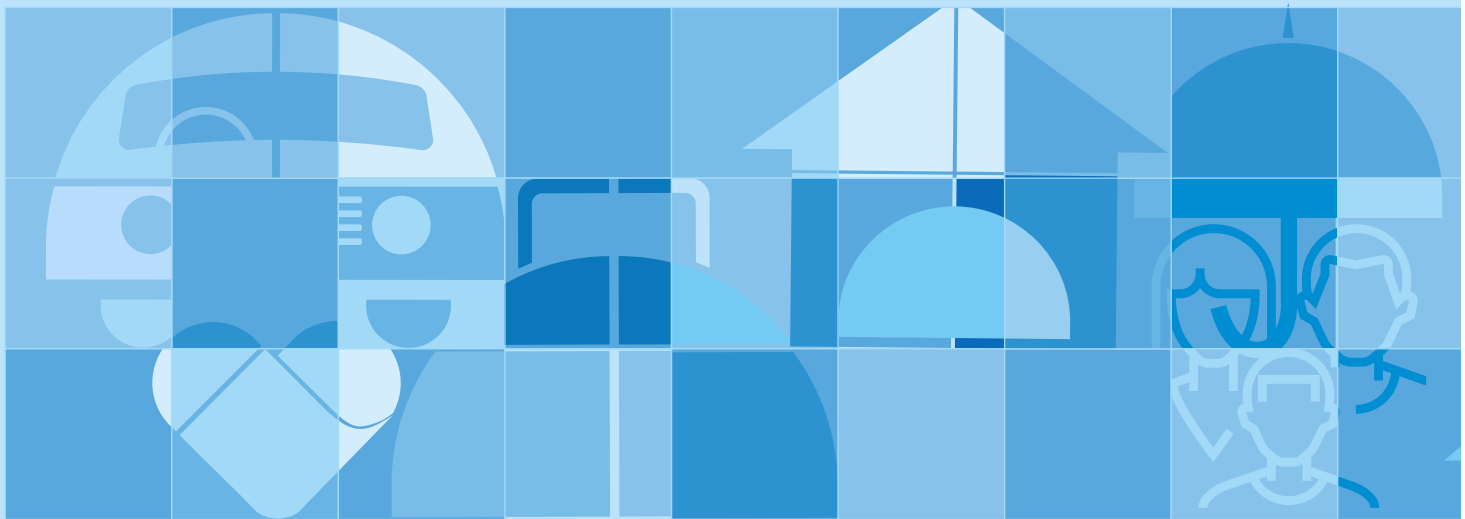


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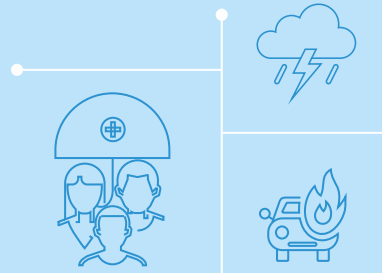




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# ABOUT US



ABOUT  
US

# ABOUT US

## About Navi Technologies

Navi Technologies Pvt Ltd (erstwhile known as BACQ) was founded by Mr Sachin Bansal (Co-founder of Flipkart) and Mr Ankit Agarwal with the vision to disrupt the BFSI industry by creating a technology driven, customer centric company that helps people with all their financial needs.

Navi's mission is to create Financial Products & Services that are Simple, Affordable and Accessible for all.

The word 'NAVI' (pronounced nah-vee) is a diminutive of the Indian word 'Naya' that connotes newness, a key brand attribute. It is also a shorthand for "Navigator", representing NAVI as your financial navigator.

Navi is leading the way into the new age of banking and financial services. Its digital character makes it a future-facing brand with unlimited potential for growth and innovation. Navi provides customers with a sense of empowerment through a wide range of well-priced products and a seamless user experience.

## About Navi General Insurance

Navi General Insurance Limited (formerly known as DHFL General Insurance Limited) is a 100% owned venture of Navi Technologies.

Navi GI's mission is to reimagine the General Insurance space in India by making the insurance buying journey

simple, transparent, and pleasant for customers and to empower them to choose their coverage based on their unique needs.

Navi GI strives to help its customers invest in Insurance products that will protect what they value (health and assets). It is focused on understanding the needs of its customers and catering to their needs in a modern, digital world.



