

Chaturvedi & Co.
Chartered Accountants
81, Mittal Chambers,
228, Nariman Point,
Mumbai - 400021.

NGS & Co. LLP
Chartered Accountants
B-46, Pravasi Estate,
V.N. Road, Goregaon (East)
Mumbai - 400063.

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS FOR YEAR ENDED
MARCH 31, 2020 OF EDELWEISS GENERAL INSURANCE COMPANY LIMITED

To the Members of **EDELWEISS GENERAL INSURANCE COMPANY LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of EDELWEISS GENERAL INSURANCE COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Revenue accounts of fire, marine and miscellaneous insurance (collectively known as the 'Revenue 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'), including relevant provisions of the Insurance Act, 1938 (the "Insurance Act") the Insurance Regulatory and Development Authority of India Act, 1999 (the "IRDAI Act") and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of these financial statements and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "Regulations") and circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI" / "Authority"), to the extent applicable, 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 loss in Fire, Marine and Miscellaneous Business for the year ended on that date;
- c. in the case of Profit and Loss Account, of the loss 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Directors are responsible for the other information. The other information comprises of Directors Report, Management Report and Corporate Governance Report, but does not include the financial statements and our auditor's report thereon.

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

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

If 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.

We confirm that we have nothing material to report, add or draw attention to in this regard.

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 Regulations and orders / directions prescribed by the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 Matters

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 her opinion, the assumptions considered by her for such



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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 24, 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:
 - 2.1 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.
 - 2.2 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.
 - 2.3 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.
 - 2.4 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.
 - 2.5 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.
 - 2.6 Investments have been valued in accordance with the provisions of the Insurance Act, the Regulations and orders/directions issued by IRDAI in this regard.
 - 2.7 On the basis of the written representations received from the Directors as on March 31, 2020 and 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.
 - 2.8 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 I".



2.9 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. 5.2.19 of Schedule 16 to the Financial Statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there could be any foreseeable future losses – Refer Note No. 5.2.20 of Schedule 16 to the Financial Statements;
- iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company – Refer Note No. 5.2.21 of Schedule 16 to the Financial Statements.

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 the provisions of Section 34A of the Insurance Act, 1938 are applicable to the managerial remuneration payable to the Directors of Insurance Companies and which requires prior approval of IRDAI. Accordingly, the managerial remuneration threshold limits specified under Section 197 of the Act will not apply.

For Chaturvedi & Co.
Chartered Accountants

Firm Registration No. 302137E


DSR Murthy

Partner

Membership No. 018295




ICAI UDIN: 20018295AAAAAT8783

Place: Mumbai

Date: June 24, 2020

For NGS & Co. LLP
Chartered Accountants

Firm Registration No. 119850W



R. P. Soni

Partner

Membership No. 104796



ICAI UDIN: 20104796AAAAZL6394

Annexure I

Referred to in paragraph '2.8' of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Edelweiss General Insurance Company Limited ("the Company") on the financial statements as of and for the year ended 31st March 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 **Edelweiss General 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 Chaturvedi & Co.
Chartered Accountants
Firm Registration No. 302137E



DSR Murthy
Partner
Membership No. 018295



ICAI UDIN: 20018295AAAAAT8783

Place: Mumbai
Date: June 24, 2020

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W



R. P. Soni
Partner
Membership No. 104796



ICAI UDIN: 20104796AAAAZL6394

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Mumbai - 400063.

**Independent Auditors' Certificate related to certain matters stated in
Schedule C of the Regulations.**

To,
The Board of Directors,
Edelweiss General Insurance Company Limited,
Kohinoor City Mall, Tower 3, 5th floor,
Kohinoor City, Kiroli Road,
Kurla (West)
Mumbai - 400 070

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 24, 2020)**

This certificate is issued in accordance with the terms of our engagement letter with Edelweiss General Insurance Company Limited (the "Company"), wherein we were requested to issue certificate for compliance with the provisions of paragraphs 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, (the "Regulations") read with regulation 3 of the Regulations.

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 the aforesaid compliance.

Scope of work, procedures performed and auditor's responsibility

Pursuant to the requirements, 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 the financial statements of the Company as of and for the financial year ended March 31, 2020 on which we issued an unmodified audit opinion vide our report dated June 24, 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:


1. 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;
2. 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;
3. We have verified the cash balances, to the extent considered necessary and securities relating to the Company's loans and investments as at March 31, 2020, by actual inspection or on the basis of certificates / confirmations received from the Custodian and/ or Depository Participants appointed by the Company, as the case may be.
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act relating to the application and investments 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 Chaturvedi & Co.
Chartered Accountants
Firm Registration No. 302137E


DSR Murthy
Partner
Membership No. 018295



ICAI UDIN: 20018295AAAAAT8783

Place: Mumbai
Date: June 24, 2020

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W


R. P. Soni
Partner
Membership No. 104796



ICAI UDIN: 20104796AAAAZL6394

Revenue Account

(₹ in 000's)

For the year ended March 31, 2020

	Fire	Marine	Miscellaneous	Total
FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19	FY 2019-20
FY 2018-19				FY 2018-19

Particulars

Schedule

1. Premiums earned (net)	1	15,144	6,165	(794)	(23)	911,109	282,001	925,459	286,143
2. Profit on sale/redemption of investments		788	230	18	-	23,091	6,828	23,897	7,058
Less : Loss on sale/redemption of investments		(422)	(151)	(9)	-	(12,355)	(4,486)	(12,786)	(4,637)
3. Others - Foreign exchange gain / (loss)		-	-	-	-	-	-	-	-
Investment income from Terrorism Pool		1,590	699	-	-	327	151	1,917	850
Miscellaneous Income		-	-	-	-	46	29	46	29
4. Interest, Dividend & Rent – Gross		1,357	363	30	-	39,765	10,763	41,152	11,126
Total (A)		18,457	7,306	(755)	(23)	961,983	295,286	979,685	302,569
1. Claims Incurred (net)	2	18,264	14,565	650	2	1,042,633	338,515	1,061,547	353,082
2. Commission (net)	3	(2,008)	(2,516)	(161)	(22)	54,054	(101,311)	51,885	(103,849)
3. Operating expenses related to insurance business (refer Schedule 16 - Note 5.2.14)	4	16,390	13,643	312	28	859,738	610,025	876,440	623,696
4. Premium deficiency		-	-	-	-	(33,006)	72,778	(33,006)	72,778
Total (B)		32,646	25,692	801	8	1,923,419	920,007	1,956,866	945,707
Operating Profit / (Loss) C = (A - B)		(14,189)	(18,386)	(1,556)	(31)	(961,436)	(624,721)	(977,181)	(643,138)
APPROPRIATIONS									
Transfer to Shareholders' Account		(14,189)	(18,386)	(1,556)	(31)	(961,436)	(624,721)	(977,181)	(643,138)
Transfer to Catastrophe Reserve		-	-	-	-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-	-	-	-
Total (C)		(14,189)	(18,386)	(1,556)	(31)	(961,436)	(624,721)	(977,181)	(643,138)
Significant accounting policies and notes to accounts	16								

The schedules referred to above & notes to accounts form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board

For NGS & Co. LLP
Chartered Accountants
Firm Regn No.: 119850W

For Chaturvedi & Co.
Chartered Accountants
Firm Regn No.: 302137E

R. P. Soni
Partner

D.S.R. Murthy
Partner

Membership No: 104796
ICAI UDIN:20104796AAAAZ16394

Membership No:018295
ICAI UDIN:20018295AAAAAT8783

Place: Mumbai
June 24, 2020



Ranjana Panjwani
Ranjana Panjwani
Chairman
(DIN : 00237366)

S Ranganathan
S Ranganathan
Director
(DIN : 00125493)

Shubdarshini Ghosh
Shubdarshini Ghosh
Executive Director & CEO

Jitendra Attra
Jitendra Attra
Chief Financial Officer

(DIN : 07191985)

Profit and Loss Account
For the year ended March 31, 2020

Particulars	Schedule	Year ended March 31, 2020	(₹ in 000's) Year ended March 31, 2019
1. Operating profit / (loss)			
(a) Fire Insurance		(14,189)	(18,386)
(b) Marine Insurance		(1,556)	(31)
(c) Miscellaneous Insurance		(961,436)	(624,721)
2. Income from investments			
(a) Interest, Dividend & Rent – Gross		104,288	103,698
(b) Profit on sale/redemption of investments		53,349	13,936
Less : Loss on sale / redemption of investments		(36,165)	(17,206)
3. Other income			
(a) Interest income on tax refund		26	-
(b) Profit on sale / discard of fixed assets		-	-
Total (A)		(855,683)	(542,710)
4. Provisions (Other than taxation)			
(a) For diminution in the value of investments (refer Schedule 16 - Note 5.2.22)		101,173	1,995
(b) Others		-	-
5. Other expenses			
(a) Expenses other than those related to insurance business			
(i) Employees' remuneration and other expenses		4,012	4,868
(ii) Managerial remuneration (refer Schedule 16 - Note 5.1.10(a))		-	17,409
(iii) Directors' fees		480	440
(iv) ROC Expenses		1,381	9,003
(v) Prapooperative Expenses		-	-
(b) Others		-	-
(i) Bad debts written off		-	-
(ii) Loss on sale/discard of fixed assets		-	-
(iii) Penalty (refer Schedule 16 - Note 5.1.12)		-	-
Total (B)		107,046	33,715
Profit / (Loss) before tax		(962,729)	(576,425)
Provision for taxation:			
(a) Current tax (refer Schedule 16 - Note 5.2.15)		-	-
(b) Deferred tax (Income) / Expense		-	-
Profit / (Loss) after tax		136	(576,425)
Appropriations			
(a) Interim dividends paid during the period		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution tax		-	-
(d) Transfer to General Reserves		-	-
Balance of Profit / (Loss) brought forward from last year		(871,940)	(295,515)
Balance carried forward to Balance sheet		(1,834,805)	(871,940)
Basic and diluted earnings per share (Face value of ₹ 10 each) (refer Schedule 16 - Note 5.2.9)		-₹ 4.03	-₹ 3.36

Significant accounting policies and notes to accounts

16

The schedules referred to above & notes to accounts form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board

For NGS & Co. LLP
Chartered Accountants
Firm Regn No.: 119850W

For Chaturvedi & Co.
Chartered Accountants
Firm Regn No.: 302137E

Membership No: 104796
ICAI UDIN:20104796AAAAA16394

Membership No.018295
ICAI UDIN:20018295AAAAA18783

R. P. Soni
Partner

D.S.R. Murthy
Partner

Ruljan Panjwani
Chairman
(DIN : 00237366)

S Ranganathan
Director
(DIN : 00125493)

Shubhanshu Ghosh
Executive Director &
CEO
(DIN : 07191985)

Jitendra Naga
Chief Financial Officer



Balance Sheet
As at March 31, 2020

Schedule

(₹ In 000's)
At March 31, 2020 At March 31, 2019

Sources of funds

Share capital	5	3,080,000	2,080,000
Reserves and Surplus	6	-	-
Share application money-pending allotment		-	-
Fair value change account		-	-
Shareholders funds		(22,221)	(7,302)
Policyholders funds		(583)	-
Borrowings	7	-	-
Total		3,057,196	2,072,698

Application of funds

Investments - Shareholders	8	1,233,905	1,679,158
Investments - Policyholders	8A	1,796,745	346,708
Loans	9	-	-
Fixed assets	10	121,305	111,791
Deferred tax asset (refer Schedule 16 - Note 5.2.10)		-	-
Current assets		-	-
<i>Cash and bank balances</i>	11	45,509	48,996
<i>Advances and other assets</i>	12	448,097	406,800
Sub-Total (A)		493,606	455,796
Current liabilities	13	1,431,108	863,024
Provisions	14	992,062	529,671
Sub-Total (B)		2,423,170	1,392,695
Net (current liabilities) / current assets (C) = (A - B)		(1,929,564)	(936,899)
Miscellaneous expenditure (to the extent not written off or adjusted)	15	-	-
Debit balance in profit and loss account		1,834,805	871,940
Total		3,057,196	2,072,698

