman

K K Rathi
Director

Anup Rau
Managing Director & CEO

Varun P. Kothari
Partner
Membership No. 115089

Narendra Jain
Partner
Membership No. 048725

Devi Dayal Garg
Chief Financial Officer

Rajiv Joshi
Company Secretary

Place : Mumbai

Dated : 5th June, 2020

FORM B - RA

Future Generali India Insurance Company Limited

IRDA Registration No 132. Dated 4th September, 2007

Revenue Account For the year ended 31st March, 2020

Miscellaneous Insurance Business

(₹ '000)

Particulars	Schedule	For the year ended 31 st March 2020	For the year ended 31 st March 2019
1. Premiums earned (Net)	1	1,83,74,611	1,46,15,095
2. Profit/(Loss) on sale/redemption of Investments		2,57,710	54,409
3. Others-Miscellaneous Income		994	14,250
4. Interest, Dividend & Rent - Gross		22,44,000	18,79,980
Total (A)		2,08,77,315	1,65,63,735
1. Claims Incurred (Net)	2	1,10,25,811	1,00,30,393
2. Commission	3	7,45,666	6,39,096
3. Operating Expenses related to Insurance Business	4	77,83,453	50,01,835
4. Premium deficiency		-	-
5. Contribution from Shareholders Fund towards excess EOM		(16,79,527)	-
Total (B)		1,78,75,403	1,56,71,324
Operating Profit / (Loss) from Miscellaneous Business		30,01,912	8,92,411
Appropriations			
Transfer to Shareholders' Funds		30,01,912	8,92,411
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		30,01,912	8,92,411

Significant Accounting Policies and Notes to Financial Statement 16

The Schedules referred to above form an integral part of Revenue Accounts

We certify that all expenses of management in respect of General Insurance Business Transactions in India by the Company have been fully recognised in the Revenue Accounts as expenses.

As per our report of even date

For and on behalf of

M. M. Nissim & Co.
Chartered Accountants
FRN 107122W

Varun P. Kothari
Partner
Membership No. 115089

For and on behalf of

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

Narendra Jain
Partner
Membership No. 048725

For and on behalf of the Board of Directors

G N Bajpai
Chairman

Devi Dayal Garg
Chief Financial Officer

K K Rathi
Director

Rajiv Joshi
Company Secretary

Anup Rau
Managing Director & CEO

Place : Mumbai

Dated : 5th June, 2020

FORM B - PL

Future Generali India Insurance Company Limited

IRDA Registration No 132. Dated 4th September, 2007

Profit & Loss Account For the year ended 31st March, 2020

(₹ '000)			
Particulars	Schedule	For the year ended 31 st March 2020	For the year ended 31 st March 2019
1. Operating Profit / (Loss)			
(a) Fire Insurance		94,400	(2,63,413)
(b) Marine Insurance		1,01,896	22,044
(c) Miscellaneous Insurance		30,01,912	8,92,411
2. Income from investments			
(a) Interest, Dividend & Rent - Gross		5,57,169	4,37,912
Add/Less : Amortization on Securities		3,653	(4,392)
(b) Profit on sale of investments		68,054	15,737
Less : Loss on sale of investments		(3,541)	(3,158)
3. Other Income			10,492
Total (A)		38,23,544	11,07,633
4. Provisions (Other than taxation)			
(a) For diminution in the value of investments		2,73,750	36,250
(b) For Doubtful Debts		-	-
(c) Others		-	-
5. Other Expenses			
(a) Expenses other than those related to Insurance Business \$		70,528	35,654
(b) Bad Debts written off		37	30
(c) Others-CSR *		10,320	9,875
(d) Contribution to Policyholders Fund towards excess EOM		17,38,915	-
Total (B)		20,93,550	81,809
Profit before Tax (A-B)		17,29,994	10,25,824
Provision for Taxation		(5,86,477)	(3,34,672)
Minimum Alternate Tax-Credit		-	1,054
Deferred Tax		(1,47,545)	4,85,949
Profit after tax		9,95,972	11,78,155
Appropriations			
(a) Interim dividends paid during the year		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution tax		-	-
(d) Transfer to any Reserves or Other Accounts		-	-
Balance of profit / (loss) brought forward from last year		(2,11,340)	(13,89,495)
Balance carried forward to Balance Sheet		7,84,632	(2,11,340)

* Refer note 34 no. to schedule 16

\$ Refer note 33 no. to schedule 16

Significant Accounting Policies and Notes to Financial Statement

16

Earning per Share- Basic (₹)
(Face Value ₹ 10 per share)

1.16

1.45

Earning per Share-Diluted (₹)
(Face Value ₹ 10 per share)

1.15

1.45

As per our report of even date

For and on behalf of

For and on behalf of

For and on behalf of the Board of Directors

M. M. Nissim & Co.

For Khandelwal Jain & Co.

G N Bajpai

K K Rathi

Anup Rau

Chartered Accountants

Chartered Accountants

Chairman

Director

Managing Director & CEO

FRN 107122W

FRN 105049W

Varun P. Kothari

Narendra Jain

Devi Dayal Garg

Rajiv Joshi

Partner

Partner

Chief Financial Officer

Company Secretary

Membership No. 115089

Membership No. 048725

Place : Mumbai

Dated : 5th June, 2020

FORM B - PL

Future Generali India Insurance Company Limited

IRDA Registration No 132. Dated 4th September, 2007

Balance Sheet as at 31st March, 2020

(₹ '000)

Particulars	Schedule	As at 31 st March 2020	As at 31 st March 2019
Source of Funds			
Share Capital	5	90,48,037	80,98,037
Share Application Money Received		1,27,531	-
Stock Options Outstanding		80,752	8,222
Reserves and Surplus	6	7,84,632	-
Fair Value Change Account			
Policy holder		(1,90,007)	(60,869)
Shareholder		(41,615)	(12,161)
Borrowings	7	-	-
Total		98,09,330	80,33,229
Application of Funds			
Investments			
Investments-Shareholders	8	77,72,312	60,42,435
Investments-Policyholders	8A	3,54,87,199	3,02,42,852
Loans	9	-	-
Fixed Assets	10		
Gross Block		10,72,573	9,48,464
Less :- Accumulated Depreciation		8,91,756	7,90,143
Net Block		1,80,817	1,58,321
Capital Work in Process		17,179	10,601
		1,97,996	1,68,922
Deferred Tax Assets		3,38,404	4,85,949
Current Assets			
(i) Cash and Bank balances	11	21,35,655	6,40,808
(ii) Advances and Other Assets	12	87,06,043	70,84,611
Total (A)		1,08,41,698	77,25,419
Current Liabilities	13	3,29,49,953	2,69,84,580
Provisions	14	1,18,78,325	98,59,108
Total (B)		4,48,28,278	3,68,43,688
Net Current Assets (A - B)		(3,39,86,581)	(2,91,18,269)
Miscellaneous Expenditure	15	-	-
(to the extent not written off or adjusted)			
Debit balance in Profit and Loss Account		-	2,11,340
Total		98,09,330	80,33,229

Significant Accounting Policies and Notes to Financial Statement 16

The Schedules referred to above forms an integral part of Balance Sheet.

As per our report of even date

For and on behalf of

M. M. Nissim & Co.
Chartered Accountants
FRN 107122W

For and on behalf of

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

For and on behalf of the Board of Directors

G N Bajpai
Chairman

K K Rathi
Director

Anup Rau
Managing Director & CEO

Varun P. Kothari
Partner
Membership No. 115089

Narendra Jain
Partner
Membership No. 048725

Devi Dayal Garg
Chief Financial Officer

Rajiv Joshi
Company Secretary

Place : Mumbai
Dated : 5th June, 2020

SCHEDULES

forming part of Financial Statements

SCHEDULE - 1 Premium Earned (Net) For the Year Ended 31st March, 2020

(₹ '000)

Particulars	Fire		Marine		Miscellaneous *		Total	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Premium from direct business written	34,42,521	25,55,687	6,47,236	7,06,618	3,00,85,185	2,22,77,072	3,41,74,942	2,55,39,377
Add: Premium on reinsurance accepted	6,34,514	4,48,899	24,004	9,400	62,727	11,952	7,21,245	4,70,251
Less: Premium on reinsurance ceded	28,92,317	22,01,303	1,44,863	2,13,730	1,02,23,779	63,80,013	1,32,60,959	87,95,046
Net Premium	11,84,718	8,03,283	5,26,378	5,02,288	1,99,24,132	1,59,09,011	2,16,35,228	1,72,14,582
Adjustment for change in reserve for unexpired risks	2,66,952	1,53,935	2,943	19,583	15,49,521	12,93,916	18,19,416	14,67,434
Total Premium Earned (Net)	9,17,766	6,49,348	5,23,435	4,82,705	1,83,74,611	1,46,15,095	1,98,15,812	1,57,47,148

Note: Refer Note no 2.3, 2.4, 2.6 and 2.7 of Schedule 16

* Refer Schedule 1(A)

SCHEDULE - 2 Claims Incurred (Net) For the Year Ended 31st March, 2020

(₹ '000)

Particulars	Fire		Marine		Miscellaneous *		Total	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Claims Paid								
Direct	16,32,286	8,42,410	3,73,490	4,39,556	1,28,21,772	85,70,926	1,48,27,549	98,52,892
Add : Reinsurance accepted	1,21,250	43,921	15,972	1,393	2,933	667	1,40,155	45,981
Less : Reinsurance ceded	13,27,768	6,17,016	69,191	1,33,526	41,12,769	13,05,729	55,09,729	20,56,271
Net Claims Paid	4,25,767	2,69,315	3,20,271	3,07,423	87,11,936	72,65,864	94,57,975	78,42,602
Add : Claims outstanding at the end of the year	7,00,302	6,37,501	3,40,696	3,54,102	2,07,90,256	1,84,76,382	2,18,31,254	1,94,67,985
Less : Claims outstanding at the beginning of the year	6,37,501	4,59,678	3,54,102	3,08,566	1,84,76,382	1,57,11,854	1,94,67,985	1,64,80,098
Total Claims Incurred	4,88,568	4,47,138	3,06,865	3,52,959	1,10,25,811	1,00,30,393	1,18,21,244	1,08,30,490

Note : Refer Note no 2.9 and 2.10 of Schedule 16

* Refer Schedule 2(A)

SCHEDULES

forming part of Financial Statements

SCHEDULE - 3 Commission Expenses For the Year Ended 31st March, 2020

(₹ '000)

Particulars	Fire		Marine		Miscellaneous *		Total	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Commission Paid								
Direct	3,02,973	2,16,539	83,679	1,00,412	14,35,965	11,67,014	18,22,616	14,83,965
Add : Reinsurance accepted	25,693	6,312	1,757	926	8,102	(2,333)	35,552	4,905
Less : Commission on reinsurance Ceded	2,59,036	2,07,521	12,889	20,939	6,98,401	5,25,585	9,70,326	7,54,045
Net Commission	69,630	15,330	72,547	80,399	7,45,666	6,39,096	8,87,842	7,34,825
Break-up of the commission (gross) incurred to procure business								
Agents	33,588	23,375	28,305	28,219	3,63,309	3,35,825	4,25,202	3,87,418
Brokers	2,70,331	1,85,341	55,395	72,181	8,23,280	6,26,635	11,49,006	8,84,157
Corporate Agency	0	9,890	-	0	-	93,000	0	1,02,890
Referral	(89)	3	0	1	91,508	126	91,418	130
Others	(856)	(2,068)	(22)	10	1,57,868	1,11,428	1,56,989	1,09,370
Gross Commission	3,02,973	2,16,539	83,679	1,00,412	14,35,965	11,67,014	18,22,616	14,83,965

Note: Refer Note no 2.3 and 2.5 of Schedule 16

* Refer Schedule 3(A)

SCHEDULES

forming part of Financial Statements

SCHEDULE - 1(A) Premium Earned (Net) For the Year Ended 31st March, 2020

(₹ '000)

Particulars	Personal Accident		Health Insurance		Engineering		Aviation		Liability		Workmen Compensation	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	
Premium from direct business written	7,75,406	6,51,349	39,53,839	29,49,373	5,19,288	4,15,696	23,341	-	1,94,416	1,79,838	3,18,889	2,95,108
Add : Premium on reinsurance accepted	-	264	(101)	-	38,480	3,414	-	-	19,130	8,274	-	-
Less : Premium on reinsurance ceded	1,16,358	96,687	10,80,646	7,70,024	4,26,255	2,94,986	1,167	-	1,32,621	1,17,776	18,924	16,316
Net Premium	6,59,048	5,54,926	28,73,092	21,79,349	1,31,513	1,24,124	22,174	-	80,925	70,336	2,99,965	2,78,792
Adjustment for change in reserve for unexpired risks	60,815	72,472	2,93,606	2,80,683	13,295	(18,780)	16,661	(5)	7,279	1,988	11,957	16,360
Total Premium Earned (Net)	5,98,233	4,82,454	25,79,485	18,98,666	1,18,219	1,42,904	5,513	5	73,646	68,348	2,88,008	2,62,432

SCHEDULE - 2(A) Claims Incurred (Net) For the Year Ended 31st March, 2020

(₹ '000)

Particulars	Personal Accident		Health Insurance		Engineering		Aviation		Liability		Workmen Compensation	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	
Claims Paid												
Direct	2,51,025	3,70,179	24,95,784	21,02,619	1,32,867	1,74,155	-	-	10,493	4,797	1,18,765	88,954
Add : Reinsurance accepted	-	-	-	-	2,933	667	-	-	-	-	-	-
Less : Reinsurance ceded	52,320	1,63,805	7,11,507	5,23,147	1,09,105	1,39,834	-	-	1,173	(790)	5,940	4,518
Net Claims Paid	1,98,705	2,06,374	17,84,277	15,79,472	26,695	34,988	-	-	9,320	5,587	1,12,825	84,436
Add : Claims outstanding at the end of the year	2,61,014	3,13,622	3,60,641	3,04,202	1,06,996	91,941	5,044	1,737	31,634	16,978	1,63,383	1,40,155
Less : Claims outstanding at the beginning of the year	3,13,622	3,43,768	3,04,202	3,14,209	91,941	90,914	1,736	1,732	16,978	12,963	1,40,155	1,11,384
Total Claims Incurred	1,46,097	1,76,228	18,40,716	15,69,465	41,750	36,015	3,308	5	23,976	9,602	1,36,054	1,13,207