# REWARDS AND RECOGNITIONS

## FY 19-20

### Videa Award



Best Video Content – Digital



### DIGIXX Award

Digital Marketing Excellence in BFSI – Gold

## FY 18-19

### DOD Awards



Best Performance Driven Digital Campaign

### Mobby's Award



Best Performance Digital Marketing Campaign

### Digital Enterprise Award



Best Performance Driven Digital Campaign

### Social Samosa's Sammie 2019



Best use of Social Media in BFSI (Insurance) category

### Mcube Awards



COCORide - Best Digital Campaign by a Financial Service Enterprise

### Insight Success Magazine



10 Most Recommended Insurance Solution Providers in 2019

### CMO Confluence & Corporate Awards



Best General Insurance Company Award – Product Line

## FY 17-18



The Rising Star of the Year



Brand Excellence in BFSI



Insure Tech Company of the Year



Mobbys Award



Drivers of Digital Award



Mobexx Award



Global Digital Marketing Awards



ET NOW - BFSI Award



DIGIXX Awards



Top-10 promising Insurance Startups

# MESSAGE FROM THE CEO DESIGNATE

Dear Shareholders,

The year 2019-2020 was a year for change at our company. We joined Navi Technologies with a new identity - Navi General Insurance. As a financial services company, Navi aims to inspire complete trust among customers and keeps their best interest at heart. It endeavours to serve financial products and services that are easier to understand and simpler to use.

As Navi builds a robust ecosystem that is disrupting the Financial space with the use of new-age technology, at Navi General Insurance we continue to pursue our vision of making insurance simple. With the new identity, we have renewed our commitment to providing unmatched service to all our customers.

Towards this vision, we launched seven new products this year. It includes two group health products, one retail health product two commercial products and two retail motor products bringing the total number of products offered to 35. We have also filed seven more products with the regulator and await their approval.

Health Insurance presents a huge opportunity to cater to a vastly underserved segment given the low penetration in the Indian market. The increased awareness due to the current circumstances will only fuel the growth further. With a focus on capitalizing the opportunity, we have not only launched three new products but also have four more filed with the regulator for approval.

The last months of the Financial Year also changed our perception of risk. The current pandemic has forced all of us to revisit the risks associated with public health, business continuity and macroeconomic factors. At Navi General Insurance, our response to the crisis is framed by the needs of the customer while addressing the concerns of all our stakeholders and the safety of our employees.

With a focus on Digital Channels, we aim to reimagine the insurance landscape in India and make the insurance buying experience a joy for the customer. We want to ensure that every customer of ours has the freedom to get a policy customized to their unique requirement.

As we step into the new fiscal year, I would like to thank our stakeholders, customers, partners, employees, and our board. With their support and commitment to our dreams, no achievement is too large.

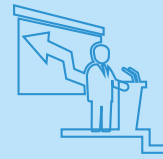
Here is to another great year ahead.

Regards  
Ramchandra Pandit  
CEO (Designate)





# BOARD'S REPORT



BOARD'S

REPORT

# BOARD'S REPORT

## Dear Shareholders,

Your Directors have pleasure in presenting the Fourth Annual Report of Navi General Insurance Limited (Formerly Known as DHFL General Insurance Limited) along with the audited statement of accounts for the year ended March 31, 2020.

### 1. Industry Update

During the Financial Year 2019-20, the General Insurance Industry touched ₹1.9 lakh crore mark, growing to ₹ 189,216 crore in Financial Year 2019-20 compared to ₹ 169,448 crore in Financial Year 2018-19 registering a growth of 11.7%. Private Insurer registered a growth of 12.1% & continued to maintain market share of 48% in Financial Year 2019-20 as well. Public Sector Insurers registered a growth of 6.4% with continuous reduction in market share to 39% in Financial Year 2019-20 from 41% in Financial Year 2018-19. Monoline Specialized PSU Insurers registered highest growth of 30.2% & market share of 5.6% in Financial Year 2019-20 from 4.8% in Financial Year 2018-19. Standalone Health Insurance (SAHI) registered a growth of 26.9% & achieved market share of 7.6% in Financial Year 2019-20 from 6.7% in Financial Year 2018-19. Crop insurance continues to be the 3rd largest non-life insurance segment in Financial Year 2019-20 for the industry after Motor & Health Insurance.