Significant accounting policies and notes to accounts 16
The schedules referred to above & notes to accounts form an integral part of the Financial Statements
As per our attached report of even date

For and on behalf of the Board

For NGS & Co. LLP
Chartered Accountants
Firm Regn No.: 119850W

R. P. Soni
Partner
Membership No: 104796
ICAI UDIN:20104796AAAAZL6394

For Chaturvedi & Co.
Chartered Accountants
Firm Regn No.: 302137E

D.S.R. Murthy
Partner
Membership No.018295
ICAI UDIN:20018295AAAAAT8783

Rujan Panjwani
Chairman
(DIN : 00237366)

S Ranganathan
Director
(DIN : 00125493)

Shubdarshini Ghosh
Executive Director & CEO
(DIN : 07191985)

Jitendra Attia
Chief Financial Officer

Edelweiss General Insurance Company Limited			
Receipts and Payments Account (Direct Basis)			
A. Cash Flows from the operating activities:	Year ended March 31, 2020 (₹ in 000's)	Period ended March 31, 2019 (₹ in 000's)	
1 Premium received from policyholders, including advance receipts	16,06,283	8,29,489	
2 Other receipts - (including Terrorism Pool (Net))	1,917	850	
3 Payments to the re-insurers, net of commissions and claims	(97,179)	(1,25,636)	
4 Payments to co-insurers, net of claims recovery	54,827	1,88,396	
5 Payments of claims	(6,75,133)	(12,075)	
6 Payments of commission and brokerage	(1,09,663)	(25,712)	
7 Payments of other operating expenses	(6,49,900)	(4,61,892)	
8 Preliminary and other pre operative expenses	-	-	
9 Deposits, advances and staff loans	(5,816)	(1,846)	
10 Taxes paid (TDS & Wealth Tax)	(1,23,946)	(99,314)	
11 GST and service tax paid	(67,414)	(52,809)	
12 Other payments	-	-	
13 Cash flows before extraordinary items	(66,025)	2,39,453	
14 Cash flow from extraordinary operations	-	-	
15 Net cash flow from operating activities	(66,025)	2,39,453	
B. Cash Flows from investing activities:			
16 Purchase of fixed assets	(32,503)	(67,870)	
17 Proceeds from sale of fixed assets	-	-	
18 Purchases of investments	(2,65,33,817)	(2,00,02,327)	
19 Loans disbursed	-	-	
20 Sales of investments	2,54,90,009	1,94,14,409	
21 Repayments received	-	-	
22 Rents/interests/ Dividends received	1,38,849	64,686	
23 Investments in money market instruments and in liquid mutual funds (Net)	-	-	
24 Expenses related to investments	-	-	
25 Net cash flow from investing activities	(9,37,461)	(5,91,103)	
C. Cash Flows from financing activities:			
26 Proceeds from issuance of share capital	10,00,000	3,80,000	
27 Proceeds from borrowing	-	-	
28 Repayments of borrowing	-	-	
29 Interest/dividends paid	-	-	
30 Net cash flow from financing activities	10,00,000	3,80,000	
D. Effect of foreign exchange rates on cash and cash equivalents, net	-	-	
E. Net increase in cash and cash equivalents:	(3,487)	28,350	
1 Cash and cash equivalents at the beginning of the year	48,996	20,647	
2 Cash and cash equivalents at the end of the Period	45,509	48,996	

As per our attached report of even date

For and on behalf of the Board

For NGS & Co. LLP
Chartered Accountants
Firm Regn No.: 119850W

For Chaturvedi & Co.
Chartered Accountants
Firm Regn No.: 302137E

R. P. Soni
Partner
Membership No: 104796
ICAI UIDIN: 20104796AAAA2L6394

D S.R. Murthy
Partner
Membership No: 018295
ICAI UIDIN : 20018295AAAAA18783

Rujan Panigrahi
Chairman
(DIN : 00237366)

Shubhanshu Ghosh
Executive Director & CEO
(DIN : 07191985)

S Ranganathan
Director
(DIN : 00125493)

Jitendra Arora
Chief Financial Officer

Place: Mumbai
June 24, 2020



Edelweiss General Insurance Company Limited
Schedule forming part of the financial statements

Schedule – 1
Premium Earned (net)

Particulars	Fire	Marine			Motor-OD	Motor-TP	Motor- Total	Workmen's Compensation	Public/Product Liability	Miscellaneous							Total - Miscellaneous	Total
		Marine- Cargo	Marine- Others	Marine- Total						Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop / Weather Insurance	Others		
	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20
Premium from direct business written-net of Goods Service Tax	36,058	14,307	-	14,307	515,443	248,979	764,422	-	-	969	-	21,575	625,612	-	-	662	1,413,240	1,463,605
Add: Premium on reinsurance accepted	46,555	-	-	-	-	-	-	-	-	5,359	-	21,107	49,418	-	-	-	75,884	122,439
Less: Premium on reinsurance ceded	58,207	14,016	-	14,016	41,490	20,042	61,532	-	-	2,026	-	19,897	112,118	-	-	501	196,074	268,297
Net premium	24,406	291	-	291	473,953	228,937	702,890	-	-	4,302	-	22,785	562,912	-	-	161	1,293,050	1,317,747
Adjustment for change in reserve for unexpired risks	9,262	1,085	-	1,085	336,874	(37,693)	299,181	-	-	797	-	4,335	77,668	-	-	(40)	381,941	392,288
Total premium earned (net)	15,144	(794)	-	(794)	137,079	266,630	403,709	-	-	3,505	-	18,450	485,244	-	-	201	911,109	925,459

Premium Earned (net)

Particulars	Fire	Marine			Motor-OD	Motor-TP	Motor- Total	Workmen's Compensation	Public/Product Liability	Miscellaneous							Total - Miscellaneous	Total
		Marine- Cargo	Marine- Others	Marine- Total						Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop / Weather Insurance	Others		
	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19
Premium from direct business written-net of Service Tax	17,068	2,775	-	2,775	1,568	267,397	268,965	-	-	-	-	2,920	632,972	-	-	781	905,638	925,481
Add: Premium on reinsurance accepted	25,414	-	-	-	-	-	-	-	-	5,311	-	24,537	62,347	-	-	-	92,195	117,609
Less: Premium on reinsurance ceded	26,312	2,790	-	2,790	138	23,554	23,692	-	-	476	-	4,469	249,615	-	-	40	278,292	307,394
Net premium	16,170	(15)	-	(15)	1,430	243,843	245,273	-	-	4,835	-	22,988	445,704	-	-	741	719,541	735,996
Adjustment for change in reserve for unexpired risks	10,005	8	-	8	1,096	194,057	195,153	-	(3)	1,304	-	3,493	237,537	-	-	56	437,540	447,553
Total premium earned (net)	6,165	(23)	-	(23)	334	49,786	50,120	-	3	3,531	-	19,495	208,167	-	-	685	282,001	288,143

(₹ in 000's)



Edelweiss General Insurance Company Limited
Schedule forming part of the financial statements

Schedule – 2

Claims Incurred (net)

Particulars	Fire	Marine			Miscellaneous										Total			
		Marine- Cargo	Marine- Others	Marine- Total	Motor-OD	Motor-TP	Motor- Total	Workmen's Compensation	Public/Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance		Crop / Weather Insurance	Others	Total- Miscellaneous
	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20
Claims paid- direct	4	7,410	-	7,410	110,162	4,235	114,397	-	-	-	-	1,009	502,357	-	-	398	618,161	625,575
Add: Re-insurance accepted	107	-	-	-	-	-	-	-	-	30	-	18,814	41,587	-	-	1	60,432	60,539
Less: Re-insurance ceded	66	7,355	-	7,355	5,508	212	5,720	-	-	-	-	1,053	38,570	-	-	19	45,362	52,783
Net Claims paid	45	55	-	55	104,654	4,023	108,677	-	-	30	-	18,770	505,374	-	-	380	633,231	633,331
Add: Claims outstanding at the end of the year	32,470	597	-	597	58,212	375,087	433,299	-	-	5,857	-	22,084	226,090	-	-	428	687,761	720,828
Less: Claims outstanding at the beginning of the year	14,251	2	-	2	143	72,276	72,419	-	-	2,716	-	18,471	184,425	-	-	375	278,359	292,612
Total claims incurred	18,264	650	-	650	162,723	306,834	469,557	-	-	3,171	-	22,383	547,039	-	-	483	1,042,633	1,061,547

Claims Incurred (net)

Particulars	Fire	Marine				Miscellaneous										Total- Miscellaneous	Total
		Marine- Cargo	Marine- Others	Marine- Total	Motor-OD	Motor-TP	Motor- Total	Workmen's Compensation	Public/Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop / Weather Insurance	Others	Total- Miscellaneous
	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19
Claims paid- Direct	-	-	-	-	140	-	140	-	-	-	-	-	58,468	-	-	236	58,844
Add: Re-insurance accepted	314	-	-	-	-	-	-	-	-	88	-	2,665	4,089	-	-	-	6,842
Less: Re-insurance ceded	-	-	-	-	7	-	7	-	-	-	-	-	5,491	-	-	13	5,511
Net Claims paid	314	-	-	-	133	-	133	-	-	88	-	2,665	57,066	-	-	223	60,175
Add: Claims outstanding at the end of the year	14,251	2	-	2	143	72,276	72,419	-	-	2,716	-	18,471	184,425	-	-	325	278,359
Less: Claims outstanding at the beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	19	-	-	-	19
Total claims incurred	14,565	2	-	2	276	72,276	72,552	-	-	2,804	-	21,136	241,472	-	-	548	338,515



Edeleviess General Insurance Company Limited
Schedule forming part of the financial statements

Schedule- 3

Commission																		(₹ in 000's)	
Particulars	Fire	Marine			Miscellaneous													Total	
		Marine- Cargo	Marine- Others	Marine- Total	Motor-OD	Motor-TP	Motor- Total	Workmen's Compensation	Public/Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop / Weather Insurance	Others	Total- Miscellaneous		
	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	
Commission paid-Direct	2,598	1,149	-	1,149	79,703	578	80,281	-	-	121	-	248	31,840	-	-	91	112,581	116,328	
Add: Commission on re-insurance accepted	5,712	-	-	-	-	-	-	-	-	674	-	566	4,968	-	-	(1)	6,707	11,919	
Less: Commission on re-insurance ceded	10,318	1,310	-	1,310	3,866	622	4,488	-	-	171	-	2,713	57,332	-	-	30	64,734	76,362	
Net Commission	(2,008)	(161)	-	(161)	75,837	(44)	75,793	-	-	624	-	(1,899)	(20,524)	-	-	60	54,054	51,885	

(₹ in 000)																	
Particulars	Fire	Marine			Miscellaneous												Total
		Marine- Cargo	Marine- Others	Marine- Total	Motor-OD	Motor-TP	Motor- Total	Workmen's Compensation	Public/Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop / Weather Insurance	Others	Total- Miscellaneous
	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19
Commission paid Direct	31	112	-	112	298	6,524	6,822	-	-	-	-	219	17,147	-	-	117	24,305
Add: Commission on re-insurance Accepted	2,210	-	-	-	-	-	-	-	-	452	-	3,071	8,021	-	-	-	11,544
Less: Commission on re-insurance Ceded	4,757	134	-	134	12	668	680	-	-	-	-	484	135,989	-	-	7	137,160
Net Commission	(2,516)	(22)	-	(22)	286	5,856	6,142	-	-	452	-	2,806	(110,821)	-	-	110	(101,311)
																	(103,849)