SCHEDULES

forming part of Financial Statements

SCHEDULE - 3(A) Commission Expenses For the Year Ended 31st March, 2020

(₹ '000)

Particulars	Personal Accident		Health Insurance		Engineering		Aviation		Liability		Workmen Compensation	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	
Commission Paid												
Direct	84,801	68,589	2,30,227	1,67,709	55,771	42,746	606	-	21,924	22,778	40,398	37,612
Add : Reinsurance Accepted	-	-	(1)	-	3,946	(3,837)	-	-	4,035	1,504	-	-
Less : Commission on reinsurance Ceded	7,899	18,070	1,75,884	1,10,564	76,812	51,737	175	-	27,836	21,211	2,390	2,212
Net Commission	76,902	50,519	54,341	57,145	(17,095)	(12,828)	431	-	(1,878)	3,071	38,008	35,400
Break-up of the commission (gross) incurred to procure business												
Agents	14,699	14,111	71,020	51,956	11,764	11,621	-	-	3,179	2,647	23,992	22,137
Brokers	42,832	22,694	84,847	62,376	44,569	28,040	606	-	17,693	20,111	16,307	15,462
Corporate Agency	-	30,986	-	47,933	-	3,108	-	-	-	20	-	13
Referral	26,293	-	61,554	-	(243)	0	-	-	24	-	99	-
Others	977	797	12,805	5,444	(319)	(22)	-	-	1,028	(0)	-	-
Gross Commission	84,801	68,589	2,30,227	1,67,709	55,771	42,746	606	-	21,924	22,778	40,398	37,612

SCHEDULES

forming part of Financial Statements

SCHEDULE - 1(A) Premium Earned (Net) For the Year Ended 31st March, 2020

(₹ 000)

Particulars	Motor			Weather/Crop		Others		Miscellaneous-Total			
	For the year ended 31 st March, 2020			For the year ended 31 st March, 2019		For the year ended 31 st March, 2020		For the year ended 31 st March, 2019			
	Motor (OD)	Motor TP	Total	Motor (OD)	Motor TP	Total	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	
Premium from direct business written	55,62,283	79,92,243	1,35,54,526	49,54,708	64,79,983	1,14,34,691	91,22,470	50,00,223	13,50,794	3,00,85,185	2,22,77,072
Add : Premium on reinsurance accepted	-	-	-	-	-	-	-	-	5,218	62,727	11,952
Less : Premium on reinsurance ceded	3,20,679	4,94,174	8,14,853	2,79,937	3,74,857	6,54,794	72,93,797	40,32,691	3,96,739	1,02,23,779	63,80,013
Net Premium	52,41,604	74,98,069	1,27,39,673	46,74,771	61,05,126	1,07,79,897	18,28,673	9,67,532	12,89,069	1,99,24,132	1,59,09,011
Adjustment for change in reserve for unexpired risks	3,45,023	7,41,061	10,86,084	(22,030)	6,64,621	6,42,591	(89,995)	1,31,343	1,49,819	15,49,521	12,93,916
Total Premium Earned (Net)	48,96,581	67,57,008	1,16,53,589	46,96,801	54,40,505	1,01,37,306	19,18,668	8,36,189	11,39,250	1,83,74,611	1,46,15,095

SCHEDULE - 2(A) Claims Incurred (Net) For the Year Ended 31st March, 2020

(₹ 000)

Particulars	Motor			Weather/Crop		Others		Miscellaneous-Total			
	For the year ended 31 st March, 2020			For the year ended 31 st March, 2019		For the year ended 31 st March, 2020		For the year ended 31 st March, 2019			
	Motor (OD)	Motor TP	Total	Motor (OD)	Motor TP	Total	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	
Claims Paid											
Direct	36,76,347	17,92,564	54,68,911	31,65,376	20,66,746	52,32,122	35,68,733	32,923	5,65,177	1,28,21,772	85,70,926
Add : Reinsurance accepted	-	-	-	-	-	-	-	-	-	2,933	667
Less : Reinsurance ceded	2,35,964	1,09,866	3,45,830	2,40,540	1,11,464	3,52,004	27,59,942	27,922	1,26,953	41,12,769	13,05,729
Net Claims Paid	34,40,384	16,82,697	51,23,081	29,24,836	19,55,282	48,80,118	8,08,791	5,001	6,48,241	87,11,936	72,65,864
Add : Claims outstanding at the end of the year	8,70,645	1,69,27,070	1,77,97,715	8,05,626	1,53,94,048	1,61,99,674	13,94,901	5,36,685	6,68,930	2,07,90,256	1,84,76,382
Less : Claims outstanding at the beginning of the year	8,05,626	1,53,94,048	1,61,99,674	7,57,822	1,32,93,753	1,40,51,575	5,36,685	21,863	8,71,389	1,84,76,382	1,57,11,854
Total Claims Incurred	35,05,402	32,15,719	67,21,121	29,72,640	40,55,577	70,28,217	16,67,007	5,19,823	4,45,782	1,10,25,811	1,00,30,393

SCHEDULES

forming part of Financial Statements

SCHEDULE - 4 Operating Expenses related to Insurance Business For the Year Ended 31st March, 2020

(₹ '000)

Sr. No.	Particulars	Fire		Marine		Miscellaneous *		Total	
		For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
1	Employees' Remuneration & Welfare Benefits	1,18,545	73,650	52,670	46,053	19,99,642	14,58,648	21,64,857	15,78,351
2	Travel, Conveyance and Vehicle Running Expenses	5,356	4,004	2,380	2,504	90,071	79,295	97,806	85,803
3	Training Expenses	31,355	9,311	3,268	5,822	1,95,818	1,84,407	2,30,441	1,99,540
4	Rents, Rates, and Taxes	12,470	11,591	5,540	7,248	2,09,708	2,29,562	2,27,718	2,48,401
5	Repairs	16,525	11,488	7,342	7,183	2,77,905	2,27,520	3,01,772	2,46,191
6	Printing & Stationery	7,351	5,180	3,266	3,239	1,23,627	1,02,599	1,34,244	1,11,018
7	Communication	5,393	3,503	2,396	2,191	90,698	69,381	98,488	75,075
8	Legal & Professional Charges	1,69,114	1,27,408	6,144	3,766	5,20,150	3,34,289	6,95,407	4,65,463
9	Auditors' Fees, Expenses etc.								
	(a) as auditor	211	171	94	107	3,543	3,396	3,847	3,674
	(b) as adviser or in any other capacity, in respect of								
	(i) Taxation matters	1	33	1	21	19	653	21	707
	(ii) Insurance Matters	-	-	-	-	-	-	-	-
	(iii) Management services; and	-	-	-	-	-	-	-	-
	(c) in any other capacity	-	-	-	-	-	-	-	-
10	Advertisement and Publicity	1,11,625	1,06,780	4,074	4,311	8,25,163	3,42,563	9,40,861	4,53,654
11	Interest & Bank Charges	2,511	1,843	1,116	1,153	42,223	36,506	45,849	39,502
12	Others								
	(i) Outsourcing Expenses	16,165	17,196	8,211	10,753	4,42,178	3,72,355	4,66,553	4,00,304
	(ii) Business Support	1,13,428	3,53,677	56,113	(9,592)	27,97,586	14,03,599	29,67,127	17,47,684
	(iii) Entertainment	373	257	166	161	6,268	5,097	6,806	5,515
	(iv) (Gain) / Loss on Foreign Exchange	5	(256)	2	(160)	89	(5,064)	97	(5,480)
	(v) Subscription/Membership	808	663	359	415	13,596	13,129	14,763	14,207
	(vi) Insurance	239	39	106	24	4,020	767	4,365	830
	(vii) Pool Expenses	627	438	279	274	10,552	8,682	11,458	9,394
	(viii) Miscellaneous-Others	693	588	308	368	11,659	11,656	12,661	12,612
13	Depreciation	5,904	5,363	2,623	3,354	99,299	1,06,216	1,07,826	1,14,933
14	Service Tax / GST Expenses	1,525	837	677	525	25,640	16,581	27,842	17,942
	Total	6,20,222	7,33,764	1,57,135	89,720	77,83,453	50,01,835	85,60,810	58,25,319

Note: Refer Note no 2.5 and 2.11 of Schedule 16

*Refer Schedule 4(A)

SCHEDULES

forming part of Financial Statements

SCHEDULE - 4(A) Operating Expenses related to Insurance Business For the Year Ended 31st March, 2020

(₹ '000)

Sr. No.	Particulars	Personal Accident		Health Insurance		Engineering		Aviation		Liability		Workmen Compensation	
		For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	
1	Employees' Remuneration & Welfare Benefits	65,945	50,879	2,87,486	1,99,817	13,159	11,381	2,219	-	8,098	6,449	30,015	25,562
2	Travel, Conveyance and Vehicle Running Expenses	2,979	2,766	12,988	10,862	595	619	100	-	366	351	1,356	1,390
3	Training Expenses	17,750	6,432	16,115	25,262	3,825	1,439	53	-	659	815	3,243	3,232
4	Rents, Rates, and Taxes	6,937	8,007	30,240	31,447	1,384	1,791	233	-	852	1,015	3,157	4,023
5	Repairs	9,193	7,936	40,074	31,168	1,834	1,775	309	-	1,129	1,006	4,184	3,987
6	Printing & Stationery	4,089	3,579	17,827	14,055	816	800	138	-	502	454	1,861	1,798
7	Communication	3,000	2,420	13,079	9,504	599	541	101	-	368	307	1,365	1,216
8	Legal & Professional Charges	60,556	42,630	46,556	26,815	29,534	20,530	259	-	945	527	3,501	2,090
9	Auditors' Fees, Expenses etc.												
	(a) as auditor	117	118	511	465	23	26	4	-	14	15	53	60
	(b) as adviser or in any other capacity, in respect of												
	(i) Taxation matters	1	23	3	89	0	5	0	-	0	3	0	11
	(ii) Insurance Matters	-	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-
	(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-
10	Advertisement and Publicity	19,307	12,358	97,475	58,265	7,506	8,834	3,200	16	2,163	850	5,191	2,728
11	Interest & Bank Charges	1,397	1,273	6,089	5,001	279	285	47	-	171	161	636	640
12	Others												
	(i) Outsourcing Expenses	10,075	11,880	60,819	54,705	2,167	2,657	342	-	1,148	1,506	4,946	5,968
	(ii) Business Support	78,698	1,20,583	2,77,321	2,48,218	43,915	18,867	(1)	1	7,689	5,606	45,291	32,068
	(iii) Entertainment	207	178	904	698	41	40	7	-	25	23	94	89
	(iv) (Gain) / Loss on Foreign Exchange	3	(177)	13	(694)	1	(40)	0	-	0	(22)	1	(89)
	(v) Subscription/Membership	450	458	1,961	1,799	90	102	15	-	55	58	205	230
	(vi) Insurance	133	27	580	105	27	6	4	-	16	3	61	13
	(vii) Pool Expenses	349	303	1,522	1,189	70	68	12	-	43	38	159	152
	(viii) Miscellaneous-Others	386	407	1,681	1,597	77	91	13	-	47	52	176	204
13	Depreciation	3,285	3,705	14,319	14,550	655	829	111	-	403	470	1,495	1,861
14	Service Tax / GST Expenses	848	578	3,697	2,272	169	129	29	-	104	73	386	291
	Total	2,85,704	2,76,363	9,31,260	7,37,189	1,06,765	70,775	7,194	17	24,798	19,760	1,07,377	87,524

SCHEDULES

forming part of Financial Statements

SCHEDULE - 3(A) Commission Expenses For the Year Ended 31st March, 2020

(₹ 000)

Sr. No.	Particulars	Motor		Weather/Crop		Others		Miscellaneous- Total	
		For the year ended 31 st March, 2020	Total	For the year ended 31 st March, 2020	Total	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
1	Employees' Remuneration & Welfare Benefits	5,24,484	12,74,753	1,82,980	9,88,373	88,710	87,477	19,93,642	14,58,648
2	Travel, Conveyance and Vehicle Running Expenses	23,696	57,592	8,267	53,730	4,822	4,755	90,071	79,295
3	Training Expenses	43,069	75,291	72,680	1,24,954	11,215	11,058	1,95,818	1,84,407
4	Rents, Rates, and Taxes	55,170	1,34,089	19,247	1,55,550	13,991	13,768	2,09,708	2,29,562
5	Repairs	73,111	1,04,584	25,507	1,54,168	13,837	13,643	2,77,905	2,27,520
6	Printing & Stationery	32,523	79,048	11,347	69,520	6,240	7,999	1,23,627	1,02,599
7	Communication	23,861	34,133	8,324	47,013	4,220	4,160	90,698	69,381
8	Legal & Professional Charges	61,227	1,48,742	82,377	80,868	79,952	80,877	5,20,150	3,34,289
9	Auditors' Fees, Expenses etc.								
	(a) as auditor	932	2,265	325	2,301	207	229	3,543	3,396
	(b) as adviser or in any other capacity, in respect of								
	(i) Taxation matters	5	12	2	443	40	39	19	653
	(ii) Insurance Matters	-	-	-	-	-	-	-	-
	(iii) Management services; and	-	-	-	-	-	-	-	-
	(c) in any other capacity	-	-	-	-	-	-	-	-
10	Advertisement and Publicity	3,21,681	4,45,614	2,05,846	2,28,297	2,398	28,817	8,25,163	3,42,563
11	Interest & Bank Charges	11,108	26,998	3,875	24,737	2,220	2,189	42,223	36,506
12	Others								
(i)	Outsourcing Expenses	1,29,138	2,85,146	58,157	2,54,502	20,713	19,379	4,42,178	3,72,355
(ii)	Business Support	9,11,830	22,80,889	1,736	8,17,657	39,152	62,069	27,97,586	14,03,599
(iii)	Entertainment	1,649	4,008	575	3,452	310	406	6,268	5,097
(iv)	(Gain) / Loss on Foreign Exchange	23	57	8	(3,432)	(308)	6	89	(5,064)
(v)	Subscription/Membership	3,577	8,693	1,248	8,896	798	880	13,596	13,129
(vi)	Insurance	1,057	2,570	369	521	47	260	4,020	767
(vii)	Pool Expenses	2,776	6,747	968	3,332	528	683	10,552	8,682
(viii)	Miscellaneous-Others	3,067	7,455	1,070	7,897	709	754	11,659	11,656
13	Depreciation	26,123	63,492	9,114	71,972	6,460	6,425	99,299	1,06,216
14	Service Tax / GST Expenses	6,745	16,395	2,353	11,237	1,008	1,659	25,640	16,581
	Total	22,56,851	51,55,525	6,96,375	31,08,538	2,97,239	4,68,455	77,83,453	50,01,835

SCHEDULES

forming part of Financial Statements

SCHEDULE - 5 Share Capital

(₹ '000)

Sr. No.	Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
1	Authorized Capital 1,000,000,000 (Previous year 1,000,000,000) Equity Shares of ₹ 10 Each	1,00,00,000	1,00,00,000
2	Issued Capital 904,993,749 (Previous year 809,993,749) Equity Shares of ₹ 10 Each	90,49,937	80,99,937
3	Subscribed Capital 904,803,705 (Previous year 809,803,705) Equity Shares of ₹ 10 Each	90,48,037	80,98,037
4	Called Up Capital 904,803,705 (Previous year 809,803,705) Equity Shares of ₹ 10 Each	90,48,037	80,98,037
	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	-	-
	Total	90,48,037	80,98,037

SCHEDULE - 5A Share Capital

Pattern of Shareholding (As certified by the Management)

(₹ '000)

Shareholder	As at 31 st March, 2020		As at 31 st March, 2019	
	Number of Shares	% of Holdings	Number of Shares	% of Holdings
Promoters				
Indian	67,40,22,834	74.49	60,32,53,705	74.49
Future Enterprises Limited	23,07,80,872		20,65,50,000	
Shendra Advisory Services Pvt Ltd.	44,32,41,962		39,67,03,705	
Foreign	23,07,80,871	25.51	20,65,50,000	25.51
Generali Participations Netherlands N.V.	23,07,80,871		20,65,50,000	
Others	-		-	
Total	90,48,03,705	100.00	80,98,03,705	100.00

Note: The ultimate share holding of Future Group is 51% and of Generali Group is 49%.