### 2. Financial Highlights:

The highlights of financial results of the Company for the period ended March 31, 2020 are as under:

Particulars	Financial Year Ended March 31, 2020	Financial Year Ended March 31, 2019
Gross Written Premium	158.60	243.67
Earned Premium	122.43	108.31
Investment Income	17.92	18.47
Profit/(Loss) before Tax	(71.05)	(28.83)
Profit/(Loss) after Tax	(71.05)	(28.83)

### 3. Business Performance Update

Your Company started operations from November 1, 2017 with the flagship companies of the promotor group company viz Dewan Housing Finance Corporation Ltd and Aadhar Housing Finance Ltd.

During the Financial Year 2019-20, 100% of Company's shares were transferred to Navi Technologies Private

Limited by Wadhawan Global Capital Limited pursuant to the Share Purchase Agreement executed between the Company, Wadhawan Global Capital Limited and Navi Technologies Private Limited on January 02, 2020.

Further, in order to infuse further capital to meet the business operations and to fulfil the solvency requirements of the Company as prescribed under Insurance Regulatory and Development Authority of India (Assets, Liabilities, and Solvency Margin of General Insurance Business) Regulations, 2016 and as per the terms of the approval for transfer of shares received in terms of Section 6A of the Insurance Act, 1938 vide letter from Insurance Regulatory & Development Authority of India (IRDAI) dated 4th February 2020, Ref No. 405/F&A(NL)/DHFL/To S/01/2019-20/441, capital was raised by issue of Equity Shares on Right basis to the Shareholders of the Company.

In FY 2019-20, your Company expanded its product bouquet and started offering its products in various ways through Digital Direct Platform, Web Aggregators, Agent Portal and through API integration with partners to offer retail products like Fire, Health, Personal Accident, Motor & Mobile Insurance.

Your Company empanelled more than 5150 Hospital for cashless settlement of Health Claims and more than 1100 Garages for cashless settlement of Motor Claims and In-housed Customer Service Call Centre for faster claims settlement & customer service delivery.

### 4. Obligation under Rural & Social Sector & Motor Third Party Insurance Business

Rural & Social Sector Obligation:

The Insurance Regulatory and Development Authority of India ("IRDAI" or "the Authority") had notified the Obligations of Insurers to Rural and Social Sectors Regulations, 2015 on August 24, 2015, which was first time applicable to your Company from the financial year under review.

The said Regulation specifies the minimum business commitment to be achieved by a general insurance Company in the rural and social sector depending upon the period of operation of the Insurance Companies.

Your Company has overachieved the rural and social obligation during the financial year. In Rural Sector, the Company achieved a total of 15.9 Crore premium against the minimum obligation of ₹ 4.74 Crore. In the social

sector, your Company has provided coverage of 2596 lives against minimum obligation of 2046 lives.

**Obligation under Motor Third Party Obligation:**

As per the provision of the Insurance Regulatory and Development Authority of India (Obligation of Insurer in respect of Motor Third Party Insurance Business) Regulations, 2015, the new insurer licensed to underwrite motor insurance shall be exempted from the application of the obligatory requirement during first two financial years of its operations including the financial year in which its operations are started.

Your Company started its operations from November 1, 2017 hence the obligation under these guidelines are not applicable to the Company for the period under review.

## 5. Underwriting & Product Development

Underwriting the business appropriately in line with the Underwriting Policy approved by the Board and overall business plan is paramount for the Company. Underwriting policy of the company emphasizes generation of underwriting profit and Company's practices are geared towards achieving the same. Market and product segmentation are key to our underwriting approach. India is a huge market and Company is conscious of the risks associated with various products and geographies. The Company writes business after carefully selecting the market and product which have potential to generate profit for the company. Each risk is evaluated on all applicable parameters and priced on a risk-based pricing approach. Different products have different levels of risk. In this approach risk is underwritten and priced to reflect its expected claim cost. The Company underwrites business keeping in mind all prevailing regulations to ensure compliance.