Schedule- 3 A
Commission Paid - Direct

Particulars	FY 2019-20	FY 2018-19	(₹ in 000's)
Agents	29,216	2,950	
Brokers	60,910	3,234	
Corporate agency	813	15,911	
Motor Insurance Service Providers	4,477	9	
Referral	20,912	2,344	
Others- Web Aggregator	116,328	24,448	
Total			



Edelweiss General Insurance Company Limited
Schedule forming part of the financial statements

Schedule – 4

Operating expenses related to insurance business

[€ in 000']																			
Particulars	Fire	Marine			Motor			Miscellaneous			Total			Total					
	Marine- Cargo	Marine- Others	Marine- Total	Motor- OD	Motor- TP	Motor- Total	Workmen's Compensation	Public/Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop / Weather Insurance	Others	Miscellaneous			
	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	
Employees/Remuneration & Welfare benefits	7,888	94	-	94	153,187	73,995	227,182	-	-	1,390	-	7,364	181,939	-	-	52	417,927	425,909	
Travel, Conveyance and Vehicle running Expenses	239	3	-	3	4,649	2,246	6,895	-	-	42	-	223	5,521	-	-	2	12,683	12,925	
Training Expenses	67	1	-	1	1,304	630	1,934	-	-	12	-	63	1,549	-	-	-	3,558	3,626	
Rents, Rates & Taxes	1,017	12	-	12	19,751	9,540	29,291	-	-	179	-	950	23,458	-	-	7	53,885	54,914	
Repairs & Maintenance	151	2	-	2	2,929	1,415	4,344	-	-	27	-	141	3,479	-	-	1	7,992	8,145	
Printing & Stationery	572	7	-	7	11,108	5,365	16,473	-	-	101	-	534	13,192	-	-	4	30,304	30,883	
Communication	73	1	-	1	1,426	689	2,115	-	-	13	-	69	1,694	-	-	-	3,657	3,965	
Legal & Professional Charges	1,132	13	-	13	21,958	10,606	32,564	-	-	199	-	1,056	26,079	-	-	7	59,905	61,050	
Auditors' fees, Expenses etc	26	-	-	-	496	240	736	-	-	5	-	24	589	-	-	-	1,354	1,380	
(a) as auditor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c) In any other capacity	15	-	-	-	299	144	443	-	-	3	-	14	355	-	-	-	815	830	
Advertisement and Publicity	-	-	-	-	6	4	10	-	-	-	-	1	7	-	-	-	18	18	
Interest & Bank Charges	2,717	32	-	32	52,772	25,491	78,263	-	-	479	-	2,537	62,677	-	-	18	143,974	146,723	
Others	60	1	-	1	1,161	561	1,722	-	-	11	-	56	1,379	-	-	-	3,168	3,229	
(a) Information Technology Expenses	1,439	17	-	17	27,943	13,498	41,441	-	-	254	-	1,343	33,188	-	-	9	76,235	77,681	
(b) Miscellaneous Expenses	370	121	-	121	5,892	1,271	7,163	-	-	34	-	123	3,632	-	-	2	10,954	11,445	
Depreciation	570	7	-	7	11,076	5,350	16,426	-	-	101	-	532	13,155	-	-	4	30,218	30,795	
GST & Service Tax Expenses	54	1	-	1	1,047	506	1,553	-	-	10	-	50	1,244	-	-	-	2,857	2,912	
Total	16,390	312	-	312	317,004	151,551	466,555	-	-	2,860	-	15,080	373,137	-	-	106	859,738	876,440	

Operating expenses related to insurance business

Particulars	Fire	Marine			Motor- OD	Motor- TP	Motor- Total	Workmen's Compensation	Public/Product Liability	Miscellaneous						Credit Insurance	Crop / Weather Insurance	Others	Total
		Marine- Cargo	Marine- Others	Marine- Total						Aviation	Personal Accident	Health Insurance	Insurance	Insurance	Insurance				
	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	FY 2018-19	
Employees' Remuneration & Welfare benefits	8,863	-	-	-	784	133,649	134,432	-	-	2,650	-	12,600	244,287	-	-	-	406	394,376	
Travel, Conveyance and Vehicle running Expenses	238	-	-	-	21	3,582	3,603	-	-	71	-	338	6,547	-	-	-	11	10,570	
Training Expenses	171	-	-	-	15	2,576	2,591	-	-	51	-	243	4,708	-	-	-	8	7,601	
Rents, Rates & Taxes	649	-	-	-	57	9,789	9,846	-	-	194	-	923	17,893	-	-	-	30	28,886	
Repairs & Maintenance	203	-	-	-	18	3,067	3,085	-	-	61	-	289	5,606	-	-	-	9	9,050	
Printing & Stationery	104	-	-	-	9	1,571	1,580	-	-	31	-	148	2,871	-	-	-	5	4,635	
Communication	109	-	-	-	10	1,646	1,656	-	-	33	-	155	3,008	-	-	-	5	4,857	
Legal & Professional Charges	1,013	-	-	-	90	15,278	15,368	-	-	303	-	1,440	27,926	-	-	-	46	45,083	
Auditors' fees, Expenses etc	21	-	-	-	2	312	314	-	-	6	-	29	569	-	-	-	1	919	
(a) as auditor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c) In any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Advertisement and Publicity	322	-	-	-	28	4,856	4,884	-	-	96	-	458	8,675	-	-	-	15	14,328	
Interest & Bank Charges	41	-	-	-	4	618	622	-	-	12	-	58	1,129	-	-	-	2	1,823	
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(a) Information Technology Expenses	1,051	-	-	-	93	15,843	15,936	-	-	314	-	1,494	28,959	-	-	-	48	46,751	
(b) Miscellaneous Expenses	205	-	-	-	17	2,845	2,862	-	-	56	-	296	8,862	-	-	-	9	12,085	
Depreciation	588	-	-	-	52	8,870	8,922	-	-	176	-	836	16,214	-	-	-	27	26,175	
GST & Service Tax Expenses	65	-	-	-	6	978	984	-	-	19	-	92	1,788	-	-	-	3	2,886	
Total	13,643	28	-	28	1,206	205,480	206,686	-	-	4,073	-	19,399	379,242	-	-	-	625	610,025	



Edelweiss General Insurance Company Limited
Schedule forming part of the financial statements

Schedule – 5

Share Capital

Particulars	At	
	March 31, 2020	March 31, 2019
Authorized Capital		
400,000,000 (previous year : 275,000,000) Equity Shares of ₹ 10 each	4,000,000	2,750,000
Issued Capital		
308,000,000 (previous year : 208,000,000) Equity Shares of ₹ 10 each	3,080,000	2,080,000
Subscribed Capital		
308,000,000 (previous year : 208,000,000) Equity Shares of ₹ 10 each	3,080,000	2,080,000
Called up Capital		
308,000,000 (previous year : 208,000,000) Equity Shares of ₹ 10 each	3,080,000	2,080,000
Less : Calls unpaid	-	-
Add : Equity Shares forfeited (Amount originally paid up)	-	-
Less : Par value of Equity Shares bought back	-	-
Less : (i) Preliminary Expenses to the extent not written off	-	-
(ii) Expenses including commission or brokerage on underwriting or subscription of shares	-	-
Total	3,080,000	2,080,000

Note:
Of the above, 308,000,000 shares are held by the holding company and its nominees, Edelweiss Financial Services Limited and its nominees (previous year : 208,000,000 shares)

Schedule – 5A

Share Capital/Pattern of shareholding

Shareholder	At		At	
	March 31, 2020	% of Holding	March 31, 2019	% of Holding
	Number of Shares		Number of Shares	
Promoters				
- Indian (Edelweiss Financial Services Ltd.)	308,000,000	100.00%	208,000,000	100.00%
- Foreign	-	0.00%	-	0.00%
Others	-	0.00%	-	0.00%
Total	308,000,000	100.00%	208,000,000	100.00%



Edelweiss General Insurance Company Limited
Schedule forming part of the financial statements

Schedule – 6

Reserves and Surplus

(₹ in 000 s)

Particulars	At March 31, 2020	At March 31, 2019
1. Capital Reserve	-	-
2. Capital Redemption Reserve	-	-
3. Share Premium	-	-
4. General Reserves	-	-
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 and Loss Account	-	-
TOTAL	-	-



Edelweiss General Insurance Company Limited
Schedule forming part of the financial statements

Schedule- 7

Borrowings

(₹ in 000's)

Particulars	At March 31, 2020	At March 31, 2019
Debentures/ Bonds	-	-
Fixed Deposits	-	-
Banks	-	-
Financial Institutions	-	-
Other entities carrying on insurance business	-	-
Others	-	-
Total	-	-



Edelweiss General Insurance Company Limited
Schedule forming part of the financial statements

Schedule- 8A
INVESTMENTS - POLICYHOLDERS
Particulars

	At March 31, 2020	(₹ in 000's) At March 31, 2019
Long term investments		
1. Government securities and Government guaranteed bonds including Treasury Bills	776,122	292,437
2. Other Approved Securities	310,210	-
3. Other Investments		
(a) Shares	-	-
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Debentures/ Bonds	201,947	-
(d) Investment Properties	-	-
(e) Other Securities	-	-
4. Investments in Infrastructure and Housing	392,874	49,229
5. Other than Approved Investments	-	-
Total Long Term Investments	1,681,153	341,666
Short term investments		
1. Government securities and Government guaranteed bonds including Treasury Bills	100,034	-
2. Other Approved Securities	-	5,042
3. Other Investments		
(a) Shares		
(aa) Equity	12,612	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Debentures/ Bonds	-	-
(d) Investment Properties	-	-
(e) Other Securities	-	-
4. Investments in Infrastructure and Housing	-	-
5. Other than Approved Investments	2,946	-
Total Short Term Investments	115,592	5,042
Total investments	1,796,745	346,708

Notes:

1. Aggregate book value of investments (other than listed equities) is ₹ 1,782,736 thousand (Previous year: ₹ 3,46,636)

2. Aggregate market value of investments (other than listed equities) is ₹ 1,804,115 thousand (Previous year: ₹ 3,48,372)



Edelweiss General Insurance Company Limited
Schedule forming part of the financial statements

Schedule- 9

Loans (₹ in 000's)

Particulars	At March 31, 2020	At March 31, 2019
Security wise classification		
Secured		
(a) On mortgage of property	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities	-	-
(c) Others	-	-
Unsecured	-	-
Total	-	-
Borrower wise classification		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial Undertakings	-	-
(e) Others	-	-
Total	-	-
Performance wise classification		
(a) Loans classified as standard		
(aa) In India	-	-
(bb) Outside India	-	-
(b) Non-performing loans less provisions	-	-
(aa) In India	-	-
(bb) Outside India	-	-
Total	-	-
Maturity wise classification		
(a) Short Term	-	-
(b) Long Term	-	-
Total	-	-

Note:- There are no loans subject to restructuring (Previous year ₹ Nil).