SCHEDULE - 6 Reserves and Surplus

(₹ '000)

Sr. No.	Particulars	As at 31 st March, 2020	As at 31 st March, 2019
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium	-	-
4	General Reserve		
	Less : Debit balance in Profit and Loss Account	-	-
	Less : Amount utilized for Buy - Back	-	-
5	Catastrophe Reserve	-	-
6	Other Reserves	-	-
7	Balance of Profit in Profit & Loss Account	7,84,632	-
	Total	7,84,632	-

SCHEDULE - 7 Borrowings

(₹ '000)

Sr. No.	Particulars	As at 31 st March, 2020	As at 31 st March, 2019
1	Debenture/Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	Total	-	-

SCHEDULES

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SCHEDULE - 8 Investments - Shareholders

(₹ '000)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Long Term Investments		
1. Government Securities and Government guaranteed bonds including Treasury Bills	27,35,878	19,96,342
2. Other Approved Securities	-	-
3. Other Investments		
(a) Shares		
(i) Equity	17,796	46,221
(ii) Preference	-	-
(b) Mutual Funds	-	-
(c) Debentures / Bonds	16,41,708	12,28,763
(d) Investment Property - Real Estate	-	-
(e) Other Securities (Fixed Deposit)	-	8,243
4. Investments in Infrastructure & Housing	27,59,053	18,83,369
5. Other than Approved Investments	1,62,702	1,11,992
Less: Provision for diminution in the value of investments	(15,272)	(6,037)
Sub - Total	73,01,865	52,68,893
Short Term Investments		
1. Government Securities and Government guaranteed bonds including Treasury Bills	85,873	1,74,413
2. Other Approved Securities	-	-
3. Other Investments		
(a) Shares		
(i) Equity	-	-
(ii) Preference	-	-
(b) Mutual Funds	123	16,243
(c) Debentures / Bonds	1,04,299	2,91,498
(d) Investment Property - Real Estate	-	-
(e) Other Securities (incl. fixed deposits)	1,43,643	1,04,008
4. Investments in Infrastructure & Housing	1,27,526	1,66,428
5. Other than Approved Investments	44,917	20,953
Less: Provision for diminution in the value of investments	(35,933)	-
Sub - Total	4,70,447	7,73,542
Total	77,72,312	60,42,435

Note: Refer Note no 2.14 of Schedule 16

NOTES :

- 1) All the above investments are performing assets (except IL&FS and DHFL).
- 2) Aggregate book value of investments (other than listed equities and derivative instruments) is ₹ 78,08,729 thousand (previous year ₹ 59,98,657 thousand).
- 3) Aggregate market value of investments (other than listed equities and derivative instruments) is ₹ 80,50,355 thousand (previous year ₹ 6,005,437 thousand).
- 4) Includes investment in equities qualifying for infrastructure and social sector investments of ₹ 1,390 thousand (previous year ₹ 2,562 thousand)
- 5) Includes investment in equities of ₹ 11,331 thousand (previous year ₹ 12,067 thousand) and in mutual funds of ₹ NIL (previous year ₹ NIL)
- 6) Investment property ₹ Nil (previous year ₹ Nil)
- 7) Value of contracts in relation to investments purchases where deliveries are pending ₹ 3,15,937 thousand (previous year ₹ Nil) and in respect of sale of investments where payments are overdue ₹ Nil (previous year ₹ Nil).
- 8) Short term "Other securities" consists of investment in reverse repo amounting to ₹ 1,34,749 thousand (previous year: ₹ 99,845 thousand)
- 9) Long Term "Investments in Infrastructure & Housing" - DHFL amounting to ₹ 1,799 thousand (previous year: IL&FS amounting to ₹ 37,025 thousand) is regrouped to Long Term "Other Than Approved Investments".
- 10) Short Term "Investments in Infrastructure & Housing" - DHFL amounting to ₹ 26,950 thousand (previous year: Nil) is regrouped to Short Term "Other Than Approved Investments".
- 11) One security of DHFL- matured and overdue of ₹ 4,492 thousand (previous year: Nil) has been disclosed as "Redemption receivable" under Schedule 12- Advances & Other Assets.
- 12) Long Term- Other Investment- Equity includes 13,917 shares (Blocked shares) of Yes Bank valued at Break up value of ₹ 10.71 each amounting to ₹ 27 thousand and 2338 shares (saleable shares) at Market Value of ₹ 22.45 each amounting to ₹ 9 thousand. Total Investment in Yes Bank being ₹ 36 thousand (Previous Year ₹ 530 thousand).
- 13) The Company has considered investment in equity shares as long term investment.

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SCHEDULE - 8A Investments - Policyholders

(₹ '000)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Long Term Investments		
1. Government Securities and Government guaranteed bonds including Treasury Bills	1,24,91,603	99,91,843
2. Other Approved Securities	-	-
3. Other Investments		
(a) Shares		
(i) Equity	81,254	2,31,341
(ii) Preference	-	-
(b) Mutual Funds	-	-
(c) Debentures / Bonds	74,95,790	61,50,051
(d) Investment Property - Real Estate	-	-
(e) Other Securities (Fixed Deposit)	-	41,257
4. Investments in Infrastructure & Housing	1,25,97,419	94,26,408
5. Other than Approved Investments	7,42,873	5,60,529
Less: Provision for diminution in the value of investments	(69,728)	(30,213)
Sub - Total	3,33,39,210	2,63,71,216
Short Term Investments		
1. Government Securities and Government guaranteed bonds including Treasury Bills	3,92,082	8,72,949
2. Other Approved Securities	-	-
3. Other Investments		
(a) Shares		
(i) Equity	-	-
(ii) Preference	-	-
(b) Mutual Funds	560	81,295
(c) Debentures / Bonds	4,76,212	14,58,968
(d) Investment Property - Real Estate	-	-
(e) Other Securities (incl. fixed deposits)	6,55,852	5,20,568
4. Investments in Infrastructure & Housing	5,82,265	8,32,985
5. Other than Approved Investments	2,05,083	1,04,871
Less: Provision for diminution in the value of investments	(1,64,067)	-
Sub - Total	21,47,989	38,71,636
Total	3,54,87,199	3,02,42,852

Note: Refer Note no 2.14 of Schedule 16

NOTES :

- All the above investments are performing assets (except IL&FS and DHFL).
- Aggregate book value of investments (other than listed equities and derivative instruments) is ₹ 3,56,53,472 thousand (previous year ₹ 3,00,23,736 thousand).
- Aggregate market value of investments (other than listed equities and derivative instruments) is ₹ 3,67,56,700 thousand (previous year ₹ 3,00,57,674 thousand).
- Includes investment in equities qualifying for infrastructure and social sector investments of ₹ 6,347 thousand (previous year ₹ 12,823 thousand)
- Includes investment in equities of ₹ 51,738 thousand (previous year ₹ 60,399 thousand) and in mutual funds of ₹ NIL (previous year ₹ NIL)
- Investment property ₹ Nil (previous year ₹ Nil)
- Value of contracts in relation to investments purchases where deliveries are pending ₹ 14,42,518 (previous year Nil) and in respect of sale of investments where payments are overdue ₹ Nil (previous year ₹ Nil).
- Short term "Other securities" consists of investment in reverse repo amounting to ₹ 6,14,245 thousand (previous year: ₹ 4,99,731 thousand)
- Long Term "Investments in Infrastructure & Housing" - DHFL amounting to ₹ 8,212 thousand (previous year: IL&FS amounting to ₹ 1,85,132 thousand) is regrouped to Long Term "Other Than Approved Investments".
- Short Term "Investments in Infrastructure & Housing" - DHFL amounting to ₹ 1,23,050 thousand (previous year: Nil) is regrouped to Short Term "Other Than Approved Investments".
- One security of DHFL- matured and overdue of ₹ 20,508 thousand (previous year: Nil) has been disclosed as "Redemption receivable" under Schedule 12- Advances & Other Assets.
- Long Term- Other Investment- Equity includes 13,917 shares (Blocked shares) of Yes Bank valued at Breakup value of ₹ 10.71 each amounting to ₹ 122 thousand and 2338 shares (saleable shares) at Market Value of ₹ 22.45 each amounting to ₹ 43 thousand. Total Investment in Yes Bank being ₹ 165 thousand (Previous Year ₹ 2,365 thousand).
- The Company has considered investment in equity shares as long term investment.

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SCHEDULE - 9 Loans

(₹ '000)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
1. Security - Wise Classification		
Secured	-	-
(a) On Mortgage of Property		
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares ,Bonds, Government Securities	-	-
(c) Others	-	-
Unsecured	-	-
Total	-	-
2. Borrower - Wise Classification		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial Undertakings	-	-
(e) Others	-	-
Total	-	-
3. Performance - Wise Classification		
(a) Loans classified as standard		
(aa) In India	-	-
(bb) Outside India	-	-
(b) Non - Performing Loans less Provisions		
(aa) In India	-	-
(bb) Outside India	-	-
Total	-	-
4. Maturity - Wise Classification		
(a) Short - Term	-	-
(b) Long - Term	-	-
Total	-	-

SCHEDULES

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SCHEDULE 10 - Fixed Assets

(₹ '000)

Particulars	Cost / Gross Block		As at 31st March, 2020	As at 01st April, 2019	For the Year	Depreciation On Sales / Adjustments *	Net Block	
	As at 01st April, 2019	Additions Deductions / Adjustments *					As at 31st March, 2020	As at 31st March, 2019
Goodwill	-	-	-	-	-	-	-	-
Intangibles - Computer Software	3,83,263	27,538	4,10,801	3,33,845	43,135	11	3,76,969	49,419
Land-Freehold	-	-	-	-	-	-	-	-
Leasehold Improvements	1,67,207	13,405	1,77,405	1,34,388	14,335	2,934	1,45,789	32,818
Buildings	-	-	-	-	-	-	-	-
Furniture & Fittings	46,878	8,480	54,245	41,199	5,290	1,783	44,706	5,679
Information & Technology Equipment	2,53,430	72,723	3,31,074	2,10,172	35,825	111	2,45,886	43,258
Vehicles	4,802	-	4,802	2,244	960	-	3,204	2,559
Office Equipment	92,883	8,266	94,245	68,295	8,281	1,374	75,201	24,588
Others	-	-	-	-	-	-	-	-
Work in progress	9,48,464	1,30,412	10,72,573	7,90,143	1,07,826	6,213	8,91,756	1,58,321
Grand Total	9,48,464	1,30,412	10,72,573	7,90,143	1,07,826	6,213	8,91,756	1,68,922
Previous Year	8,52,560	1,10,157	9,48,464	6,89,206	1,14,933	13,996	7,90,143	1,68,922

* Adjustments on account of inter-asset reclassification & reconciliation.

Note: Refer Note no 2.12 & 2.13 of Schedule 16

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SCHEDULE 11 - Cash and Bank Balances

(₹ '000)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
1. Cash (including cheques, drafts and stamps)	1,26,729	2,58,386
2. Bank Balances		
(a) Deposit Accounts		
(aa) Short - Term (due within 12 months)	1,27,684	-
(bb) Others (Refer note 4 to Schedule 16)	1,885	1,885
(b) Current Accounts	18,79,357	3,80,536
(c) Others	-	-
3. Money at Call and Short Notice		
(a) With Banks	-	-
(b) With Other Institutions	-	-
4. Others	-	-
Total	21,35,655	6,40,808
Balances with non-scheduled banks included in 2 or 3 above	-	-
Cash and Bank Balances		
In India	21,35,655	6,40,808
Outside India	-	-

SCHEDULE - 12 Advances and Other Assets

(₹ '000)

Particulars		As at 31 st March, 2020	As at 31 st March, 2019
Advances			
1. Reserve Deposits with ceding Companies		-	-
2. Application Money for Investments		-	-
3. Prepayments		66,835	91,485
4. Advances to Directors/Officers		-	-
5. Advance Tax Paid and Taxes Deducted at Source (Net of provision for taxation)		-	3,327
6. Others		-	-
(i) Other Deposits		1,32,065	1,26,385
(ii) Advances to Employees		9,423	3,002
(iii) Advances recoverable in cash or kind		1,46,068	1,90,642
(iv) Unutilized GST		3,33,939	3,71,226
(v) MAT Credit Entitlement		15,959	2,52,902
(vii) Income Tax Refund Recoverable		-	78,186
Total (A)		7,04,288	11,17,155
Other Assets			
1. Income accrued on Investments		11,97,766	10,83,623
2. Outstanding Premiums *		29,82,854	26,60,235
3. Agents' Balances		4,934	3,756
4. Foreign Agencies' Balances		-	-
5. Due from other entities carrying on insurance business		21,69,559	19,82,919
6. Due from Subsidiaries / Holding Company		-	-
7. Assets held for unclaimed amount of Policyholders		87,500	65,670
8. Deposit With Reserve Bank Of India [Pursuant to section 7 of Insurance Act, 1938]		-	-
9. Others -			
(i) Unsettled Investments Contract Receivable		15,58,221	1,70,558
(ii) Redemption Receivable	25,000	-	-
Less: Provision for Impairment	25,000	-	-
(iii) Interest Accrued other than investment		920	696
Total (B)		80,01,755	59,67,456
Total (A + B)		87,06,043	70,84,611

*Note : Outstanding premium contains amount receivable against Bank Guarantee & Due from Central Government & State Governments.