Particulars	April 01, 2019			March 31, 2020			March 31, 2020			March 31, 2019		
	Additions			Deductions			For the year ended			On Sales/Adjustments		
Goodwill	-	-	-	-	-	-	-	-	-	-	-	-
Intangibles - Computer Software	105,835	21,806	127,641	-	-	20,837	23,729	-	-	44,566	83,075	84,998
Land-freehold	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold properties	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	1,557	1,940	3,497	-	-	130	820	-	-	950	2,547	1,427
Information Technology Equipment	16,740	1,620	18,360	-	-	9,130	4,767	-	-	13,897	4,463	7,610
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
Office Equipment	1,713	2,264	3,977	-	-	597	1,460	-	-	2,057	1,920	1,116
Others - Leasehold Improvements	2,245	-	2,245	-	-	688	376	-	-	1,064	1,181	1,557
Total	128,090	27,630	155,720	-	-	31,382	31,152	-	-	62,534	93,186	96,708
Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-
Grand total	128,090	27,630	155,720	-	-	31,382	31,152	-	-	62,534	121,305	111,791
Previous year	76,866	51,224	128,090	-	-	4,332	27,050	-	-	31,382	111,791	111,791

(₹ in 000's)



Edelweiss General Insurance Company Limited
Schedule forming part of the financial statements

Schedule - 11
Cash and Bank Balances

Particulars	At March 31, 2020	At March 31, 2019
1. Cash (including cheques, drafts and stamps)	1,588	1,491
2. Balances with scheduled banks : (a) Deposit Accounts (aa) Short-term (due within 12 months) (bb) Others (b) Current Accounts (c) Others 3. Money at Call and Short Notice (a) With Banks (b) With other institutions 4. Others	- - 43,921 - - - -	- - 47,505 - - -
Total	45,509	48,996
Balance with non-scheduled banks included in (2) above	-	-
Cash and Bank balances		
In India	45,509	48,996
Outside India	-	-
Total	45,509	48,996

Schedule - 12
Advances and Other Assets

Particulars	At March 31, 2020	(₹ In 000's) At March 31, 2019
Advances		
Reserve deposits with ceding companies	21,203	-
Application money for investments	-	8,899
Prepayments	12,683	-
Advances to Directors / Officers	-	-
Advance tax paid and taxes deducted at source (net of provision for tax)	785	533
MAT credit entitlement	-	-
Others		
- Sundry Advances & Deposits	9,579	4,786
- Surplus in Gratuity fund	-	-
- Advance to Employees against expenses	67	30
	9,646	4,816

Total (A)	44,317	14,248
Other Assets		
Income accrued on investments/deposits	71,286	58,083
Outstanding Premiums	-	-
Less : Provisions for doubtful debts	-	-
Agents' Balances	-	-
Foreign Agencies' Balances	-	-
Due from other Entities carrying on Insurance business (net) (including reinsurers)	250,380	229,249
Less : Provisions for doubtful debts	-	-
Due from subsidiaries / holding company	250,380	229,249
Assets held for unclaimed amount of policyholders	1,187	200
Add: Investment income accruing on unclaimed amount	-	-
Others		
- GST unutilised credit	23,428	-
- Unsettled investment contract receivable	57,499	105,020
- Margin deposit	-	-
- Salvage stock	-	-
- Sundry receivable	-	-
	80,927	105,020
Total (B)	403,780	392,552
Total (A+B)	448,097	406,800



Edelweiss General Insurance Company Limited
Schedule forming part of the financial statements

Schedule - 13
Current liabilities

Particulars	At March 31, 2020	(₹ in 000's) At March 31, 2019
Agents' Balances	3,479	289
Balances due to other insurance companies	141,767	99,400
Deposits held on re-insurance ceded	-	-
Premiums received in advance	46,510	259
Unallocated Premium	54,921	55,600
Sundry Creditors	261,848	99,309
Due to subsidiaries/ holding company	18,131	12,175
Claims Outstanding (gross)	822,665	329,518
Due to Officers/ Directors	-	-
Unclaimed amount of policyholders (refer Schedule 16 - Note 5.2.8)	177	-
Add: interest accruing on unclaimed amount	3	-
Others:		
- Statutory Dues	20,564	17,807
- Salary Payable	718	256
- Collections - Environment Relief fund	-	-
- Unsettled investment contract payable	60,325	153,066
- Employee rewards	-	90,000
- Deposits	-	-
- Interim dividends payable	-	-
- Dividend distribution tax on interim dividend	-	-
- GST Liability	-	5,345
- Dividend on investment received in advance	81,607	266,474
Total	1,431,108	863,024

Schedule - 14
Provisions
Particulars

	At March 31, 2020	(₹ in 000's) At March 31, 2019
Reserve for unexpired risk	841,584	449,296
Reserve for premium deficiency	39,771	72,778
For taxation (less advance tax paid and taxes deducted at source)	-	-
For proposed dividends	-	-
For dividend distribution tax	-	-
Others		
- Gratuity (refer Schedule 16 - Note 5.1.9 (b))	7,386	5,665
- Accrued leave (refer Schedule 16 - Note 5.1.9 (c))	2,148	1,932
- Provision for diminution in Investments (refer Schedule 16 - Note 5.2.22)	101,173	7,597
Total	992,062	529,671



Edelweiss General Insurance Company Limited
Schedules forming part of the Balance Sheet

Schedule - 15

Miscellaneous expenditure
(To the extent not written off or adjusted)

	(₹ in 000's)	
	At March 31, 2020	At March 31, 2019
Particulars		
Discount allowed on issue of shares/ debentures	-	-
Others	-	-
Total	-	-



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

1. Background

Edelweiss General Insurance Company Limited ('the Company') was incorporated on March 2, 2016, as a company under the Companies Act, 2013. The Company is registered with the Insurance Regulatory and Development Authority of India ('IRDAI') vide license no.159 on December 18, 2017 and is in the business of underwriting general insurance policies.

2. 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, unless otherwise specifically stated, on accrual basis of accounting, and comply with the applicable accounting standards referred to in section 133 of the Companies Act, 2013, and in accordance with the provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002 ('the Regulations') and orders / directions prescribed by the IRDAI in this behalf, the provisions of the Companies Act, 2013 (to the extent applicable) in the manner so required and current practices prevailing within the insurance industry in India.

The financial statements are presented in Indian rupees and rounded off to the nearest thousand.

3. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles followed in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the balance sheet date, reported amounts of revenues and expenses for the year ended and disclosure of contingent liabilities as of the balance sheet date. The estimates and assumptions used in these financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

4. Significant Accounting Policies

4.1 Revenue Recognition

Premium income

Premium (net of goods and service tax), including reinstatement premium on direct business and reinsurance accepted, other than for Long term motor insurance policies for new cars and new two wheelers ('Long-term motor insurance policies') issued on and after September 1, 2018, having term of more than one year, is recognized as income at the commencement of risk over the contract period or the period of risk, whichever is appropriate, on a gross basis and for installment cases, it is recognized on installment due dates.

Own Damage coverage premium in Long-term motor insurance policies is recognized in accordance with the movement IDV (Insured declared value) on a yearly basis over the policy period and Third Party coverage premium is recognized equally on a yearly basis over the policy period at the commencement of risk on 1/n basis where 'n' denotes the term of the policy period in years.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

Reinstatement premium is recorded as and when such premiums are recovered. Any subsequent revisions to premium are recognized in the year in which they occur over the remaining period of risk or contract period, as applicable. Adjustments to premium income arising on cancellation of policies are recognized in the period in which they are cancelled.

Commission income from reinsurance ceded

Commission on reinsurance ceded is recognized as income on ceding of reinsurance premium in the period of ceding of risk.

Profit commission under reinsurance treaties, wherever applicable, is recognized as income in the year of final determination of profits as confirmed by reinsurers and combined with commission on reinsurance ceded.

Income earned on investments

Interest on investments and rental income on investment properties are recognized on accrual basis. Accretion of discount and amortization of premium relating to debt securities is recognized on a constant yield to maturity basis over the holding / maturity period

Dividend income is recognized when the right to receive dividend is established. Dividend income in respect of listed equity shares, preference shares and infrastructure investment trust (InvIT) is recognized on ex-dividend date.

The net realized gains or losses on the debt securities are the difference between the net sale consideration and the amortized cost, which is computed on a weighted average basis and recognized as on the date of sale. In case of listed equity shares, preference shares and mutual fund units, the profit or loss on sale of investments also includes the accumulated changes in the fair value previously recognized under "Fair value change account". The difference between the acquisition price and the maturity value of treasury bills is recognized as income in the revenue accounts or the profit and loss account, as the case may be, over the remaining term of these instruments on a yield to maturity basis.

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

4.2 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 and in case of Long-term motor insurance policies it is premium allocated to the subsequent periods.

4.3 Reinsurance Ceded

Insurance premium on ceding of the risk other than Long-term motor insurance policies is recognized in the period in which the risk commences in accordance with reinsurance arrangements with the reinsurers.

In case of Long-term motor insurance policies reinsurance premium is recognized on the insurance premium allocated for the year in accordance with reinsurance arrangements with the reinsurers.

Any subsequent revisions to, refunds or cancellations of premiums are recognized in the year in which they occur.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

Premium on excess of loss reinsurance cover is accounted as per the terms of the reinsurance arrangements.

Adjustment to reinsurance premium arising on cancellation of policies is recognized in the period in which they are cancelled.

4.4 Reserve for Unexpired Risk

Reserve for unexpired risk represent that part of net written premium which is attributable to and allocated to the succeeding accounting periods. Reserve for unexpired risk is calculated on net written premium on all unexpired policies at the balance sheet date based on 1/365th method for all segments, other than Health insurance policies with Health 241 Add ON cover. In Marine Hull business it is subject to a minimum of 100%.

In Health insurance policies with Health 241 Add ON cover; the unexpired risk is calculated on net written premium on all unexpired policies at the balance sheet date based on:

- a) 1/730 basis where there is no claim reported in the 1st year of policy
- b) 1/365 basis where the claim is reported in the 1st year of policy

4.5 Premium deficiency

In accordance with IRDAI circular IRDA / F&A / CIR / FA / 126 / 07 / 2013, dated 3rd July, 2013 (Corrigendum to Master Circular IRDA / F&I / CIR / F&A / 231 / 10 / 2012, dated 5th Oct, 2012), Premium deficiency ('PDR') is recognized at segmental revenue account level, when the sum of expected net claim costs, related expenses and maintenance costs (related to claims handling) exceed the reserve for unexpired risks. The premium deficiency is calculated and duly certified by the Appointed Actuary.

4.6 Acquisition costs

Acquisition costs are those costs that vary with, and are primarily related to the acquisition of new and renewal of insurance contracts viz. commission, policy issue expenses etc. These costs are expensed in the period / year in which they are incurred except for Long-term motor insurance policies for which commission is expenses at the applicable rates on the premium allocated for the year.

4.7 Claims Incurred

Claims incurred comprise of claims paid (net of salvage and other recoveries), change in estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims Incurred But Not Reported (IBNR) and claims Incurred But Not Enough Reported (IBNER). Further, claims incurred also include specific claim settlement costs comprising survey fees, legal expenses and other directly attributable costs.

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

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from / payable to co-insurers / reinsurers, salvage to the extent there is certainty.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

of realization and other recoveries. Salvaged stock is recognized at estimated net realizable value based on independent valuer's report.

Estimated liability for outstanding claims is determined by the management on the basis of ultimate amounts likely to be paid on each claim, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and in cases where claim payment period exceeds four years based on actuarial valuation. These estimates include claim settlement costs likely to be incurred to settle outstanding claims.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, for claims that have been incurred but are not enough reported (IBNER). The provision for IBNR and IBNER is based on actuarial estimate duly certified by the Appointed Actuary of the Company. The actuarial estimate is derived in accordance with relevant IRDAI regulations and Guidance Note GN 21 issued by the Institute of Actuaries of India. The Appointed Actuary has certified that the methodology and assumptions used to estimate the liability are appropriate and in accordance with guidelines and norms issued by the Institute of Actuaries of India in concurrence with the IRDAI regulations.

4.8 Allocation of expenses

Expenses which are directly attributable and identifiable to the business segments shall be allocated to the respective business segment.

Expenses which are not directly attributable and identifiable to the business segments, shall be apportioned on the basis of Net written premium of the respective business segment.

4.9 Investments

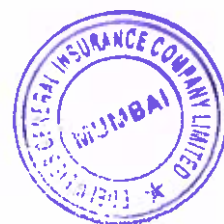
Investments are made and accounted for in accordance with the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority of India

Investments are recorded at cost on trade date and include brokerage, taxes, transfer charges etc. as applicable and exclude interest accrued up to the date of purchase.

Classification

- Investments maturing within twelve months from balance sheet date and investments made with the specific intention to be disposed 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'.

Shareholders and Policyholders fund are segregated on a 'notional basis' as per the IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated April 04, 2016, and IRDA/F&A/CIR/CPM/010/01/2017 dated January 12, 2017, and on the basis of such segregation the investments are allocated to Shareholders and Policyholders on security level basis.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

Valuation

Investments are valued as follows:

Debt securities

All debt securities including government securities and Additional Tier 1 perpetual bonds are considered as 'held to maturity' and accordingly stated at amortized cost determined after amortization of premium or accretion of discount on a constant yield basis in the revenue account and profit and loss account over the holding period/maturity.

The realized gain or loss 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.

Equity shares and Preference shares

Listed equities and preference shares at the balance sheet date are stated at fair value, being the last quoted closing price on the National Stock Exchange and in case these are not listed on National Stock Exchange, then based on the last quoted closing price on the Bombay Stock Exchange.

Unlisted equity / preference shares and other than actively traded equity / preference shares are stated at historical cost subject to provision for diminution, if any, in the value of such investment determined separately for each individual investment.

The realized gain or loss on the listed and actively traded equities is the difference between the sale consideration and the carrying cost as on the date of sale, determined on a weighted average cost basis and includes the accumulated changes in the fair value previously taken to the fair value change account, in respect of the particular security; such gain or loss is transferred to revenue account and profit and loss account on the trade date.

Mutual funds (Other than venture capital fund)

Mutual fund investments are stated at fair value, being the closing net asset value at balance sheet date.

The realized gain or loss on the mutual fund units is the difference between the sale consideration and the carrying cost as on the date of sale, determined on a weighted average cost basis and includes the accumulated changes in the fair value previously taken to the fair value change account, in respect of the particular security; such gain or loss is transferred to revenue account and profit and loss account on the trade date.

Investment properties - Real Estate

Investment Properties- Real Estate are stated at historical cost less accumulated depreciation and accumulated impairment (if any).

Investments other than those mentioned above are valued at cost.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

Fair value change account

In accordance with the Regulations, unrealized gain / loss arising due to changes in fair value of listed equity shares, preference shares, mutual fund investments and security receipts are taken to the 'fair value change account'. This balance in the fair value change account is not available for distribution, pending realization.

Impairment of investments

The Company assesses at each Balance Sheet date whether any impairment has occurred in respect of investments. The impairment loss, other than considered temporary, if any, is recognized in the profit and loss account and the carrying value of such investment is reduced to its recoverable value. If on the assessment at balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the profit and loss account and the asset is restated to that extent.

4.10 Fixed assets and depreciation

Fixed assets acquired by the company are reported at cost less accumulated depreciation and impairment loss, if any. Cost includes the purchase price and any cost directly attributable to bring the asset to its working condition for its intended use.

Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or the date it is put to use, whichever is earlier. In respect of asset sold, depreciation is provided upto the date of disposal.

Depreciable amount for tangible assets is the cost of an asset, less its estimated residual value at 5%.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II of the Act for calculating the depreciation.

The estimated useful lives of fixed assets are as follows:

Categories of Asset	Estimated Useful Life
Building	60 years
Furniture and Fittings	10 years
Vehicles	8 years
Office Equipment	5 years
Computers - Servers and Networks	6 years
Computers - End user devices, such as desktops, laptops etc.	3 years

Leasehold improvements and premises are depreciated on a straight-line basis over the estimated useful lives of the assets or the period of lease, whichever is shorter.

Intangible fixed assets

Intangible fixed assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Intangibles such as software are amortized over a period of 5 years on straight line basis.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal / external factors. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and the value in use of those assets. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate discounting factor. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs 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 recognized in the statement of profit and loss. 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 recognized at the recoverable amount subject to a maximum of the depreciable historical cost.

4.11 Right to Use of Asset

Leases, where the lessor effectively retains substantially all the risks and rewards of ownership of the leased item, are classified as operating lease. Operating lease payments are recognized as an expense on straight line basis in the revenue accounts, as per the lease terms.

4.12 Employee benefits

The accounting policy followed by the Company in respect of its employee benefit schemes in accordance with Accounting Standard 15 (revised 2005), is set out below:

All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

Provident fund

The Company contributes to a recognized provident fund which is a defined contribution scheme payable to the Regional Provident Fund Authority. The contributions are provided on the basis of prescribed percentage of salary and are charged to revenue account(s) and profit and loss account.

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods. Such benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the revenue account in the period in which they arise.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

Compensated absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognizes the charge to the Revenue/Profit & Loss account and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary.

4.13 Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the rates prevailing on the date of the transaction. Foreign exchange denominated monetary assets and liabilities, are restated at the rates prevalent at the date of the balance sheet. The gains/losses on account of restatement and settlement are recognized in the revenue account(s) and profit and loss account.

The premium or discount arising at the inception of a forward exchange contract, not intended for trading or speculation purpose, is amortized as expense or income as the case may be over the life of the contract. Exchange difference on account of change in rates of underlying currency at the expiry of the contract period is recognized in the revenue account(s) and profit and loss account. Any profit or loss arising on cancellation or roll-over of such a forward exchange contract is recognized as income or expense for the contract period.

4.14 Taxation

Direct taxes

Income-tax expenses comprise of current tax (i.e., amount of tax for the year determined in the accordance with the income-tax act, 1961) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Provision of current tax is recognized based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the tax laws applicable.

In accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, Minimum Alternate Tax ('MAT') credit is recognized as an asset to the extent there is convincing evidence that the Company will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty with convincing evidence that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation law, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realized.

Indirect taxes

The Company claims credit of GST on input services, which is set off against tax on output services. The unutilized credits towards GST on input services are carried forward for future set off, under Advances and Other Assets, wherever there is reasonable certainty of utilization.



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Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

4.15 Earning per share

Basic earning per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4.16 Provisions, Contingent liabilities and Contingent assets

Provisions are recognized in the accounts in respect of present probable obligations as a result of past event, the amount of which can be reliably estimated. 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 liabilities are disclosed in respect of possible obligations which may arise from past events, but their existence or otherwise would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. When there is an obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized nor disclosed.

4.17 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.

4.18 Receipts and Payment account (Cash flow statement)

Receipts and Payment account is prepared and reported in conformity with Para 2.2 of the Master Circular on Preparation of Financial Statements dated October 5, 2012, issued by the IRDAI.



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Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

5. Notes to Accounts

5.1. Statutory disclosures as required by the IRDAI

5.1.1. Contingent liabilities

(₹ '000)

Sr. No	Particulars	As at March 31, 2020	As at March 31, 2019
1	Partly-paid up investments	-	-
2	Claims, other than those under policies, not acknowledged as debt	-	-
3	Underwriting commitments outstanding	NA	NA
4	Guarantees given by or on behalf of the Company	-	-
5	Statutory demands/liabilities in dispute, not provided for	-	-
6	Reinsurance obligations to the extent not provided for in accounts	-	-

5.1.2. Encumbrances on Assets

The assets of the Company are free from all encumbrances.

5.1.3. Commitments

Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets (net of advances) is ₹ NIL (Previous year: ₹ 58,000 thousand)

Commitment in respect of loans is ₹ NIL (Previous year: ₹ NIL) and investments is ₹ NIL (Previous year: ₹NIL).

5.1.4. Claims

Claims, less reinsurance paid to claimants in/outside India are as under:

(₹ '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inside India	633,331	60,489
Outside India	-	-

Ageing of gross claims outstanding is set out in the table below:

(₹ '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
More than six months	64,042	-
Others	758,623	329,518

Claims settled and remaining unpaid for more than six months is ₹ NIL (Previous year: ₹ NIL).

As per circular F&A/CIR/017/May-04, the claims made in respect of contracts where claims payment period exceeds four years, are required to be recognized on actuarial basis. Accordingly,



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Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

the Appointed Actuary has certified the fairness of the liability assessment, assuming 'NIL' discount rate.

There are no claims which are due for more than four years.

5.1.5. Premium

(A) All premiums net of Re-insurance are written and received in India.

(B) No premium income is recognized on varying risk pattern.

5.1.6. Sector wise details based on GDPI and No. of policies issued

Business Sector	For the year ended March 31, 2020		For the year ended March 31, 2019	
	GDPI (₹'000)	% of GDPI	GDPI (₹'000)	% of GDPI
Rural	76,154	5.20	86,739	9.37
Social	5	0.00	3	0.00
Urban	1,387,446	94.80	838,739	90.63
Total	1,463,605	100.00	925,481	100.00

Business Sector	For the year ended March 31, 2020			For the year ended March 31, 2019		
	No. of Policies	% of Policy	No. of Lives	No. of Policies	% of Policy	No. of Lives
Rural	7,329	8.61	-	9,544	23.35	-
Social	1	0.01	500	2	0.01	2
Urban	77,829	91.39	-	31,322	76.64	-
Total	85,159	100.00	500	40,868	100.00	2

5.1.7. Extent of risks retained and reinsured

Extent of risk retained and reinsured (%) with respect to gross written premium is set out below (excluding excess of loss and catastrophe reinsurance)

Particulars	Basis	For the year ended March 31, 2020		For the year ended March 31, 2019	
		Retention	Ceded	Retention	Ceded
Fire	Value at risk	41%	59%	69%	31%
Marine Cargo	Value at risk	14%	86%	1%	99%
Motor OD	Value at risk	95%	5%	95%	5%
Motor TP	Value at risk	95%	5%	95%	5%
Liability	Value at risk	-	-	-	-
Engineering	Value at risk	84%	16%	100%	0%
Personal Accident	Value at risk	63%	37%	90%	10%
Health	Value at risk	83%	17%	64%	36%
Miscellaneous	Value at risk	72%	28%	95%	5%

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Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

5.1.8. Investments

Contracts outstanding in relation to purchases where deliveries are pending is ₹ 60,323 thousand (Previous year: ₹ 1,381 thousand) and contracts outstanding in relation to sales/redemption where receipts are outstanding/overdue at the end of the year is ₹ 57,499 thousand (Previous year: ₹ 105,020 thousand).

Historical cost of investments that are valued on fair value basis is ₹ 321,715 thousand (Previous year: ₹ 236,056 thousand).

All investments are made in accordance with Insurance Act, 1938, and Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, and are performing investments.

Allocation of investment income

Investment income is directly allocated on actuals to revenue account(s) and profit and loss account as applicable. Further, investment income across segments within the revenue account(s) has also been allocated on the basis of segment-wise policyholders funds.

5.1.9. Employee benefit plans

(a) Defined contribution plan

(₹ '000)

Expenses on defined contribution plan	For the year ended March 31, 2020	For the year ended March 31, 2019
Contribution to staff provident fund	17,871	14,688

(b) Defined benefit plan

Gratuity -

The Company has a defined gratuity benefit plan payable to every employee on separation from employment.

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity benefits of the Company is given below.