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SCHEDULE - 13 Current Liabilities

(₹ '000)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
1. Agents Balances	1,36,742	1,01,646
2. Balances due to other Insurance Companies	45,44,328	42,30,476
3. Deposits held on Reinsurance ceded	-	-
4. Premiums received in advance	9,57,560	4,52,153
5. Unallocated Premium	18,68,885	11,40,558
6. Sundry Creditors	15,02,988	9,49,680
7. Due to Subsidiaries / Holding Company	-	-
8. Claims Outstanding (net) *	2,18,31,254	1,94,67,985
9. Due to Officers / Directors	-	-
10. Unclaimed amount of Policyholders	72,494	61,852
Add: investment income accruing on unclaimed amount	12,694	7,771
11. Others -		
(i) Advance Received	2,950	2,750
(ii) Statutory Dues	2,61,604	5,69,710
(ii) Unsettled Investment Contract Payable	17,58,455	-
Total	3,29,49,953	2,69,84,580

* Gross Claims Outstanding as at 31st March 2020 ₹ 3,13,14,180 thousand (previous year ₹ 2,60,75,171 thousand)

SCHEDULE - 14 Provisions

(₹ '000)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
1. Reserve for Unexpired risk	1,13,52,398	95,32,982
2. For Taxation	5,744	7,779
(less advance tax paid and taxes deducted at source)		-
3. Deferred Tax	-	-
4. For Proposed Dividends	-	-
5. For Dividend Distribution Tax	-	-
6. Others		
a. Provision - Bonus & Employees benefits	5,20,183	3,18,347
b. Provision for diminution in value of investments	-	-
Total	1,18,78,325	98,59,108

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

(₹ '000)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
1. Discount Allowed in issue of shares / Debentures	-	-
2. Others	-	-
Total	-	-

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SCHEDULE – 16

Significant accounting policies & notes to and forming a part of the financial statements for the year ended 31st March 2020

1 BACKGROUND:

Future Generali India Insurance Company Limited ('the Company') is a Joint Venture between India's leading retailer, Future Group and Italian insurance major, Generali Group.

The Company was incorporated on 30th October 2006 as a company to undertake and carry on the business of General Insurance. The Company obtained regulatory approval to undertake General Insurance business on September 4, 2007 from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared and presented in accordance with the Generally Accepted Accounting Principles followed in India under the historical cost convention and accrual basis of accounting and in accordance with the statutory requirements of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act 2015, to the extent notified by the Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (IRDA) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('The Regulations'), circulars, orders and directions issued by the IRDAI in this behalf, the Companies Act, 2013 as amended by Companies Act 2017 to the extent applicable and comply with the accounting standards, prescribed in Companies (Accounting Standards) Rules, 2006 (as amended by companies accounting standard amendment rule 2016), specified under section 133 of Companies Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable and current practices prevailing in the Insurance industry.

2.2 USE OF ESTIMATES

The preparation of financial statement in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date, reported amount of revenue and expenses for the year then ended and disclosure of contingent liabilities as of the balance sheet date. The estimates and assumptions used in the accompanying

financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 REVENUE RECOGNITION

Premium

Premium is recognised as income over the contract period or the period of risk whichever is appropriate on gross basis net of GST (Goods and Services Tax). Premium is recorded for the policy period at the time of issuance of policy and for installment cases, it is recorded on installment due dates. For Crop insurance, the premium is accounted based on management estimates that are progressively actualised on receipt of information. Reinstatement premium is recorded as and when such premiums are recovered. Any subsequent revisions to or cancellations of premium are recognised in the year in which they occur. Adjustments to premium income for corrections to area covered under Crop insurance are recognized in the period in which the information is confirmed by the concerned Government/nodal agency.

Income earned on investments

Interest income on investment is recognised on accrual basis. However in case of non-performing/ impaired securities, interest income is recognised only on receipt basis.

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

Accretion of discount and amortisation of premium, as the case may be, in respect of fixed income securities is recognised on 'internal rate of return' over the period of maturity/holding.

In case of debt securities, the realised gain or loss on the securities is the difference between the sale consideration and the amortized cost in the books of the Company as on the date of sale determined on 'weighted average cost' basis.

In case of listed and actively traded equity shares/ mutual fund units, the realised gain or loss is the difference between the sale consideration and the cost as on the date of sale determined on 'weighted average cost' and include the accumulated changes in the fair value previously recognised in the Fair Value Change account in respect of the particular security.

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The sale consideration for the purpose of realised gain or loss is net of brokerage and taxes, if any, and excludes interest received on sale.

Commission on Reinsurance Ceded

Commission on reinsurance ceded is recognised as income in the period in which reinsurance premium is ceded.

Profit Commission under re-insurance treaties, wherever applicable, is recognised as income in the year of final determination of profits.

2.4 REINSURANCE CEDED

Reinsurance cost, in respect of proportional reinsurance, is accrued at policy inception. Non-proportional reinsurance cost is recognised when incurred and due. Any subsequent revision to, refunds or cancellations of premiums are recognised in the year in which they occur. In case of Motor long term policies, cession is accounted for the proportionate period to which reinsurance cover is provided as per the treaty. Adjustments to reinsurance premium for corrections to area covered under Crop insurance are recognized simultaneously along with related premium income.

2.5 ACQUISITION COSTS

Acquisition costs are defined as costs that vary with, and are primarily related to, the acquisition of new and renewal insurance contracts viz. commission, policy issue expenses etc. are expensed in the year in which they are incurred except for commission on long term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 and is expensed at the applicable rates on the premium allocated for the year.

2.6 PREMIUM RECEIVED IN ADVANCE

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the Balance Sheet date.

2.7 RESERVE FOR UNEXPIRED RISK

Reserve for unexpired risk in respect of marine hull business is computed at 100% of Net Written Premium during the preceding twelve months and other segments it is computed on the contract period basis or risk period basis, whichever is appropriate on the unexpired period of respective policies.

2.8 PREMIUM DEFICIENCY

Premium deficiency is recognised when the sum of expected claim cost, related expenses and maintenance

costs (related to claims handling) exceeds related reserve for unexpired risks in accordance with Master Circular on Preparation of Financial Statements of General Insurance Business (IRDA/F&I/CIR/F&A/231/10/2012). The expected claim cost is calculated and duly certified by Appointed Actuary.

2.9 CLAIMS INCURRED

Claims incurred comprises of claims paid (net of salvage and other recoveries, subject to sufficient certainty of its realisation), change in estimated liability for claims reserves, change in estimated liability for claims incurred but not reported (IBNR), claims incurred but not enough reported (IBNER) and also includes claim settlement costs comprising survey, legal and other directly attributable expenses. All such claims are net of reinsurance as per the reinsurance arrangements and are recognised together with the recognition of claims.

Claims are recognised as and when reported based on the internal management estimates of the ultimate amount that are likely to be paid on each claim (in light of the past experience) or on estimates from the surveyors. These estimates are progressively modified based on the availability of further information. Where salvage is taken over by the Company, the recoveries from sale of salvage are recognised at the time of such sale.

2.10 IBNR AND IBNER (CLAIMS INCURRED BUT NOT REPORTED AND CLAIMS INCURRED BUT NOT ENOUGH REPORTED):

IBNR represents that amount of claims that may have been incurred prior to the end of the current accounting period but have not been reported. IBNR provision also includes provision, if any, required for claims incurred but not enough reported (IBNER). The said liability has been determined on actuarial principles and confirmed by the Appointed Actuary. The methodology and assumptions on the basis of which the liability has been determined has also been certified by the actuary to be appropriate, in accordance with the guidelines and norms issued by the Institute of Actuaries of India (Standard 21 & 33 issued by the Institute of Actuaries of India) in concurrence with the IRDAI (guidelines vide circular No. 11/IRDA \ACTL\ IBNR\2005-06 dated June 8, 2005) and accordingly liability is determined and certified as adequate.

2.11 APPORTIONMENT OF INCOME AND EXPENSES

Operating expenses related to the insurance business

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

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- a) Expenses which are directly identifiable to the business segments are allocated on actual basis;
- b) Other expenses **including depreciation**, which are not directly identifiable, are apportioned on net written premium basis in each business class.

Income from investments and other income

Income earned from investments is allocated to the revenue accounts and the profit and loss account on the basis of the ratio of average policyholders' funds to average shareholders' funds and are further allocated to the lines of business in proportion of their respective gross written premium. Other incomes related to Insurance business which are directly identifiable to the business segments are allocated on actual basis and balance are apportioned on net written premium basis.

2.12 FIXED ASSETS AND DEPRECIATION/AMORTIZATION

Fixed assets are stated at cost (including incidental expenses relating to acquisition and installation) less accumulated depreciation/amortisation.

Depreciation is provided on Straight Line Method (SLM) with reference to the management's assessment of the estimated useful life of the assets or useful life in the manner specified in the Schedule II to the Companies Act, 2013 whichever is lower.

Depreciation/Amortisation is provided at the following useful life on pro rata basis:

Assets	Useful Life
Information Technology Equipment	3 years
Computer Software (Intangibles)	3 years
Vehicles	5 years
Office Equipment	5 years
Furniture & Fixtures	5 years
Air Conditioners (part of Office Equipment)	5 years
Mobile Phones (part of Office Equipment)	2 years
Electrical Fittings (part of leasehold improvements)	5 years
Leasehold Improvements	5 years or lease period whichever is less

(Useful life of assets viz. IT Servers and Network part of Information Technology Equipment, Vehicles, Furniture & Fixtures and Mobile Phones, are lower than useful life prescribed in schedule II to Companies Act, 2013)

Furniture & Fixtures: Management estimates the useful life of the Furniture & Fixtures as 5 years taking into consideration the expected physical wear and tear of the assets and insignificant residual value at the end of 5 years.

Mobile Phones: Based on the internal technical assessment and recommendation of technical experts, Management estimates the useful life of electronic phones as 2 years. Also as per Company's policy, an employee provided with mobile facility, is eligible for taking the mobile at the end of the 2nd year.

IT Servers and Network: Based on the internal technical assessment and recommendation of technical experts and taking into the following factors, it is felt that estimating the useful life at 3 years is reasonable:

- Extent of usage of these servers and network equipment and volume of data involved
- Expected physical wear and tear of the assets
- Technical obsolescence due to passage of advancement in technology year on year
- Insignificant residual value at the end of 3 years

Vehicles: Management estimates the useful life of vehicle as 5 years with insignificant residual value at the end of 5 years.

All assets including intangibles individually costing up to ₹ 5,000 are fully depreciated/amortised in the year of acquisition.

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

2.13 IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the revenue account and profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount subject to a maximum of depreciable historical cost.

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2.14 INVESTMENTS

Investments are made in accordance with the Insurance Act, 1938, the Insurance Regulatory and Development Authority (Investment) Regulations, 2013, the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 and various other circulars / notifications / amendments issued by IRDAI in this context from time to time.

Investments are recorded on trade date at cost. Cost includes brokerage, transaction taxes as applicable, etc. and excludes pre-acquisition interest, if any.

Classification:

Investments maturing within twelve months from balance sheet date and investments made with the specific intention to dispose off within twelve months from balance sheet date are classified as short-term investments. Investments other than short term investments are classified as long-term investments. Policyholders and Shareholders fund are bifurcated at fund level on notional basis.

Valuation:

The investments are valued as follows:

Debt Securities

All debt securities are considered as 'held to maturity' and accordingly stated at historical cost adjusted for amortisation of premium or accretion of discount on 'internal rate of return' basis in the revenue accounts and profit & loss account over the maturity /holding period.

Equities (Listed & Actively Traded):

Listed and actively traded securities are stated at the last quoted closing prices on the National Stock Exchange of India Limited. In accordance with Regulations, unrealised gains or losses are credited / debited to the Fair Value Change account.

Unlisted and other than actively traded Equity Securities

Unlisted equity securities and listed equity securities that are not regularly traded in active markets shall be measured at historical cost. Provision has been made for diminution in value of such investments.

Mutual Fund Units

Mutual Funds Units are stated at their Net Asset Value (NAV) at the balance sheet date. In accordance with Regulations, unrealised gains or losses are credited / debited to the Fair Value Change account.

Fair Value Change account represents unrealised gains or losses in respect of investments outstanding at the close of the year. Further, the same is bifurcated under policyholders fund and shareholders fund. The balance in the account is not available for distribution as dividend.

Investments other than mentioned above are valued at cost.

Provision for Non-Performing Assets (NPA)

In accordance with regulations on "Prudential norms for income recognition, asset classification, provisioning and other related matters in respect of debt portfolio", provisions are made to cover amounts outstanding in respect of all NPAs. All Investments where the interest and / or instalment of principal repayment remain overdue for more than 90 days at the Balance Sheet date are classified as NPA.

Impairment of Investments

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

2.15 EMPLOYEE BENEFITS

(i) Long term benefits

The Company has both defined-contribution and defined-benefit plans, of which some have assets in special funds or similar securities. The plans are financed by the Company, and in the case of some defined contribution plans by the Company along with its employees.

(i-a) Defined-contribution plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund and employees' pension fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employees perform the services that the payments cover.

(i-b) Defined-benefit plans

Expenses for defined-benefit gratuity plans are calculated as at the balance sheet date by

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independent actuaries using Projected Unit Credit method. The commitments are valued at the present value of expected future payments, with consideration for calculated future salary increases, utilising a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a term based on the expected average remaining working lives of employees.

(ii) Short term benefits

Short term employee benefits are recognised at the undiscounted amount expected to be paid as an expense over the period of services rendered to the Company.

The cost of compensated absences is accounted as under:-

- ▶ In the case of accumulating compensated absences, when employees render service that increase their entitlement of future compensated absences; and
- ▶ In case of non-accumulating compensated absence when the absences occur.