(₹'000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Reconciliation of benefit obligations and planned assets for the period		
Present value of the defined benefit obligations at year end	7,386	5,665
Fair value of plan assets at year end	-	-
Net Liability/(Asset) recognized in Balance Sheet at end of the year	7,386	5,665
Net employee benefit expenses (recognized in employee cost)		
Current service cost	2,726	2,309



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Interest on defined benefit obligation	420	194
Expected return on plan assets	-	-
Past service cost	-	-
Actuarial (gain) or losses	11	386
Total net cost recognized as employee remuneration in Revenue/ Profit and loss account	3,157	2,889

(₹'000)

Changes in the defined benefit obligation	For the year ended March 31, 2020	For the year ended March 31, 2019
Defined benefit obligation at the beginning of the year	5,665	2,776
Interest cost	420	194
Current Service Cost	2,726	2,309
Past Service Cost	-	-
Liability assumed on Transfer of employees in / (Out)	605	-
Benefits paid	2,041	-
Actuarial (gain)/loss	11	386
Present value of the defined benefit obligations at the end of the year	7,386	5,665

(₹'000)

Change in Plan Asset	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Plan assets	-	-
Contributions during the year	2,041	-
Benefits Paid	2,041	-
Expected Return on Plan Assets	-	-
Actuarial (Loss)/Gain	-	-
Fair Value of Plan assets at the end of the year	-	-

Principal actuarial assumptions	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate	5.50%	6.70%
Salary escalation	7.00%	7.00%
Employee attrition rate	13%-50%	13%-60%
Expected Return on Plan Assets	-	-
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Expected average remaining working lives of employees	3 years	4 years



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Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

	(₹'000)	
Experience Adjustments	For the year ended March 31, 2020	For the year ended March 31, 2019
Defined Benefit Obligation	7,386	5,665
Fair Value of Plan Assets	-	-
Surplus/ (Deficit)	(7,386)	(5,665)
Experience Adjustment on Plan Liabilities: (Gain)/ Loss	(621)	310
Experience Adjustment on Plan Assets: Gain/ (Loss)	-	-

(c) Compensated Absence

	(₹'000)	
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Balance	1,932	1,503
Add : Provision made during the year	216	429
Closing Balance	2,148	1,932

5.1.10. Managerial Remuneration

(a)The details of remuneration of MD and CEO as per the terms of appointment are as under:

	(₹ '000)	
Particulars (see note below)	For the year ended March 31, 2020*	For the year ended March 31, 2019
Salaries and allowances	9,650	31,576
Contribution to provident and other funds	423	840
Perquisites	-	-
Total	10,073	32,416

*The above Managerial remuneration for the year ended March 31, 2020 includes remuneration of Anup Rau former Whole Time Director and CEO till May 31, 2019, and remuneration of Shubhdarshini Ghosh - Executive Director and CEO w.e.f. October 11, 2019. The IRDAI approval on her appointment has been accorded w.e.f. October 11, 2019. Hence, the remuneration for the period between May 10, 2019 and October 10, 2019 amounting to ₹ 9,964 thousand has not been considered for the above disclosure in respect of Shubhdarshini Ghosh.

(b)The details of remuneration of Key Management Persons (other than CEO as disclosed in (a) above) as per guidelines issued by IRDAI vide Ref. no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016, and as per the terms of appointment of Company are as under:

	(₹'000)	
Particulars (see note below)	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and allowances	38,214	36,776
Contribution to provident and other funds	1,369	1,367
Perquisites	40	40
Total	39,623	38,183



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

Note: Provision towards gratuity and leave accrued are determined actuarially on an overall basis and ESOP's of Holding Company wherever applicable are not considered for the above disclosures in table (a) and (b) above.

5.1.11. The additional disclosure on expenses pursuant to the IRDAI Circular 067/IRDAI/F&A/CIR/Mar-08 dated March 28 ,2008

(₹'000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Outsourcing expenses	6,630	3,003
Business Development	3,870	6,042
Marketing support	142,853	8,608

5.1.12. Penal actions levied by various Govt. authorities

Sr. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	-	-	-	-
2	Service Tax Authorities	(-)	(-)	(-)	(-)
3	Income Tax Authorities	(-)	(-)	(-)	(-)
4	Any other Tax Authorities	(-)	(-)	(-)	(-)
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	(-)	(-)	(-)	(-)
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	(-)	(-)	(-)	(-)
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	(-)	(-)	(-)	(-)
8	Securities and Exchange Board of India	NA (NA)	NA (NA)	NA (NA)	NA (NA)
9	Competition Commission of India	(-)	(-)	(-)	(-)
10	Any other Central/State/Local Govt / Statutory Authority (Tariff Advisory Committee)	(-)	(-)	(-)	(-)

Figure in brackets pertain to year ended March 31, 2019



Edelweiss General Insurance Company Limited

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5.1.13. Summary of the financial statements:

	₹ ('000)		
Particulars	FY 2019-20	FY 2018-19	FY 2017-18
Operating Result			
Gross Direct Premium	1,463,605	925,481	13,029
Net Premium Income #	1,317,747	735,696	1,772
Income from investments (net)@	52,263	13,547	59
Other income	1,963	879	-
Total income	1,371,973	750,122	1,831
Commissions (net) (including brokerage)	51,885	(103,849)	(5,889)
Operating expenses	876,440	623,696	188,331
Net Incurred Claims	1,061,547	353,082	19
Change in Unexpired Risk Reserve*	359,282	520,331	1,745
Operating Profit/(Loss)	(977,181)	(643,138)	(182,355)
Non - Operating Result			
Total income under shareholder's account (net of expenses)	14,452	66,713	(90,550)
Profit/(Loss) before tax	(962,729)	(576,425)	(272,905)
Provision for tax	136	-	-
Profit/(Loss) after tax	(962,865)	(576,425)	(272,905)
Miscellaneous			
Policy holder's account:			
Total funds	1,625,160	752,288	5,455
Total investments	1,796,745	346,708	96,702
Yield on investments	2.91%	3.91%	0.10%
Shareholder's account:			
Total funds	1,245,195	1,208,060	14,04,485
Total investments	1,233,905	1,679,158	12,69,595
Yield on investments	9.84%	6.00%	2.30%
Paid up equity capital	3,080,000	2,080,000	17,00,000
Net worth	1,245,195	1,208,060	14,04,485
Total assets	3,645,561	2,593,453	15,96,450
Yield on total investments (annualized)	3.44%	3.36%	2.10%
Earnings per share (₹)	(4.03)	(3.36)	(3.71)
Book value per share (₹)	4.04	5.81	8.26
Total dividend (excluding dividend tax)	-	-	-
Dividend per share (₹)	-	-	-

Net of Reinsurance

@ Net of Losses

*Change in Unexpired Risk Reserves includes Premium deficiency

The Company has received Certificate of Registration (R3) from IRDAI on December 18, 2017, hence the above summary has provided from and onwards FY 2017-18 as the 1st year of operation.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

5.1.14. Ratio analysis

(a) For ratios at March 31, 2020 refer Annexure 1A and 1B and for March 31, 2019 refer Annexure 2A & 2B.

(b) Solvency margin

(₹'000)		
Solvency Margin	At March 31, 2020	At March 31, 2019
Required solvency margin under IRDAI Regulations (A)*	500,000	500,000
Available solvency margin (B)	1,179,500	1,197,800
Solvency ratio actual (times) (B/A)	2.36	2.40
Solvency ratio prescribed by Regulation	1.50	1.50

* As per Schedule III of IRDAI (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016, dated 7th April, 2016, minimum required solvency margin is ₹ 5,00,000 thousand which is 50% of minimum paid up equity capital.

5.2. Other disclosures

5.2.1. Basis used by the Actuary for determining provision required for IBNR / IBNER / PDR

Incurred But Not Reported (IBNR) reserve is a provision for all claims that have occurred prior to the end of the current accounting period but have not been reported to the Company. The IBNR reserve also includes provision for claims Incurred But Not Enough Reported (IBNER). The said liability is determined by Appointed Actuary based on actuarial principles. The actuarial estimate is derived in accordance with relevant IRDAI regulations and guidance note 21 issued by the Institute of Actuaries of India. The Appointed Actuary has certified that the methodology and assumptions used to estimate the liability are appropriate and in accordance with guidelines and norms issued by the Institute of Actuaries of India in concurrence with the IRDAI regulations.

The Premium Deficiency Reserve (PDR) is calculated using sound actuarial principles on a segmental basis as mentioned in the ALSM Regulations 2016 (Assets, Liabilities, and Solvency Margin of General Insurance Business). The provision for the same is made at the Company level and duly certified by the Appointed Actuary of the Company.

The peer review of statutory valuation of liabilities as at March 31, 2020 has been carried out by an independent actuary, in pursuant with Actuarial Practice (APS) 33 issued by Institute of Actuaries of India (IAI) which is mandatory and effective from December 1, 2017.

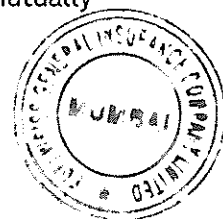
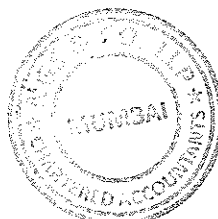
5.2.2 Provision for free look period

The provision for free look period is duly certified by the appointed Actuary.

5.2.3. Leases

The Company's significant leasing arrangements include agreements for office and residential premises. Lease rentals for assets taken on operating lease are recognized as expense in the Revenue Account(s) over the lease term on straight line basis.

In respect of premises taken on operating lease, the lease arrangements are generally mutually renewable/cancelable by the lessor/lessee.



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Non-Cancelable/Cancelable with lock-in-period Operating lease

The detail of future rentals payable in respect of cancelable lease where there is lock-in-period are given below:

(₹'000)		
Particulars	At March 31,2020	At March 31,2019
a. Not later than one year	2,257	3,616
b. Later than one year and not later than five years	-	2,257
c. Later than five years	-	

An amount of ₹ 3,616 thousand (previous year: ₹1,036 thousand) towards said lease payments has been recognized in the statement of revenue account.

5.2.4. Contribution to Terrorism Pool

The Company in accordance with the requirements of IRDAI has participated in contributing to the Terrorism Pool. This pool is managed by the General Insurance Corporation of India ('GIC'). Amounts collected as terrorism premium are ceded at 100% of the terrorism premium collected to the Terrorism Pool, subject to conditions and an overall limit of ₹ 20 billion.

In accordance with the terms of the agreement, GIC retrocedes, to the Company, terrorism premium to the extent of the Company's share in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on intimation/confirmation received from GIC. Accordingly, reinsurance accepted, on account of the terrorism pool has been recorded only up to December 31, 2019 (previous year: December 31, 2018) as per the last confirmation received.

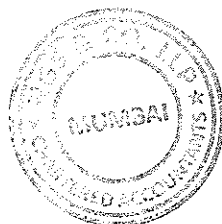
5.2.5. Micro and Small-scale business entities

There is no Micro, Small and Medium enterprise to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2020. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

5.2.6. Segmental reporting

Primary reportable segments

The Company's primary reportable segments are business segments, which have been identified in accordance with AS 17 - Segment Reporting read with the Regulations. The income and expenses attributable to the business segments are allocated as mentioned in paragraph 4.8 and 5.1.8 above. Segment revenue and results have been disclosed in the Revenue accounts.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

5.2.7. Related parties

Related party where control exists

Edelweiss Financial Services Limited (Holding Company)

Fellow subsidiaries with whom transactions have taken place

Edelweiss Rural & Corporate Services Limited*
 ECL Finance Limited
 Edelweiss Retail Finance Limited
 Edelweiss Gallagher Insurance Brokers Limited - (previously known as 'Edelweiss Insurance Brokers Limited')
 Edelweiss Housing Finance Limited
 Edelweiss Finance & Investments Limited
 Edelweiss Tokio Life Insurance Company Ltd
 Edelweiss Securities Limited
 Edelweiss Broking Limited
 Edelweiss Asset Management Limited
 ECap Equities Limited
 Edel Land Limited
 Edelweiss Asset Reconstruction Company Limited

*Edelweiss Business Services Limited, Edelweiss Agri Value Chain Limited, EFSL Comtrade Limited, Edelweiss Fund Advisors Private Limited and Edelweiss Capital Markets Limited have got merged into Edelweiss Rural & Corporate Services Limited (formerly known as Edelweiss Commodities Services Limited) w.e.f. August 1, 2018.

Key Management Personnel (KMP):

Anup Rau Velamuri (till May 31st, 2019)
 Shubhдарshini Ghosh- Executive Director and CEO - Designate (w.e.f. May 10th, 2019)
 Executive Director and CEO (w.e.f. October 11th, 2019)

Relatives of KMP with whom transactions have been taken place:

Jateen Kore: Husband of Shubhдарshini Ghosh

Transactions with related parties for the year ended March 31, 2020

				(₹'000)
Sr. No	Particulars	Name of Related Party	Amount	Amount
1	Total Premium Collected			112,923
	Premium Collected	Edelweiss Housing Finance Limited	89,782 (246,975)	(314,521)
		ECL Finance Limited	23,100 (65,820)	
		Edelweiss Retail Finance Limited	41 (1,726)	
2	Commission/Brokerage	Edelweiss Broking Limited	476 (36)	9,788 (350)



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Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

		Edelweiss Gallager Insurance Brokers Limited	9,312 (314)	
3	Claims payment	Edelweiss Retail Finance Limited	- (137)	15,346 (2,367)
		Edelweiss Housing Finance Limited	15,346 (2,230)	
4	Reinsurance Commission Income	Edelweiss Gallager Insurance Brokers Limited		1,518 (87)
5	Reinsurance Ceded Premium	Edelweiss Gallager Insurance Brokers Limited		9,554 (4,876)
6	Capital Introduced	Edelweiss Financial Services Limited		1,000,000 (380,000)
7	Purchase of Securities (Total)			265,574 (246,697)
	Purchase of Securities	ECL Finance Limited	60,061 (50,411)	
		Edelweiss Rural & Corporate Services Limited	- (31,745)	
		Edelweiss Finance & Investments Limited	- (99,914)	
		Edelweiss Tokio Life Insurance Co. Limited	205,513 (64,627)	
8	Sale of Securities (Total)			161,939 (208,869)
	Sale of Securities	Edelweiss Tokio Life Insurance Company Ltd	4,191 (48,365)	
		ECL Finance Limited	157,748 (108,187)	
		Edelweiss Asset Management Limited	- (52,317)	
9	Business Support Charges (Total)			44,119 (37,482)
	Business Support Charges	Edelweiss Rural & Corporate Services Limited	36,697 (36,514)	
		ECap Equities Limited	- (968)	
		Edelweiss Financial Services Limited	7,383 (-)	
		Edel Land Limited	39 (-)	
10	Establishment & Other Expenses (Total)			49,005 (27,932)
	Establishment & Other Expenses	Edelweiss Asset Management Limited	- (86)	
		Edelweiss Broking Limited	2,945 (209)	
		ECap Equities Limited	14,365 (7,961)	
		ECL Finance Limited	22,159 (14,386)	
		Edelweiss Securities Limited	509 (9)	
		Edelweiss Housing Finance Limited	84 (-)	
		Edelweiss Financial Services Limited	1,821 (1)	
		Edelweiss Rural & Corporate Services Limited	6,852 (5,280)	



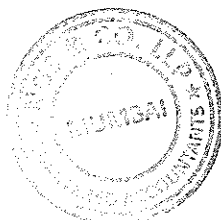
Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

11	Purchase of Fixed Assets (Total)			569 (62)
	Purchase of Fixed Assets	Edelweiss Broking Limited	144 (34)	
		Edelweiss Rural & Corporate Services Limited	297 (-)	
		Edelweiss Securities Limited	10 (-)	
		Edelweiss Housing Finance Limited	17 (-)	
		Edelweiss Retail Finance Limited	23 (-)	
		ECL Finance Limited	78 (28)	
12	Royalty Expense	Edelweiss Financial Services Limited		2,849 (-)
13	Insurance Expenses	Edelweiss Financial Services Limited	3,778 (4,929)	5,259 (4,929)
		Edelweiss Rural & Corporate Services Limited	1,481 (-)	
14	ESOPs Compensation Cost	Edelweiss Financial Services Limited		6,465 (6,358)
15	Premium Income (Total)			227,217 (5,090)
	Premium Income	Edelweiss Financial Services Limited	226,899 (5,050)	
		Edelweiss Gallager Insurance Brokers Limited	14 (-)	
		Edelweiss Asset Management Limited	17 (-)	
		Edelweiss Broking Limited	12 (-)	
		ECap Equities Limited	27 (-)	
		Edelweiss Securities Limited	77 (-)	
		Edelweiss Investment Advisor Limited	14 (-)	
		Edelweiss Tokio Life Insurance Co. Limited	137 (4)	
		KMP	21 (36)	
16	Rental Deposit	Edelweiss Asset Management Limited		400 (-)
17	Redemption of Securities	Edelweiss Asset Reconstruction Limited		5,027 (882)
18	Managerial Remuneration & Other Expenditure*	KMP		20,037 (32,416)

Figures in brackets are for the year ended March 31, 2019

*The above Managerial remuneration & Other expenditure for the year ended March 31, 2020 includes remuneration of Anup Rau former Whole Time Director and CEO till May 31, 2019 and remuneration of Shubhdarshini Ghosh - Executive Director and CEO w.e.f. May 10, 2019, as per her appointment in Board Meeting dated May 10, 2019 and Annual General Meeting dated July 9, 2019.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

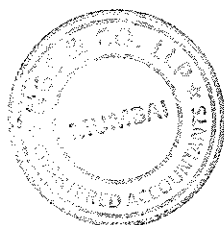
Balances with related parties as on March 31, 2020

				(₹'000)
Sr. No	Particulars	Name of Related Party	Amount	Amount
1	Share Capital	Edelweiss Financial Services Limited		3,080,000 (2,080,000)
2	Trade Payables (Total)			109,061 (43,812)
	Trade Payables	Edelweiss Rural & Corporate Services Limited	64,070 (19,040)	
		Edelweiss Financial Services Limited	20,980 (12,175)	
		Edelweiss Asset Management Limited	- (2)	
		Edelweiss Gallager Insurance Brokers Limited	8,844 (372)	
		ECL Finance Limited	5,698 (9,135)	
		Edelweiss Broking Limited	3,002 (192)	
		Edelweiss Securities Limited	509 (-)	
		Edelweiss Housing Finance Limited	104 (-)	
		Ecap Equities Limited	5,854 (2,896)	
3	Trade Receivables (Total)			1,302 (29)
	Trade Receivables	Edelweiss Gallager Insurance Brokers Limited	1,283 (10)	
		Edelweiss Rural & Corporate Services Limited	19 (19)	
4	Other Receivables (Total)			805 (200)
	Other Receivables	Edelweiss Tokio Life Insurance Company Ltd	595 (-)	
		ECL Finance Limited	10 (-)	
		Edelweiss Financial Services Limited	155 (155)	
		Edelweiss Securities Limited	45 (45)	
5	Investment in SR	Edelweiss Asset Reconstruction Limited		53,529 (58,557)

Figures in brackets are for the year ended March 31, 2019

5.2.8. Unclaimed Amount of Policy Holders

The liability of the Company towards the policyholders, pertaining to amounts lying unclaimed, stands at ₹ 181.02 thousand (Previous Year: Nil) as on the date of the balance sheet, duly reported under Schedule 13, the details of which, along with an itemized ageing, is given in the table below.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders as on March 31, 2020

(₹'000)

Particulars	Total Amount	AGE-WISE ANALYSIS						
		0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	36-120 months
Claims settled but not paid to the policyholders/beneficiaries due to any reasons except under litigation from the policyholders/beneficiaries	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Sum due to the policyholders/beneficiaries on maturity or otherwise	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any excess collection of the premium/tax or any other charges which is refundable to the policyholders/beneficiaries 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	181.02 (-)	87.94 (-)	83.79 (-)	9.29 (-)	- (-)	- (-)	- (-)	- (-)
Cheques issued but not encashed by the policyholder/beneficiaries	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)

Figures in brackets are for the year ended March 31, 2019



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

Movement in unclaimed amount of policy holder's due:

(₹'000)		
Particulars	At March 31, 2020	At March 31, 2019
Opening Balance	-	-
Add: Amount transferred to Unclaimed Fund	181.02	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders	-	-
Add: Investment Income on Unclaimed Fund	-	-
Less: Amount of claims pending during the year	-	-
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	-	-
Closing Balance of Unclaimed Amount Fund	181.02	-

5.2.9. Details of earning per share for the year ended March 31, 2020

Particulars	At March 31, 2020	At March 31, 2019
Net Profit After Tax for the year (₹ '000)	(962,865)	(576,425)
Weighted Average No. of Equity Shares for Basic ('000)	238,984	171,458
Weighted Average No. of Equity Shares for Diluted ('000)	238,984	171,458
Basic Earnings per Share (₹)	(4.03)	(3.36)
Diluted Earning per Share (₹)	(4.03)	(3.36)
Nominal Value per Share (₹)	10.00	10.00

5.2.10. Deferred taxes

The Company has not created the deferred tax asset during FY 2019-20 as in the opinion of the management there is no virtual certainty with convincing evidence of the assets being realized in the near future.

5.2.11. During the year the Company has accounted for the compensation cost amounting to ₹ 6,465 thousand (Previous year: ₹ 6,358 thousand) for ESOPs issued to the eligible employees of the Company by the holding company Edelweiss Financial Services Limited on the basis of fair valuation method.

5.2.12. Allowance of grace period for renewal of Motor Vehicle Third Party Insurance Policies during lockdown due to COVID-19 situation as per IRDA Circular.

As per IRDAI circular no. IRDAI/NL/CIR/MOT/079/04/2020 dated April 02, 2020, and IRDAI/NL/CIR/MOT/090/04/2020 dated April 16, 2020, the Authority has stipulated that, the Policyholders whose motor vehicle third party insurance policies (both liability only and package policies with motor third party premium) 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 the statutory motor vehicle third party 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.-



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

The Authority had further, notified vide Circular IRDAI/NL/CIR/MOT/081/04/2020 dated April 3, 2020, that premium for renewal in Motor Third Party policies (including part of Motor Third Party premium in Motor Package policy) that fell due between March 25, 2020 to March 31, 2020 shall be recognized as income during financial year 2019-20 and correspondingly UPR and Claims provisioning liabilities on such policies shall also be provided in financial year 2019-20.

The Company has already sent reminder communications to the Policyholders whose policies are getting renewed during this period. Further the management is of the view that due to uncertainty of the policyholder to renew the same policy with the Company, and the booking of the premium will overstate the total Gross Written Premium. The Company has chosen to account for the premium as and when it is received from the customer and not account it as outstanding premium for the year, and accordingly, liabilities on such premiums such as UPR, Claims provisioning etc., have also been accounted in respective year.

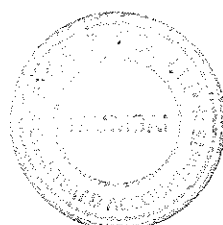
The Company is of the view that since the premium business during the aforesaid premium is less than 1% of the total premium which is not significant. The impact of the above on profits/(loss) during the year ended March 31, 2020 is not material.