(iii) Leave encashment

Provision for leave encashment is accrued and provided for on the basis of an actuarial valuation made at the end of each financial year.

(iv) Long Term Incentive Plan

Long Term Incentive Plan is provided based on actuarial valuation including actuarial gain/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account.

2.16 FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies, are recorded at the exchange rate prevailing on the date of the transaction/remittance. Assets and Liabilities in foreign currency, as at the Balance Sheet date are converted at the exchange rates prevailing at that date.

Exchange difference is recognised in the Revenue Accounts or Profit and Loss Account, as applicable.

2.17 TERRORISM POOL

In accordance with the requirements of IRDAI, the Company, together with other insurance companies, participates in the Terrorism Pool. This pool is managed by the General Insurance Corporation of India ('GIC'). Amounts collected as terrorism premium are ceded at 100% to the Terrorism Pool.

In accordance with the terms of the agreement, the Company's share of premium, claims, expenses and Investment income of the pool are recorded as inward reinsurance business based on the quarterly statement submitted by GIC under the respective head of income or expenses as the case may be.

2.18 CONTRIBUTIONS TO OTHER FUNDS

The Company provides for contribution to Solatium, Environment Relief funds & Senior Citizen Welfare Fund as per requirement of regulations/circulars.

2.19 PROVISION FOR TAXATION

Tax expenses comprises of current tax including MAT and deferred tax.

Current tax

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

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the accounting income as per the Company's financial statements and the taxable income for the year.

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted as at the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets.

Deferred tax assets are reviewed as at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

Minimum Alternate Tax (MAT) paid in the year is charged to the Profit and Loss account as current tax. The company recognises MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognises MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available

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in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Profit and Loss account and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the applicable period.

2.20 ACCOUNTING OF OPERATING LEASE

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as Operating Leases. Operating lease rentals are recognised as an expense on straight line basis over the lease period.

2.21 ACCOUNTING FOR PROVISIONS AND CONTINGENT LIABILITIES

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

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

A disclosure for a contingent liability other than insurance matters is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.22 GOODS & SERVICE TAX (GST)

GST collected is considered liability against which GST paid for eligible services is adjusted and net liability is remitted to the appropriate authority as stipulated. Where GST is not recoverable as input tax then it is recognised as part of the related fixed asset or recognized as expenses in Revenue Account or Profit & Loss account, wherever applicable. Unutilized credits, are carried forward under "Advances and Other Assets"

for adjustments in subsequent periods. The amount of GST liability to be remitted to the appropriate authority is shown under "Statutory Dues" in the financial statements.

2.23 EARNINGS PER SHARE

Earnings per share are calculated by dividing the Profit after Tax in the Profit and Loss account by the weighted average number of equity shares outstanding during the year.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for the basic earnings per share and also weighted average number equity shares which would have been issued on conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are considered.

2.24 RECEIPTS AND PAYMENTS ACCOUNT

- I. Receipts and Payments Account is prepared and reported using the Direct Method, in conformity with para 2.2 of the Master Circular on Preparation of Financial Statements -General Insurance Business dated October 5, 2012, issued by the IRDAI.
- II. Cash and cash equivalents
Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.25 SHARE ISSUE EXPENSES

Share issue expenses are charged to profit and loss account.

2.26 EMPLOYEE STOCK OPTION PLAN (ESOP)

The Company has adopted fair value method for computing the compensation cost for the options granted. The compensation cost is amortised over the vesting period in the Profit and Loss account with a corresponding increase in liability (Employees Stock Options Outstanding). The expense is recorded for each separately vesting portion of the award as if the award was in substance multiple awards.

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3 CONTINGENT LIABILITIES

Contingent liabilities not provided for in respect of claims against the Company not acknowledged as debts other than insurance matters -

	(₹ '000)	
Particulars	As at 31 st March 2020	As at 31 st March 2019
Partly paid up Investments – Investment	Nil	Nil
Underwriting commitments outstanding	Nil	Nil
Claims other than those under policies not acknowledged as debts	11,548	Nil
Guarantees given by or on behalf of the Company	Nil	Nil
Statutory demands/liabilities in dispute, not provided for, in respect of		
▶ Service Tax (refer note 2)	461,503	436,779
▶ Income Tax	Nil	Nil
▶ Goods & Services Tax (GST)	Nil	Nil
Reinsurance obligations to the extent not provided for in accounts	Nil	Nil

Note 1 – Show Cause Notices issued by various Government Authorities are not treated as contingent liability unless the demand orders are raised against such show cause notices and are disputed by the Company.

Note 2 – The Company has disputed demand raised by the service tax authorities of ₹ 461,503 thousand (previous year ₹ 436,779 thousand), including potential penalty of ₹ 137,352 thousand (previous year ₹ 137,352 thousand) and potential interest of approximately ₹ 186,799 thousand (previous year ₹ 162,075 thousand). The Company has filed an appeal before the appropriate authority against the demand raised. Based on expert advice, the management does not expect any outflow of economic benefits and has assessed the likelihood of outflow of resources as remote on account of this matter.

4 All assets of the Company are free from any encumbrances. No Assets of the Company are subject to restructuring. “Bank Balances –Deposit Accounts (others)” under schedule 11 & “Interest accrued other than Investment” under schedule 12 includes a fixed deposit of ₹ 1,885 thousand (previous year ₹ 1,885 thousand) and Interest thereon of ₹ 920 thousand (previous year ₹ 696 thousand) as a security deposit for registration as per Rule 27 of under Jammu &

Kashmir Value Added Tax Act, 2005. “Other Deposits” under schedule 12 – Advances & Other Assets includes Deposit paid in protest to The Customs Excise and Service Tax Appellate Tribunal (The CESTAT) of ₹ 10,301 thousand (previous year: ₹ 10,301 thousand)

5 COMMITMENTS

There are no commitments made and outstanding for loans. There are commitments made and outstanding of ₹ 300,000 thousand (Previous year ₹ 400,000 thousand) for investments.

Commitments made and outstanding for acquisition of Fixed Assets amounting to ₹ 303,339 thousand (previous year ₹ 26,536 thousand).

6 IBNR & IBNER

The Appointed Actuary has certified to the Company that actuarial estimates for Incurred But Not Reported (IBNR), including Incurred But Not Enough Reported (IBNER), as at 31st March 2020, are in conformity with the IRDAI regulations and in compliance with the guidelines prescribed by the Institute of Actuaries of India. The provisions for IBNR and IBNER have been made as per the estimates provided by the Appointed Actuary. The Appointed Actuary, in his report has certified that:

Several different methods of IBNR calculation have been applied based on the claim development patterns and the proportion of development of each accident quarter. The methods are:

- ▶ Paid Claims Chain Ladder Method
- ▶ Incurred Claims Chain Ladder Method
- ▶ Paid Claims Bornheutter Ferguson Method
- ▶ Incurred Bornheutter Ferguson Method
- ▶ Ultimate Loss Ratio (ULR) Method
- ▶ Average Cost & Frequency Method

Each of the methods were calculated for all reserving lines and the most suitable method was selected. These methods calculate the ultimate claims for each accident quarter.

For lines other than Aviation and Weather Insurance products, the IBNR estimates have been derived using Incurred Claims Chain Ladder Method, Paid Chain Ladder Method, Incurred Bornheutter Ferguson Method or Ultimate Loss Ratio Method depending on the availability of sufficient claims and appropriateness of the method.

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For Aviation and Weather Insurance products, IBNR has been determined based on estimated ultimate loss ratio.

IBNR estimates have been derived for each line of business and then aggregated at Segment level.

The reserves are not discounted as per the guidelines of IRDAI.

7 CLAIMS

All claims, net of reinsurance are incurred and paid in India except for Marine Insurance (where consignments are exported from India) and Overseas Travel Insurance amounting to ₹ 32,813 thousand (previous year ₹ 60,088 thousand).

There are no claims (previous year Nil) that have been settled and remaining unpaid for a period of more than six months as at the end of the year.

The Company does not have any liability relating to claims where the claim payment period exceeds 4 years (previous year Nil) based on actuarial valuation.

Gross Claims outstanding for more than six month are ₹ 8,895,384 thousand (previous year ₹ 8,310,745 thousand) out of total outstanding of ₹ 12,102,020 thousand (previous year ₹ 11,466,331 thousand).

8 PREMIUM DEFICIENCY

There is no premium deficiency at revenue segment level in current and previous year.

9 MANAGERIAL REMUNERATION

The managerial remuneration is in accordance with section 34A of the Insurance Act, 1938 and as approved by the IRDAI.

A. The details of remuneration of MD & CEO.

(₹ '000)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Salary, allowances and bonus (including contribution to fund)	27,873	48,368
Perquisites	37	15
Total	27,910	48,383

Note:

- Above figure includes remuneration of CEO & MD w.e.f 14th May 2019 (excluding provision for bonus & ESOP cost which is subject to IRDAI approval). Managerial remuneration in excess of ₹ 15,000 thousand has been charged to profit and loss account. Additionally, the CEO & MD and Principal Officer is granted options pursuant to Company's Employees Stock Option Scheme.
- Above figures includes remuneration of Principal Officer upto 13th May 2019.

B. The details of remuneration of Key Management Persons as per guidelines issued by IRDAI vide Ref. no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016.

(₹ '000)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Salary, allowances and bonus (including contribution to fund)	100,192	69,069
Perquisites	2,126	904
Total	102,317	69,973

Provision towards gratuity, leave encashment & Long Term Performance Pay are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above disclosures. Additionally, the KMPs are granted options pursuant to Company's Employees Stock Option Scheme.

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10 SECTOR WISE BUSINESS (BASED ON GDPI)

Percentage of business sector – wise (Based on GDPI with considering premium received in advance):

Business Sector	For the year ended 31 st March 2020			For the year ended 31 st March 2019		
	GDPI (₹ '000)	No. of Lives	% of GDPI	GDPI (₹ '000)	No. of Lives	% of GDPI
Rural	13,443,773	-	39.34	8,016,579	-	31.39
Social	472,829	1,651,831	1.38	338,899	1,558,169	1.33
Urban	20,258,340	-	59.27	17,183,899	-	67.28
Total	34,174,942	1,651,831	100	25,539,377	1,558,169	100

11 EXTENT OF RISKS RETAINED AND REINSURED

Extent of risk written and reinsured based on premium (excluding Excess of Loss and Catastrophe reinsurance).

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
	(% age of business written)	(% age of business written)
Risk retained	65	70
Risk reinsured	35	30
Total	100	100

12 Premium, less reinsurance, written from business concluded in India is ₹ 21,635,228 thousand (previous year ₹ 17,214,582 thousand) and outside India is ₹ Nil (previous year ₹ Nil).

13 Extent of premium income recognised based on varying risk pattern ₹ Nil (Previous year ₹ Nil).

14 a) Statement showing the age-wise analysis of the Unclaimed amount of the policyholders as at 31st March 2020 (with reference to IRDAI circular no IRDA/F&I/CIR/CMP/174/11/2010);

Particulars	Total	AGE-WISE ANALYSIS (months) as at 31 st March 2020						
		0-6	7-12	13-18	19-24	25-30	31-36	> 36
		(₹ '000)						
Claims settled but not paid to the policyholders / insured due to any reasons except under litigation from the insured / policyholders	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sum due to the insured / policyholders on maturity or otherwise	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
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	5,789	721	1,863	885	870	605	578	267
Cheques issued but not encashed by the policyholder/ insured	52,156	8,891	6,054	3,939	1,271	1,207	5,788	25,006

Particulars	Total	AGE-WISE ANALYSIS (months) as at 31 st March 2019						
		0-6	7-12	13-18	19-24	25-30	31-36	> 36
		(₹ '000)						
Claims settled but not paid to the policyholders / insureds due to any reasons except under litigation from the insured / policyholders	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sum due to the insured / policyholders on maturity or otherwise	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
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	828	358	280	120	70	0	0	0
Cheques issued but not encashed by the policyholders/ insured	39,764	4,985	1,783	1,504	5,970	2,790	1,226	21,506

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- b) Details of the Unclaimed amount of policyholders as at 31st March 2020 (with reference to IRDAI circular no IRDA F&A/CIR/CLD/114/05/2015);

(₹ '000)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Opening balance of unclaimed amount	69,623	52,958
Add: Amount transferred to unclaimed amount / cheques issued out of the unclaimed amount but not encashed by the policyholders	28,415	26,744
Add: Investment Income	5,017	4,052
Less: Amount paid during the year *	17,866	14,131
Closing balance of unclaimed amount	85,189	69,623

*Note: It includes ₹ 55 thousands (previous year ₹ 2 thousands) of policyholders funds transfer to Senior Citizen Welfare Account.

15 EMPLOYEES BENEFIT PLANS

The Company has classified the various benefits provided to employees as under:-

Defined Contribution Plan

(₹ '000)

Expenses on defined contribution plan	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Contribution to Staff Provident fund	49,672	33,466
Contribution to Pension fund	32,730	20,578
Contribution to Superannuation fund	3,135	2,628
Contribution to National Pension Scheme	6,629	4,601
Total	92,166	61,273

a) Defined Benefit Plan – Gratuity

In accordance with Accounting Standard 15, actuarial valuation was done in respect of the defined benefit plan of gratuity based on the following assumptions: -

(₹ '000)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Discount Rate (per annum)	6.60%	7.35%
Rate of increase in Compensation levels	8.00%	8.00%
Rate of Return on Plan Assets	6.60%	7.35%
Expected Average remaining working lives of employees (years) (The average expected lifetime is calculated based on the future working lifetime adjusted for the decrements. The same number for the previous year was not adjusted for the decrements.)	6.85	6.78

(₹ '000)

A	Changes in the Present Value of Obligation	For the year ended 31 st March 2020	For the year ended 31 st March 2019
	Present Value of Obligation at the beginning of the year	115,782	105,063
	Interest Cost	7,982	7,428
	Current Service Cost	24,569	19,759
	Benefits Paid	(11,432)	(22,588)
	Actuarial (gain)/loss on obligations	11,693	6,120
	Present Value of Obligation as at March 31	148,594	115,782

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(₹ '000)

B	Changes in the Fair Value of Plan Assets	For the year ended 31 st March 2020	For the year ended 31 st March 2019
	Present Value of Plan Assets at the beginning of the year	100,960	96,072
	Adjustments to the opening fund	-	-
	Expected Return on Plan Assets	7,706	7,495
	Actuarial gains/(loss) on Plan Assets	309	(19)
	Contributions	30,000	20,000
	Benefits Paid	(11,432)	(22,588)
	Fair Value of Plan Assets at March 31	127,543	100,960

(₹ '000)

C	Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets	For the year ended 31 st March 2020	For the year ended 31 st March 2019
	Present Value of Obligation as at March 31	148,594	115,782
	Fair Value of Plan Assets as at March 31	127,544	100,960
	Funded Status	(21,050)	(14,821)
	Present Value of unfunded Obligation as at March 31	-	-
	Net Asset / (Liability) recognised in Balance Sheet	(21,050)	(14,821)
	Included in other provisions under Schedule 14		

(₹ '000)

D	Amount recognised in the Balance Sheet	For the year ended 31 st March 2020	For the year ended 31 st March 2019
	Present Value of Obligation as at March 31	(148,594)	(115,782)
	Fair Value of Plan Assets as at March 31	127,544	100,960
	Net Asset / (Liability) recognised in Balance Sheet	(21,050)	(14,821)

Included in other provisions under Schedule 14

(₹ '000)

E	Expenses recognised in the Revenue Account	For the year ended 31 st March 2020	For the year ended 31 st March 2019
	Current Service Cost	24,569	19,759
	Past Service Cost	0	0
	Interest Cost	7,982	7,428
	Expected Return on Plan Assets	(7,706)	(7,495)
	Losses/(Gains) on Curtailments and Settlement	0	0
	Settlement Cost / (Credit)	0	0
	Net actuarial (gain) / loss recognised in the Year	11,384	6,139
	Total expenses recognised in the Revenue account	36,229	25,831

(Included in Employees remuneration and welfare benefits in Schedule 4)

(₹ '000)

F	Experience adjustments of five years	For the year ended 31 st March				
		2020	2019	2018	2017	2016
	Present Value of Obligation as at March 31	148,594	115,782	105,063	94,440	68,735
	Fair Value of Plan Assets as at March 31	127,543	100,960	96,072	88,469	66,575
	Surplus/(Deficit)	(21,050)	(14,821)	(8,990)	(5,972)	(2,161)
	Experience adjustments on plan liabilities	4,396	4,630	1,749	7,214	1,246
	Experience adjustments on plan assets	(309)	19	(1,198)	(455)	724

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Leave Encashment

Based on actuarial valuation at the end of the year, leave encashment has been provided at ₹ 68,515 thousand (previous year ₹ 53,809 thousand).

Long Term Incentive Plan

Based on actuarial valuation at the end of the year, Long Term Incentive Plan has been provided at ₹ 91,867 thousand (previous year ₹ 16,134 thousand).

16 SEGMENT REPORTING

The statement on segment reporting is included in Annexure I.

17 RELATED PARTY DISCLOSURE

Related party disclosures have been set out in Annexure II to this schedule. The related parties, as defined in Accounting Standard 18 'Related Party Disclosures' in accordance with the Companies Act, 2013 ('The Act') to the extent applicable and comply with the accounting standards in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial personnel and taken on record by the Board.

The related parties of the company are as follows:-

Name of the related party	Description of relationship
Future Enterprises Ltd	Joint Venturer
Generali Participations Netherlands N.V (Formerly known as Participatie Maatschappij Graafschap Holland N.V.)	Joint Venturer
Shendra Advisory Services Private Limited	Joint Venturer
Assicurazioni Generali SPA	Parent Company of Joint Venturer
Future Generali India Life Insurance Co. Ltd.	Two of the joint venturers having joint control
FG & G distribution Pvt Ltd	Two of the joint venturers having joint control
Anup Rau (w.e.f 14 th May 2019)	CEO & Managing Director
Shreeraj Deshpande (upto 13 th May 2019)	Principal Officer
Devi Dayal Garg	Chief Financial Officer
Rajiv Joshi	Head of Legal & Compliance
Ashwani Kumar Arora (upto 29 th Nov 2019)	Appointed Actuary
Jatin Kumar Arora (w.e.f 17 th Dec 2019)	Appointed Actuary
Shreeraj Deshpande (w.e.f 14 th May 2019)	Chief Operating Officer
Ajay Panchal	Chief Risk Officer
Milan Shirodkar	Chief of Investments
Ritu Sethi	SVP & Head - Internal Audit
Deepak Prasad	EVP & Head- Corporate Sales
Raghavendra Rao	EVP & Head - Retail Sales
Anurag Sinha	EVP & Head- Bancassurance
Ruchika Malhan Varma	Chief Marketing Officer

18 LEASE

OPERATING LEASE COMMITMENTS:

The Company's significant leasing arrangements include agreements for office and residential premises. The future minimum lease payments relating to non-cancellable operating leases are disclosed below:

Particulars	(₹ '000)	
	As at 31 st March 2020	As at 31 st March 2019
Payable not later than one year	52,610	40,465
Payable later than one year but not later than five years	112,205	46,389
Payable later than five years	Nil	Nil

SCHEDULES

forming part of Financial Statements

- ▶ Amount charged to revenue accounts for lease is ₹ 225,585 thousand (previous year ₹ 230,117 thousand).
- ▶ There are no transactions in the nature of sub leases.
- ▶ The period of agreement is as per the understanding between the licensor and the licensee.

19 CONTRIBUTION TO TERRORISM POOL

The company is a participant in and has received the Terrorism Pool (which is managed by General Insurance Corporation of India) retrocession of premium in the current financial year. Accordingly, as per the statement received from the Pool managers, the Company has recognised the pool retrocessions for the quarters ended 31st March 2019, 30th June 2019, 30th September 2019 and 31st December 2019, the accounts of which were received till the end of the financial year.

20 CONTRIBUTION TO ENVIRONMENT FUND

The Company has collected an amount of ₹ 2,440 thousand (previous year ₹ 2,351 thousand) towards Environment Fund from public liability policies. The Company has paid all the funds collected towards Environment Fund up to February 29, 2020 and the balance payable ₹ 91 thousand (previous year ₹ 181 thousand) has been disclosed under the head current liabilities in schedule 13.

21 SOLATIUM FUND

In accordance with IRDAI's requirement circular dated 18th March, 2003 and based on the recommendations made by the General Insurance Council vide letter dated 26th July, 2010, the company has provided 0.1% of the Third Party premiums (excluding reinsurance premium accepted on motor third party for commercial vehicles) towards contribution to the Solatium Fund.

22 SENIOR CITIZEN WELFARE FUND

In accordance with IRDA circular no IRDA/F&A/CIR/MISC/173/07/2017 dated 25th July, 2017 the company has transferred ₹ 55 thousand (previous year ₹ 1.66 thousand including interest) outstanding for a period of more than 10 years in Unclaimed amount of Policyholders to the Senior Citizen Welfare Fund on or before 1st March of Financial Year. For the Financial Year 2018-19, due date was 1st Mar 2020 and amount has deposited on 26th Feb 2020.

23 EARNING PER SHARE ('EPS')

The following table reconciles the numerator and denominator used to calculate basic/diluted EPS:

Particulars	(₹ '000)	
	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Profit after Tax (A)	995,972	1,178,155
Weighted average no of equity shares		
Weighted average no. of equity shares (par value of ₹ 10 each) [B]	858,820,098	809,803,705
Diluted weighted average no. of equity shares (par value of ₹ 10 each) [C]	866,319,858	810,713,815
Basic earnings per share (₹) [A/B]	1.16	1.45
Diluted earnings per share (₹) [A/C]	1.15	1.45

24 TAXATION

The Company carries on General Insurance business and hence the provision of section 44 and First Schedule to the Income Tax Act, 1961 are applicable for computation of Profits and Gains of its business. Accordingly provision for taxation has been made in the accounts. Further the company has accounted for deferred tax assets for the period ended 31st March 2020, in accordance with the AS 22 "Accounting for Taxes on Income"

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably or virtually certain to be realised.

SCHEDULES

forming part of Financial Statements

The major components of the Company's deferred tax liabilities and assets are as below.

(₹ '000)

Particulars	As at 31 st March 2020	As at 31 st March 2019
Deferred Tax Assets (A)		
Section 43B Disallowance	47,876	49,180
Section 36(1)(via) of Income Tax Act	78,021	12,667
Rule 6 E Disallowance (Reserve for Unexpired risk)	164,011	361,133
Depreciation	48,496	62,969
Total	338,404	485,949
Deferred Tax Liabilities (B)	-	-
Net Deferred Tax Assets (A-B)	338,404	485,949

25 THE TAXATION LAWS (AMENDMENT) ACT, 2019 - CONCESSIONAL TAX RATES

The Taxation Laws (Amendment) Act, 2019 has amended the Income Tax Act, 1961, and the Finance (No. 2) Act, 2019 by inserting section 115BAA which provides domestic companies with an option to pay tax at concessional tax rate of 25.17 % instead of 34.94%. The concessional tax rates come with the consequential surrender of specified deductions / incentives. The option need to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income tax Act, 1961, for the assessment year 2020-21 or subsequent assessment years. Once exercised, such option cannot be withdrawn for the same or subsequent assessment years.

The company has not exercised the concessional tax regime for financial year 2019-20 due to MAT credit being available of past years to the extent of ₹ 251,150 thousand, this will result into lower tax outgo for the year. The company expects that the existing deferred tax assets (net) will get realised at lower income tax rate of 25.17% in future and consequently, the deferred tax asset (net) as at March 31st, 2020 has been measured at lower rate of 25.17%. As a result deferred tax expense for year ended March 31st, 2020 is higher by ₹ 131,446 thousand and Deferred Tax Assets (net) is lower to the same extent.

26 MSMED DISCLOSURES

According to information available with the management, on the basis of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) Act, the company has amounts due to Micro, Small and Medium Enterprises under the said Act as at 31st March 2020 as follows:

(₹ '000)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
a) i) Principal amount remaining unpaid to suppliers under the MSMED ACT 2006.	1,605	2,018
ii) Interest on a) (i) above	Nil	Nil
b) i) Amount of Principal paid beyond the appointed date	Nil	Nil
ii) Amount of Interest Paid Beyond the Appointed date (As per Sec 16 of the said Act)	Nil	Nil
c) Amount of Interest due and payable for the period of delay in making payment, but without adding the interest specified under section 16 of the said Act	Nil	Nil
d) Amount of Interest accrued and due	Nil	Nil
e) Amount of further interest remaining due and payable even in Succeeding years	Nil	Nil

SCHEDULES

forming part of Financial Statements

27 DETAILS OF PENAL ACTIONS TAKEN BY VARIOUS GOVERNMENT AUTHORITIES DURING FY 2019-20

(₹ '000)						
Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced		
1	Insurance Regulatory and Development Authority	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	
2	Service Tax / GST Authorities	NA (NA)	NA (NA)	NA (NA)	NA (NA)	
3	Income Tax Authorities	NA (NA)	Nil (Nil)	Nil (Nil)	Nil (Nil)	
4	Any other Tax Authorities	NA (NA)	Nil (Nil)	Nil (Nil)	Nil (Nil)	
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	NA (NA)	Nil (Nil)	Nil (Nil)	Nil (Nil)	
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	NA (NA)	Nil (Nil)	Nil (Nil)	Nil (Nil)	
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	NA (NA)	Nil (Nil)	Nil (Nil)	Nil (Nil)	
8	Securities and Exchange Board of India	NA (NA)	Nil (Nil)	Nil (Nil)	Nil (Nil)	
9	Competition Commission of India	NA (NA)	Nil (Nil)	Nil (Nil)	Nil (Nil)	
10	Any other Central/State/Local Government / Statutory Authority	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	

Figures in brackets represent previous year figures.

28 DURING THE YEAR FOREIGN EXCHANGE GAIN/ (LOSS) INCURRED BY THE COMPANY IS ₹ (97 THOUSAND [PREVIOUS YEAR ₹ 5,480 THOUSAND].

29 STATEMENT SHOWING DETAILS OF THE REPO AND REVERSE REPO TRANSACTIONS DURING THE YEAR (WITH REFERENCE TO IRDAI CIRCULAR IRDA/F&I/CIR/INV/250/12/2012)

(₹ '000)				
Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as at 31 st March 2020
Securities sold under repo				
1) Government Securities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
2) Corporate Debt Securities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Securities purchased under reverse repo				
1) Government Securities	299,925 (320,805)	2,071,922 (1,799,936)	1,024,436 (1,123,581)	749,995 (599,576)
2) Corporate Debt Securities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

Figures in brackets represent previous year figures.

30 THE SUMMARY OF THE FINANCIAL STATEMENTS FOR THE LAST FIVE YEARS AND THE RATIOS REQUIRED TO BE FURNISHED HAVE BEEN SET OUT IN THE ANNEXURE III TO THIS SCHEDULE.

31 PROVISION FOR FREE LOOK PERIOD

Pursuant to the circular CIR/41/IRDA/Health/SN/09-10/32, the Company has made a provision for Free Look Period of ₹ 513 thousand (previous year ₹ 485 thousand). The provision for Free Look period is duly certified by the Appointed Actuary.

SCHEDULES

forming part of Financial Statements

32 PURSUANT TO THE CIRCULAR 067/IRDA/F&A/CIR/MAR-08, THE ADDITIONAL DISCLOSURE IS GIVEN UNDER:-

(₹ '000)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Under expenses "Others" schedule 4		
Outsourcing expenses	466,553	400,304
Business Support	2,967,127	1,747,684

33 EXPENSES OF MANAGEMENT

The company has allocated expenses of Management as per the policy approved by the board of directors dated 26th Nov 2016.

In accordance with the IRDAI (Expense of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016, operating expenses of ₹ 1,738,915 thousand (previous year Nil) in excess of segmental limits pertaining to Marine Cargo, Motor, Retail Health & Miscellaneous segment has been transferred from revenue account to profit & loss account. However, the limit has been complied with on overall basis.

34 DURING THE YEAR ENDED MARCH 31, 2020 THE COMPANY HAS INCURRED EXPENDITURE TOWARDS CSR ACTIVITIES WHICH ARE AS BELOW :

- (a) Gross amount required to be spent by the company during the year was ₹ 14,934 thousand (Previous year : ₹ 7,745 thousand)
- (b) Amount spent during the year is ₹ 10,320 thousand (Previous year: ₹ 9,874).

(₹ '000)

Sr. No.	Particulars	Payment made	Payment yet to be made	Total
1.	Construction/acquisition of any asset	4,582 (Nil)	Nil (116)	4,582 (116)
2.	On purposes other than (1) above	5,738 (7,710)	Nil (2,049)	5,738 (9,759)

Figures in brackets represent previous year figures.