In accordance with the IRDAI circular and the subsequent intimation by the Authority, the Company is presenting a below disclosure in connection with Motor Third Party insurance premium (including Motor Third Party insurance premium in Motor Package Policies) as under;

Particulars	
(A) Number of policies which due for renewal between March 25, 2020 to March 31, 2020	3,224
Motor Third Party premium with respect to above (A) policies (Amount in 000's)	12,387
(B) Number of policies which were got renewed on or before March 31, 2020 (Out of (A) above)	10
Motor Third Party premium with respect to above (B) policies (Amount in 000's)	44
(C) Number of policies which were got renewed from April 1, 2020 to May 15, 2020 (Out of (A) above)	82
Motor Third Party premium with respect to above (C) policies (Amount in 000's)	355

The impact of the above on profits/(loss) during the year ended March 31, 2020 is not material.

5.2.13. The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. Numerous governments and companies have introduced a variety of measures to contain the spread of the virus. 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 extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the IRDAI. The assessment does not reveal any adverse impact on ability of the Company to continue as a going concern.



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

5.2.14. The Company applied to the IRDAI through General Insurance Council seeking exemption from complying with limits of Expenses of Management stipulated under Section 40B of the Insurance Act, 1938 read with IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business), IRDAI vide its Order No. 218/F&A (NL)/GEG/COM/01/2018-19 dated 21st June, 2018, has granted exemption to the Company. Accordingly, all expenses of Management, wherever incurred, whether directly or indirectly, have been fully recognized in the Revenue Accounts as Operating Expenses under Schedule-4 as an expense.

5.2.15. The amount of ₹ 136 thousand (Previous year: ₹ NIL) shown in Profit & Loss account under Current Tax is pertains to Assessment Year 2017-18 is as per final assessment received from Income Tax authorities in FY 2018-19, the same is now accounted in FY 2019-20. Where in the 1st year of operation of the Company as 'General insurance company' is from FY 2017-18, as the Company has received Certificate of Registration (R3) from IRDAI on December 18, 2017.

5.2.16. Disclosure on other work given to auditors

Pursuant to clause 7.1 of Corporate Governance Guidelines issued by IRDAI on May 18, 2016 the services of the statutory auditors other than statutory/internal audit are disclosed below:

(₹'000)		
Name of the auditor	At March 31, 2020*	At March 31, 2019
NGS & Co. LLP		
- Review of quarterly financial information for group reporting & Certification fees on various IRDAI returns	500	140

*There is provision for an amount of ₹ 330 thousand pertains to FY 2018-19 relates to review of quarterly financial information for group reporting and certification fees.

5.2.17. REPO / Reverse repo transactions

No Repo/ Reverse repo transactions are done as on March 31, 2020 (Previous year: ₹ NIL).

5.2.18. Forward exchange contracts

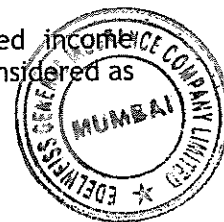
As at March 31, 2020 there are no outstanding forward exchange contracts (Previous year: ₹ NIL).

5.2.19. The Company's pending litigations comprise of claims against the Company. The Company has reviewed these pending litigations and has made adequate provisions, wherever required in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

5.2.20. The Company did not have any long term contracts including derivative contracts (Previous year: ₹ NIL) for which there were any material foreseeable losses.

5.2.21. For the year ended March 31, 2020, the company is not required to transfer any amount into the Investor Education and Protection Fund (Previous year: ₹ NIL).

5.2.22. During the year, the Company has recognized impairment of certain fixed income investments amounting to ₹ 101,173 thousand (Previous year: ₹ NIL) which is considered as



Edelweiss General Insurance Company Limited

Schedule 16 -Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2020

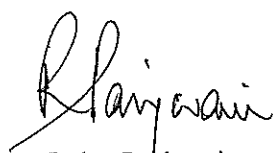
a temporary impairment, basis the assessment of the Company and hence a provision has been made in the books of accounts.

5.2.23. Previous year/period numbers have been regrouped/reclassified wherever necessary to make them comparable with those of current year.

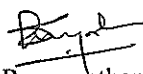
Sr. No.	Regrouped from	Regrouped to	Period	Amount (in ₹'000)	Reason
1.	NIL	NIL	NIL	NIL	NIL

As per our attached report of even date

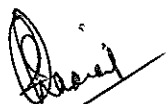
For and on behalf of the Board



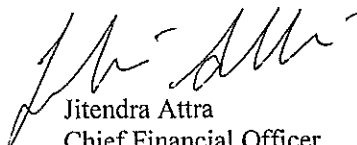
Rujan Pajwani
Chairman
(DIN: 00237366)



S Ranganathan
Director
(DIN: 00125493)



Shubhdarshini Ghosh
Executive Director & CEO
(DIN: 07191985)



Jitendra Attra
Chief Financial Officer

Mumbai
June 24, 2020



Annexure-1A Analytical Ratios as at March 31, 2020

Sr. No.	Particular	Total	Fire	Marine Cargo	Marine Others	Marine total	Motor OD	Motor TP	Motor Total	Workmen compensation	Public/Product Liability	Engineering	Aviation	PA	Health	Credit Insurance	Crop Insurance	Others	Total miscellaneous	Basis of calculations
1	Gross Direct Premium Growth Rate	58%	111%	416%	0%	416%	32773%	-7%	184%	0%	0%	0%	0%	63%	-1%	0%	0%	-15%	56%	(GDP/ current year- GDP/ previous year)/ GDP/ previous year
2	Gross Direct Premium to Net Worth Ratio	1.18																		GDP/ Net worth
3	Growth rate of Net Worth	3%																		(Net worth current year- Net worth previous year) / Net worth previous year
4	Net Retention Ratio	83%	30%	2%	0%	2%	92%	92%	92%	0%	0%	66%	0%	53%	83%	0%	0%	24%	87%	NWP / (GDP/ + RI accepted)
5	Net Commission Ratio	4%	-8%	-55%	0%	-55%	16%	0%	11%	0%	0%	15%	0%	-8%	-4%	0%	0%	37%	4%	Net commission / NWP
6	Expense of Management to Gross Direct Premium Ratio	68%																		Expenses of management/ GDP
7	Expense of Management to Net Written Premium Ratio	75%																		Expenses of management/ NWP
8	Net Incurred Claims to Net Earned Premium	111%																		Net Incurred Claims / Net Earned Premium
9	Combined Ratio	182%																		((Net Incurred Claims / Net Earned Premium) + ((Net Commission + Operating Expenses) /NWP))
10	Technical Reserves to Net Premium Ratio	1.29																		(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ NWP
11	0.58145332	(1.11)	(1.16)			2.01													(1.11)	(Underwriting profit/loss) / Net Earned Premium
12	Operating Profit Ratio	-106%																		(Underwriting profit/loss + Investment Income) / Net Earned Premium
13	Liquid Assets to liabilities Ratio	0.26																		Liquid Assets/ Policyholders liabilities
14	Net earnings Ratio	-104%																		Profit after tax/ Net Earned Premium
15	Return on Net Worth Ratio	-77%																		Profit after tax/ Net Worth
16	Available Solvency margin Ratio to Required Solvency Margin Ratio	2.36																		
17	NPA Ratio (times)																			
	Gross NPA Ratio	-																		
	Net NPA Ratio	-																		

Notes :

Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013

1. GDP/ = Premium from direct business written, NWP = Net written premium
2. Shareholders' funds/ Net worth = (Share capital + Reserve & Surplus) - (Miscellaneous expenditure - Debt balance in profit & loss account)
3. Expenses of management = Commission paid-direct + Operation expenses related to insurance business
4. Liquid asset= Short term investments + Cash and bank balances
5. Policyholders liabilities = Claim outstanding (to be discharged in 12 months) + Reserve for unexpired risk + Reserve for premium deficiency
6. Underwriting profit (loss) = Net premium earned - Net claims incurred - Net commission - Operating expense

Annexure-1B Equity Holding Pattern as at March 31, 2020

1	(a) Number of shares	308,000,000
2	(b) Percentage of shareholding (Indian / Foreign)	100.0% / 0.0%
3	(c) %of Government holding (in case of public sector insurance companies)	-
4	(a) Basic and diluted EPS before extraordinary items (net of tax expense) for the year	- ₹ 4.03
5	(b) Basic and diluted EPS after extraordinary items (net of tax expense) for the year	- ₹ 4.03
6	(iv) Book value per share (₹)	4.04



Annexure-2A Analytical Ratios as at March 31, 2019

Sl. No.	Particular	Total	Fire	Marine Cargo	Marine Others	Marine total	Motor OD	Motor TP	Motor Total	Workmen compensation	Public/Product Liability	Engineering	Aviation	PA	Health	Credit Insurance	Crop Insurance	Others	Total miscellaneous	Basis of calculations
1	Gross Direct Premium Growth Rate	7003%	0%	0%	0%	0%	0%	0%	0%	0%	-100%	0%	0%	0%	5269%	0%	0%	0%	6851%	(GDP/ current year- GDP/ previous year)/ GDP/ previous year
2	Gross Direct Premium to Net Worth Ratio	0.77																		GDP/ Net worth
3	Growth rate of Net Worth	-14%																		(Net worth current year- Net worth previous year) / Net worth previous year
4	Net Retention Ratio	71%	38%	-1%	0%	-1%	91%	91%	91%	0%	0%	91%	0%	84%	64%	0%	0%	95%	72%	(Net worth previous year / Net worth previous year - Net worth previous year) / Net worth previous year
5	Net Commission Ratio	-14%	-15%	147%	0%	147%	20%	2%	3%	0%	0%	9%	0%	12%	-25%	0%	0%	15%	-14%	(Net Commission / NWP) / (Net Commission + Operating Expenses) / (NWP)
6	Expense of Management to Gross Direct Premium Ratio	70%																		Expenses of management/ GDP/
7	Expense of Management to Net Written Premium Ratio	88%																		Expenses of management/ NWP
8	Net Incurred Claims to Net Earned Premium	148%																		Net Incurred Claims / Net Earned Premium
9	Combined Ratio	218%																		((Net Incurred Claims / Net Earned Premium) + ((Net Commission + Operating Expenses) / (NWP)))
10	Technical Reserves to Net Premium Ratio	1.16																		(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ NWP
11	Underwriting balance Ratio	(2.28)	(3.17)			1.35														(Underwriting profit/loss) / Net Earned Premium
12	Operating Profit Ratio	-223%																		(Underwriting profit/loss + Investment income) / Net Earned Premium
13	Liquid Assets to liabilities Ratio	0.37																		Liquid Assets/ Policyholders liabilities
14	Net earnings Ratio	-200%																		Profit after tax/ Net Earned Premium
15	Return on Net Worth Ratio	-48%																		Profit after tax/ Net Worth
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	2.40																		
17	NPA Ratio																			
	Gross NPA Ratio	-																		
	Net NPA Ratio	-																		

Notes :

- Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013
1. GDP/ = Premium from direct business written, NWP = Net written premium
 2. Shareholders' funds/ Net worth = (Share capital + Reserve & Surplus) - (Miscellaneous expenditure - Debt balance in profit & loss account)
 3. Expenses of management = Commission paid-direct + Operation expenses related to insurance business
 4. Liquid assets= Short term investments + Cash and bank balances
 5. Policyholders liabilities = Claim outstanding (to be discharged in 12 months) + Reserve for unexpired risk + Reserve for premium deficiency
 6. Underwriting profit/ (loss) = Net premium earned - Net claims incurred - Net commission - Operating expense

Annexure-2B Equity Holding Pattern as at March 31, 2019

1	(a) Number of shares	208,000,000
2	(b) Percentage of shareholding (Indian / Foreign)	100.0% / 0.0%
3	(c) %of Government holding (in case of public sector insurance companies)	-
4	(a) Basic and diluted EPS before extraordinary items (net of tax expense) for the year	-₹ 3.36
5	(b) Basic and diluted EPS after extraordinary items (net of tax expense) for the year	-₹ 3.36
6	(iv) Book value per share (₹)	5.81