35 SHARE CAPITAL

The Company has allotted, 50,000,000 equity shares of ₹ 10/- each for amount aggregating to ₹ 500,000 thousand in June 2019 and 45,000,000 equity shares of ₹ 10/- each for amount aggregating to ₹ 450,000 thousand in December 2019, respectively to existing shareholders by way of right issue. Further, the company offered rights shares in March 2020, which was subscribed to the extent of 12,753,091 equity shares for amount of ₹ 127,531 thousand which was returned on 29th May 2020, due to under-subscription of the rights issue.

36 The company's pending litigation comprise of claims against the Company and proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position (refer note 3 for details on contingent liabilities).

- 37** a) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/ accounting standard.
- b) As at March 31, 2020 the Company did not have any outstanding long term derivative contracts.

SCHEDULES

forming part of Financial Statements

38 For the year ended March 31, 2020, the company is not required to transfer any amount into the Investor Education & Protection Fund.

39 Due from other entities carrying on insurance business included in “Other Assets” in Schedule 12 include ₹ 1,098,060 thousands (previous year ₹ 1,098,060 thousands), where the Company has initiated legal process for the recovery of the dues. Considering that the counterparties are solvent and based on legal opinion about the recoverability of the dues, the management is of the view that the said dues are fully recoverable and no provision is considered necessary.

40 EMPLOYEE STOCK OWNERSHIP PLAN (ESOP)

The Company had introduced an Employee Stock Ownership Plan (“ESOP”) in the financial year 2018-19 with date of grant being February 6, 2019 and in financial year 2019-20 with date of grant being 01st December, 2019. ESOP provides that eligible employees are granted options to acquire equity shares of the Company that vest in a graded manner. The vested options may be exercised within a specified period. Under ESOP 2019, the company granted 51,11,447 options during the year (previous year 61,51,671 options pertaining to ESOP 2018) at an exercise price of Nil per option and (previous year at an exercise price of Nil per option). The vesting of options will happen as per the schedule below:

ESOP 2018:

Particulars	Graded Vesting I	Graded Vesting II
Percentage vested	50%	50%
No of options vested	29,65,702	29,65,703
Date of vesting	01 June 2021	01 June 2022

ESOP 2019:

Particulars	Graded Vesting I	Graded Vesting II
Percentage vested	50%	50%
No of options vested	25,01,588	25,01,588
Date of vesting	01 June 2022	01 June 2023

The scheme allows flexibility to the Company in the final pay-out either in form of cash or equity shares.

Method used for accounting

The Company has adopted fair value method for computing the compensation cost for the Options granted considering options to be settled in Equity. The charge to the Profit and Loss account has been ₹ 72,530 thousands (Previous year ₹ 8,222 thousands) with a corresponding increase in credit to ‘Stock Options Outstanding’ which is disclosed on the face of the balance sheet.

Particulars	(No of options)				
	31 March 20	31 March 21	31 March 22	31 March 23	31 March 24
Outstanding at the beginning of the period;	61,51,671	1,09,34,581	1,09,34,581	79,68,879	25,01,588
Granted during the period;	51,11,447	Nil	Nil	Nil	Nil
Forfeited during the period;	-3,28,537	Nil	Nil	Nil	Nil
Exercised during the period	Nil	Nil	Nil	Nil	Nil
Expired during the period;	Nil	Nil	Nil	Nil	Nil
Outstanding at the end of the period	1,09,34,581	1,09,34,581	79,68,879	25,01,588	-
Unvested at the end of the year	1,09,34,581	1,09,34,581	79,68,879	25,01,588	-
Vested at the end of the year	Nil	Nil	29,65,703	84,32,993	1,09,34,581
Weighted average exercise price per option	Nil	Nil	Nil	Nil	Nil

SCHEDULES

forming part of Financial Statements

Information in respect of Options outstanding as on 31 March 20.

ESOP 2018:

Particulars	Exercise Price	No of options	Weighted average remaining life
Graded Vesting I	Nil	29,65,702	14 months
Graded Vesting II	Nil	29,65,703	26 months

ESOP 2019:

Particulars	Exercise Price	No of options	Weighted average remaining life
Graded Vesting I	Nil	25,01,588	26 months
Graded Vesting II	Nil	25,01,588	38 months

The fair value of the options on date of grant has been estimated using Black-Scholes model at ₹ 25.12 per option for ESOP 2018 and ₹ 30.48 per option for ESOP 2019. The key assumptions used in Black-Scholes model for calculating fair value are as follows:

ESOP 2018:

Particulars	Risk Free interest rate	Expected Life	Expected Volatility	Expected dividend yield
Graded Vesting I	6.76% to 7.08%	2-3 years	Nil	Nil
Graded Vesting II	7.08% to 7.28%	3-4 years	Nil	Nil

ESOP 2019:

Particulars	Risk Free interest rate	Expected Life	Expected Volatility	Expected dividend yield
Graded Vesting I	6.76% to 7.08%	2-3 years	Nil	Nil
Graded Vesting II	7.08% to 7.28%	3-4 years	Nil	Nil

Risk free rate source - <http://www.worldgovernmentbonds.com/country/india/>

- 41** IRDAI vide circular no. IRDAI/HLT/CIR/MISC/078/04/2020 dated April 02, 2020 and IRDAI/HLT/ CIR/MISC/091 /04/2020 dated April 16, 2020 has stipulated that, the Policyholders whose health insurance policies fell due for renewal during the period on and from March 25, 2020 up to May 03, 2020 and who are unable to make payment of their renewal premium on time in view of the prevailing situation in the country as a result of COVID-19 are allowed to make premium payment for renewal of policies to their insurers on or before May 15, 2020 to ensure continuity of health insurance cover from the date on which the policy fell due for renewal, so that any valid claim triggered during the grace period can be paid.

Further, in accordance with Circular IRDAI/HLT/CIR/MISC/082/04/2020 dated April 3, 2020 and subsequent intimation following details are disclosed;

- number of health policies which were renewed before March 31, 2020 and already accounted in the financial statement were 198 policies and related premium of ₹ 2,777 thousand; and
- number of health policies which were renewed between April 1, 2020 till May 15, 2020 were 383 policies and related premium of ₹ 5,557 thousand. Impact of such policies on profits and loss account for the quarter and year ended March 31, 2020 is not material.

SCHEDULES

forming part of Financial Statements

- 42** In light of the COVID-19 outbreak and information available up to the date of approval of these financial results, the Company has assessed the impact on assets, including valuation of investments, liabilities including IBNR/ IBNER and solvency position. Based on the evaluation, the company has assessed adequacy of provisions on the investments and claim provision to an extent necessary.

The Company has also assessed its solvency position as at the balance sheet date and it is at 151%, which is above the prescribed regulatory limit of 150%. Further, based on the Company's current assessment of the business operations over next one year, it expects the solvency ratio to continue to remain above the minimum limit prescribed by the Insurance regulator. The Company has used the principles of prudence in applying judgments, estimates and assumptions to assess and provide for the impact of the pandemic on the Financial Statements. However, due to the uncertainties associated with the pandemic, the actual impact may not be in line with current estimates. The Company will continue to closely monitor any changes to the estimates basis future economic conditions. Further the impact assessment does not indicate any adverse impact on the ability of the company to continue as a going concern.

- 43** There is no regrouping in respect of previous year figures. Current year figures are comparable with those of previous year figures.

As per our report of even date

For and on behalf of

For and on behalf of

For and on behalf of the Board of Directors

M. M. Nissim & Co.

Chartered Accountants

FRN 107122W

For Khandelwal Jain & Co.

Chartered Accountants

FRN 105049W

G N Bajpai

Chairman

K K Rathi

Director

Anup Rau

Managing Director & CEO

Varun P. Kothari

Partner

Membership No. 115089

Narendra Jain

Partner

Membership No. 048725

Devi Dayal Garg

Chief Financial Officer

Rajiv Joshi

Company Secretary

Place : Mumbai

Dated : 5th June, 2020

ANNEXURE I

to Schedule 16 - Notes to accounts and forming part of the financial statements for the year ended 31st March, 2020
(Refer Note no. 16)

Segmental Break up of the Balance Sheet item as at 31st March, 2020

The Company's primary reportable segments are business segments which have been identified in accordance with AS-17 - Segment Reporting read with the Regulations.

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

(₹ '000)

Particulars	As at	Fire	Marine	Misc	Unallocated	Total
Net Claims Outstanding	31st March, 2020	7,00,302	3,40,696	2,07,90,256	-	2,18,31,254
	31 st March, 2019	(6,37,501)	(3,54,102)	(1,84,76,382)	-	(1,94,67,985)
Reserve for Unexpired Risk	31st March, 2020	11,39,377	1,46,316	1,00,66,705	-	1,13,52,398
	31 st March, 2019	(8,74,282)	(1,43,373)	(85,15,327)	-	(95,32,982)
Outstanding Premiums	31st March, 2020	6,676	-	29,76,178	-	29,82,854
	31 st March, 2019	-	-	(26,60,235)	-	(26,60,235)
Investments	31st March, 2020	41,46,085	6,82,609	3,06,58,505	77,72,312	4,32,59,511
	31 st March, 2019	(34,93,600)	(8,32,554)	(2,59,16,697)	(60,42,435)	(3,62,85,286)

SEGMENTAL REPORTING

for the period ended 31st March 2020

Particulars	Fire	Marine	Personal Accident	Health Insurance	Engineering	Aviation	Liability	Motor (OD)	Motor TP	Workmen Compensation	Weather\Crop	Others	Total
1. Premiums earned (Net)	9,17,766	5,23,435	5,98,233	25,79,485	1,18,219	5,513	73,646	48,96,581	67,57,008	2,88,008	19,18,668	11,39,250	1,98,15,812
2. Profit/(Loss) on sale/redemption of Investments	34,851	5,738	6,628	33,797	4,768	200	1,825	47,547	68,319	2,726	77,981	13,918	2,98,299
3. Others-Miscellaneous Income	5	2	3	12	1	0	0	934	31	1	7	5	1,001
4. Interest, Dividend & Rent - Gross	3,20,197	49,880	57,620	2,93,802	45,162	1,734	15,869	4,13,332	5,93,902	23,697	6,77,889	1,20,994	26,14,078
Total Segment Revenue	12,72,819	5,79,054	6,62,484	29,07,096	1,68,149	7,447	91,341	53,58,394	74,19,260	3,14,431	26,74,545	12,74,168	2,27,29,190
1. Claims Incurred (Net)	4,88,568	3,06,865	1,46,097	18,40,716	41,750	3,308	23,976	35,05,402	32,15,719	1,36,054	16,67,007	4,45,782	1,18,21,244
2. Commission (Net)	69,630	72,547	76,902	54,341	(17,095)	431	(1,878)	7,46,873	74,829	38,008	(2,68,312)	41,566	8,87,842
3. Operating Expenses related to Insurance Business Claims Incurred (Net)	6,20,222	1,57,135	2,85,704	9,31,260	1,06,765	7,194	24,798	22,56,851	28,98,673	1,07,377	6,96,375	4,68,455	85,60,810
4. Premium deficiency	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Contribution from Shareholders Fund towards excess EOM	-	(59,389)	(41,129)	(87,684)	(3,328)	(139)	(1,274)	(6,29,894)	(9,05,071)	(1,903)	0	(9,104)	(17,38,915)
Total Segment Expenditure	11,78,420	4,77,158	4,67,574	27,38,633	1,28,091	10,794	45,622	58,79,233	52,84,151	2,79,536	20,95,071	9,46,698	1,95,30,981
Segment Profit/Loss	94,399	1,01,896	1,94,910	1,68,462	40,058	(3,347)	45,718	(5,20,839)	21,35,110	34,896	5,79,475	3,27,470	31,98,209

for the period ended 31st March 2019

Particulars	Fire	Marine	Personal Accident	Health Insurance	Engineering	Aviation	Liability	Motor (OD)	Motor TP	Workmen Compensation	Weather\Crop	Others	Total
1. Premiums earned (Net) (refer Sch 1)	6,49,348	4,82,705	4,82,454	18,98,666	1,42,904	5	68,348	46,96,801	54,40,505	2,62,432	8,36,189	7,86,791	1,57,47,148
2. Profit/(Loss) on sale/redemption of Investments	7,334	1,748	1,591	7,200	1,023	-	459	12,095	15,818	720	12,206	3,298	63,492
3. Others-Miscellaneous Income	693	434	479	1,881	107	-	61	4,551	5,271	241	835	824	15,377
4. Interest, Dividend & Rent - Gross	2,75,444	60,235	54,817	2,48,116	40,174	-	15,825	4,16,815	5,45,129	24,826	4,20,644	1,13,634	22,15,659
Total Segment Revenue	9,32,819	5,45,122	5,39,341	21,55,863	1,84,208	5	84,693	51,30,262	60,06,723	2,88,219	12,69,874	9,04,547	1,80,41,676
1. Claims Incurred (Net) (refer Sch 2)	4,47,138	3,52,959	1,76,228	15,69,465	36,015	4	9,602	29,72,640	40,55,577	1,13,207	5,19,823	5,77,832	1,08,30,490
2. Commission (Net) (refer Sch 3)	15,330	80,999	50,519	57,144	(12,828)	-	3,071	6,37,195	54,576	35,400	(1,98,387)	12,406	7,34,825
3. Operating Expenses related to Insurance Business Claims Incurred (Net)	7,37,156	91,840	2,78,706	7,46,389	71,299	17	20,057	16,42,607	15,11,454	88,702	2,28,627	4,08,465	58,25,319
4. Premium deficiency	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Segment Expenditure	11,99,624	5,25,198	5,05,453	23,72,998	94,486	21	32,730	52,52,442	56,21,607	2,37,309	5,50,063	9,98,703	1,73,90,634
Segment Profit/Loss	(2,66,805)	19,924	33,888	(2,17,135)	89,722	(16)	51,963	(1,22,180)	3,85,116	50,910	7,19,811	(94,156)	6,51,042

ANNEXURE II

to Schedule 16 Notes to Accounts note no.17 and forming part of Financial Statements For the Year Ended 31st March, 2020.

Related Party Transactions

(₹ '000)

Sr. No.	Name of the Related Party	Nature of Relationship with the Company	Description of Transactions / Categories	For the year ended 31 st March 2020		For the year ended 31 st March 2019	
				Amount	Outstanding Amounts carried to balance sheet payable (receivable)	Amount	Outstanding Amounts carried to balance sheet payable (receivable)
1	Future Enterprises Limited	Joint Venturer	Rent & Maintenance for premises hired	-	-	-	-
			Operating expenses	-	-	-	-
			Insurance Premium	28,934	-	27,175	-
			Insurance Claims paid	5,534	45,314	6,351	27,406
			Deposit Received	-	-	-	-
			Deposit Paid	-	-	-	-
			Unallocated Premium received/ (paid)	607	-	587	-
2	Assicurazioni Generali SPA	Promoter Group Co.	Equity Shares Issued	2,42,309	-	-	-
			Reinsurance premium ceded	4,22,001	-	2,92,783	-
			Commission on reinsurance ceded	35,135	2,15,694	23,021	2,06,146
			Claims recovery on reinsurance	1,81,548	-	58,713	-
3	Generali Participations Netherlands N.V (Formerly known as Participatie Maatschappij Graafschap Holland N.V.)	Joint Venturer	Recovery towards Expenses Incurred	5,327	-	2,692	39
			Equity Shares Issued	2,42,309	-	-	-
4	Shendra Advisory Services Private Limited	Joint Venturer	Share application money	1,27,531	-	-	-
			Equity Shares Issued	4,65,383	-	-	-
5	Key Managerial Personnel	MD & CEO, CFO and Company Secretary & Other KMPs (as disclosed in Note 17)	Remuneration for the period	1,31,946	-	1,27,157	-
			Insurance Premium received	152	-	-	-
			Insurance Claims Paid	63	1	-	-
6	Future Generali India Life Insurance Co. Ltd.	Enterprise owned by Major Shareholders	Operating expenses incurred on our behalf	22,376	-	24,904	-
			Operating expenses incurred by our company on their behalf	22,352	10,894	33,148	14,688
			Rent/Elect. Deposits on our behalf	2,340	-	792	-
			Rent/Elect. Deposits by our company on their behalf	421	-	85	-
			Other transactions	-	-	-	-
			Settlement paid/ (received)	-	-	-	-
			Insurance Premium	1,114	-	1,000	-
7	FG & G Distribution Private Limited	Joint Venture of Future Enterprises & Generali Group	Unallocated Premium received/ (paid)	119	-	151	-
			Insurance Claims Paid	113	-	605	20
			Insurance Premium Paid	6,081	29	4,095	31
			Commission paid	5,939	-	304	-

ANNEXURE III

to Schedule 16 - Notes to accounts and forming part of the financial statements for the year ended 31st March, 2020
(Refer Note no. 30)

(₹ '000)						
No.	Particulars	Mar-20	Mar-19	Mar-18	Mar-17	Mar-16
Operating Results						
1	Gross Written Premium	3,48,962	2,60,096	1,95,079	1,84,270	1,59,480
2	Net Premium #	2,16,352	1,72,146	1,51,108	1,13,188	1,04,765
3	Income from Investments (net) @	29,124	22,792	19,274	18,791	14,419
4	Other Income	10	154	202	206	120
5	Total Income	2,45,486	1,95,091	1,70,584	1,32,185	1,19,304
6	Commissions (Net) (Including Brokerage)	8,878	7,348	648	(3,252)	1,187
7	Operating Expenses	85,608	58,253	46,301	45,152	39,794
8	Net Incurred Claim	1,18,212	1,08,305	96,935	84,109	87,890
9	Change in Unexpired Risk Reserve	18,194	14,674	23,090	4,398	(3,379)
10	Operating Profit/Loss	14,593	6,510	3,610	1,778	(6,188)
Non Operating Results						
11	Total income under Shareholder's Account	2,707	3,748	4,253	2,501	5,662
12	Profit/ (Loss) before Tax	17,300	10,258	7,863	4,280	(525)
13	Provision for Tax	(7,340)	1,523	-	-	-
14	Profit/ (Loss) after Tax	9,960	11,782	7,863	4,280	(525)
Miscellaneous						
15	Policyholder's Account					
	Total Funds	3,54,872	3,02,429	2,52,088	2,01,667	1,46,701
	Total Investments	3,54,872	3,02,429	2,52,088	2,01,667	1,46,701
	Yield on Investments	8.36%	8.05%	8.31%	9.90%	10.14%
16	Shareholder's Account					
	Total Funds	96,010	78,137	66,484	59,712	44,758
	Total Investments	77,723	60,424	47,115	46,282	55,494
	Yield on Investments*	8.36%	8.31%	8.31%	9.90%	10.14%
17	Paid up Equity Capital	90,480	80,980	80,980	80,980	71,000
18	Net Worth	96,010	78,137	66,484	59,223	44,758
19	Total Assets	5,46,376	4,46,656	3,53,589	2,98,551	2,41,440
20	Yield on Total Investments	8.36%	8.05%	8.31%	9.90%	10.14%
21	Earning Per Share	1.16	1.45	0.97	0.57	(0.07)
22	Book Value Per Share	10.61	9.65	8.21	7.37	6.30
23	Total Dividend	-	-	-	-	-
24	Dividend per share	-	-	-	-	-

Net of reinsurance

@ Net of Losses

*Gross Yield on investments

Receipts and payments for the year ended 31st March 2020

(₹ '000)

Sr. No.	Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
A.	Cash Flow from Operating Activities		
1	Premium received from Policyholders, including advance receipts and service tax	4,05,89,303	2,74,84,684
2	Others Receipts	-	-
3	Payment to Reinsurers, net of commissions and claims	(72,30,832)	(37,03,957)
4	Payment to Coinsurers, net of claims recovery	(2,79,192)	(15,681)
5	Payment of Claims	(1,50,33,153)	(1,01,07,818)
6	Payment of Commission and Brokerage	(17,55,622)	(14,31,190)
7	Payment of other Operating Expenses	(92,18,262)	(66,54,698)
8	Preliminary and pre-operative expenses	-	-
9	Deposits, Advances and staff loans	573	(5,464)
10	Income tax paid (Net)	(2,70,121)	(2,21,615)
11	Service Tax / GST Paid	(25,97,191)	(20,06,095)
12	Other Payments	-	-
	Cash Flow before Extraordinary items	42,05,503	33,38,166
	Cash Flow from Extraordinary operations	-	-
	Net Cash Flow from / (for) Operating Activities	42,05,503	33,38,166
B	Cash Flow from Investment Activities		
1	Purchase of Fixed Assets	(1,36,804)	(1,18,334)
2	Proceeds from Sale of Fixed Assets	158	243
3	Purchase of Investments	(3,79,77,093)	(15,87,95,356)
4	Loans disbursed	-	-
5	Sale of Investments	2,44,39,837	15,18,19,328
6	Repayments received	-	-
7	Rent/Interests/Dividends Received	30,95,003	24,41,073
8	Investment in money market instruments and in liquid mutual fund (Net)*	69,44,628	14,14,498
9	Expenses related to investments	(3,497)	(2,678)
	Net Cash Flow from / (for) Investment Activities	(36,37,768)	(32,41,227)
C	Cash Flow from Financing Activities		
1	Proceeds from Issuance of Share Capital	9,50,000	-
2	Proceeds from borrowing	-	-
3	Repayments of borrowing	-	-
4	Interest/dividends paid	-	-
5	Share application money received	1,27,531	-
	Net Cash Flow from / (for) Financing Activities	10,77,531	-
D	Effect of foreign exchange rates on cash and cash equivalents (Net)	-	-
E	Net Increase/(Decrease) in Cash and Cash Equivalents during the period	16,45,266	96,940
1	Cash and cash equivalents at the beginning of the year	12,40,384	11,43,444
2	Cash and cash equivalents at the end of the year	28,85,650	12,40,384

Break-up of Cash & Cash Equivalents

		As at 31 st March 2020	As at 31 st March 2019
1	Cash and Bank Balances as per Schedule 11	21,35,655	6,40,808
2	Money Market Instruments	7,49,995	5,99,576
	Total Cash and Cash Equivalents	28,85,650	12,40,384

As per our report of even date

For and on behalf of

M. M. Nissim & Co.
Chartered Accountants
FRN 107122W

For and on behalf of

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

For and on behalf of the Board of Directors

G N Bajpai
Chairman

K K Rathi
Director

Anup Rau
Managing Director & CEO

Varun P. Kothari
Partner
Membership No. 115089

Narendra Jain
Partner
Membership No. 048725

Devi Dayal Garg
Chief Financial Officer

Rajiv Joshi
Company Secretary

Place : Mumbai

Dated : 5th June, 2020

ANNEXURE III

to schedule 16 Notes to Accounts (refer note no 30) and forming part of Financial Statements for the year ended 31st March 2020

Ratios for the year ended 31st March 2020

(₹ '000)			
Sr. No.	Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
1	Gross Direct Premium Growth Rate	34%	34%
	Fire	35%	6%
	Marine	-8%	21%
	Accident	19%	-29%
	Health	34%	20%
	Engineering	25%	-1%
	Aviation	0%	-100%
	Liability	8%	4%
	Motor (OD)	12%	-3%
	Motor (TP)	23%	23%
	Motor (Total)	19%	10%
	Workmen Compensation	8%	16%
	Weather\Crop	82%	-36710%
	Others	20%	-8%
	Miscellaneous (Total)	35%	39%
2	Gross Direct Premium to Net Worth	3.56	3.27
3	Growth rate of Net Worth	23%	18%
4	Net Retention Ratio	62%	66%
	Fire	29%	27%
	Marine	78%	70%
	Accident	85%	85%
	Health	73%	74%
	Engineering	24%	30%
	Aviation	95%	0%
	Liability	38%	37%
	Motor (OD)	94%	94%
	Motor (TP)	94%	94%
	Motor (Total)	94%	94%
	Workmen Compensation	94%	94%
	Weather\Crop	20%	19%
	Others	79%	71%
	Miscellaneous (Total)	66%	71%
5	Net Commission Ratio	4%	4%
	Fire	6%	2%
	Marine	14%	16%
	Accident	12%	9%
	Health	2%	3%
	Engineering	-13%	-10%
	Aviation	2%	0%
	Liability	-2%	4%
	Motor (OD)	14%	14%
	Motor (TP)	1%	1%
	Motor (Total)	6%	6%
	Workmen Compensation	13%	13%
	Weather\Crop	-15%	-21%
	Others	3%	1%
	Miscellaneous (Total)	4%	4%
6	Expense of Management to Gross Direct Premium	30%	29%
7	Expense of Management to Net Written Premium	48%	42%
8	Net Incurred Claims to Net Earned Premium	60%	69%
9	Combined Ratio	103%	107%
10	Technical Reserves to Net Premium Ratio	1.53	1.68

(₹ '000)

Sr. No.	Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
11	Underwriting Balance Ratio	(0.07)	(0.10)
12	Operating Profit Ratio	7%	4%
13	Liquid Assets to Liabilities Ratio	0.15	0.18
14	Net Earning Ratio	5%	7%
15	Return on Net Worth Ratio	10%	15%
16	Available Solvency Margin Ratio to Required Solvency Margin Ratio	1.51	1.54
17	NPA Ratio		
	Gross NPA Ratio	0.87%	0.61%
	Net NPA Ratio	0.22%	0.01%

Equity Holding Pattern

1	(a) No. of shares	90,48,03,705	80,98,03,705
2	(b) Percentage of shareholding (Indian / Foreign)	74.5% ; 25.5%	74.5% ; 25.5%
3	(c) %of Government holding (in case of public sector insurance companies)	NA	NA
4	(a) Basic EPS before extraordinary items (net of tax expense) for the period (not to be annualized)	1.16	1.45
	(b) Diluted EPS before extraordinary items (net of tax expense) for the period (not to be annualized)	1.15	1.45
5	(a) Basic EPS after extraordinary items (net of tax expense) for the period (not to be annualized)	1.16	1.45
	(b) Diluted EPS after extraordinary items (net of tax expense) for the period (not to be annualized)	1.15	1.45
6	(iv) Book value per share (₹)	10.61	9.65

The ratios have been calculated as per IRDAI circular no IRDA/F&I/CIR/F&A/231/10/2012, dated Oct 5th 2012 & IRDA/F&A/CIR/FA/126/07/2013, dated July 3rd 2013.

GLOSSARY

Technical Term/Abbreviations	Description
Agent's Virtual Office	An internal application that allows agents to remotely access and to issue and renew policies online.
Asset Liability Management (ALM)	The practice of managing financial risks that arise due to mismatches between the assets and liabilities as part of an investment strategy in financial accounting.
Assets Under Management (AUM)	The total market value of the investments that a person or entity manages on behalf of clients.
Bancassurance	The soliciting and procuring the insurance business through Banks.
Claim settlement ratio	The claim settlement ratio reveals the percentage of claims the insurer has paid out during a financial year.
Customer relationship management (CRM)	An approach used to manage interactions with customers and potential customers.
GDP to premium ratio	Ratio of insurance premium value to Gross domestic product (GDP) of a nation.
Gross Direct Premium Income (GDPI)	Income received from direct premiums written before considering reinsurance ceded.
Gross Written Premium (GWP)	The sum of both direct premiums written and assumed premiums written, before deducting ceded reinsurance.
i-Moss (Instant Mobile Settlement and Survey)	A technological tool that enables surveyors to process motor claims online and assess vehicle damage using uploaded pictures.
Incurred but not reported (IBNR)	Reserves for claims that become due with the occurrence of the events covered under the insurance policy, but have not been reported yet.
Insurance Ombudsman Scheme	A scheme created by the Government of India for individual policyholders to have their complaints settled out of the courts system in a cost-effective, efficient and impartial way.
Insurance Regulatory and Development Authority (IRDAI)	An autonomous, statutory body that regulates and promotes the insurance and re-insurance industries in India.
i-Viss (Intelligent Video Streaming and Survey)	A technological tool that enables eligible customers to conduct a live video chat with the claims adjudicator officer and upload policy documents with pictures.
Loss ratio	The losses an insurer incurs due to paid claims as a percentage of premiums earned.
Net Promoter Score (NPS)	A performance metric to measure customer experience quality.
Renewal ratio	Percentage of the policies belonging to the organization's clients that stay enrolled after their coverage term expires, during the reporting period.
Solvency ratio	It measures the extent to which assets cover commitments for future payments, the liabilities.
Turnaround Time (TAT)	The amount of time taken to complete a process or fulfill a request.



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