The Company has launched seven (7) new products in the Financial Year 2019–2020. These products are in various line of businesses. Out of these seven, two are group health products, one retail health product, two commercial products and two retail motor products. Our product offerings are aligned with our underwriting philosophy and vision of being retail digital insurer. With the launch of 7 products last year we have now total 35 products. We have also filed seven more products for which regulatory approval is awaited. We are quite well placed in motor segment with 19 motor products at our disposal to meet varying demand in the market. This segment has highest share in the general insurance sector. The cumulative effect of increase in road surface and the growth in automobile industry directly impacts the growth of motor portfolio of the general insurance industry. Hence, focus on this segment is essential for our growth which has maximum share in the industry premium. The Company is equally focused on health segment which is second largest segment in general insurance and accordingly apart from launching three products, four more health products have been filed with the regulator for approval. The Company's retail product

strategy will continue to be focused towards personal and niche health insurance products in the next year. Our products are designed and offered in a way where customers can truly understand and customize the insurance they buy in line with company's philosophy of 'Care More Have More'. The focus of the company is to make insurance simple for the end consumers by simplifying the product wording, buying process through use of appropriate technology such as artificial intelligence and machine learning which is future of the insurance.

### Reinsurance

Your Company's business portfolio is protected by way of adequate reinsurance arrangements such that the Company's exposure to a large loss, affecting a single risk or a series of losses affecting a number of risks arising out of a single catastrophic event does not materially impact the Company. We have been prudent in keeping our net retention of any risk commensurate with our net worth so that any unforeseen event does not impact the company adversely. We have arranged reinsurance for each line of business in such a manner that it provides adequate capacity to the company for underwriting business and at the same time provides stability and certainty to the underwriting results of the business portfolio.

## 6. Claims

### 6.1 Health Claims

Your Company has tied up with Six Third Party Claims Administrators (TPA's) for processing of Health indemnity claims and with more than 5150 hospitals across pan India for settlement of cashless claims. As a benchmark for the excellence in service standards the turnaround time (TAT) of your Company for approval of cashless claims for health indemnity product is two hours against the prescribed TAT of 24 hours and the turnaround time of for claim settlement is seven days against the prescribed TAT for claim processing of thirty days. The turnaround time of your Company for claim payment under personal accident, seasonal byte, hospi-cash & Critical illness is two day against the prescribed turnaround time of thirty days.

### 6.2 Property and Casualty Claims

Your Company serviced around 9000 claims effectively during the year and also received many accolades from customers. Your company was able to achieve almost all TATs and was able to assign surveyors within 2 hours of claim notification in 93% cases and process payment in approx. 90% cases within one day of receipt of documents. Your company extend cashless facility to all authorized service centers with good repute. In this regard, your Company has tied up with more than 1500 garages across India helped provide cashless and prompt services to its Customers. Reputed Corporate Surveyors and Individual Licensed Surveyors across India, empaneled by your company, enabled faster turnaround time to reach Customers and better control over claims. In event of catastrophic situation of Maharashtra, Karnataka, Kerala floods, your company allocated a team

of dedicated claim handlers for handling claims. Your company has relaxed documentation norms for flood affected customers which resulted into faster claim settlement and NIL pendency at the end of financial year. While the property claims were handled in traditional way of physical inspection and assessment, with the help of inhouse and survey firm your company provided desk assessment in over 40% of the private car partial loss within 2 hour of receipt of photographs and documents where loss was less than Rs 50,000. Your company provides Pick and Drop facility to customers in 11 cities. Your company started unique facility of Spot repair in insurance industry for two wheelers in case of claim in Mumbai, Pune location and also, Repairs/Replacement of windshield at customers doorstep in 70+ locations across India. Your company implemented technology enabled scientific and standardize way of performing assessment of motor claims which helped to carry out more number of desk assessments of claims with out compromising on quality of assessments. Your company developed and soft launched a technology driven mobile app for customers with built in self-inspection module for motor claim assessments.

## 7. Investment

Investments are made in accordance with the regulations laid down by IRDAI (Investment) Regulations, 2016, Insurance Act and the Board Approved Investment Policy. Efforts are made to optimize the returns on the portfolio while matching the duration of Assets and Liabilities prudently and maintaining adequate liquidity in the Company. The Investment Committee of the Board reviews the investment performance on a quarterly basis. As on March 31, 2020, the Investment portfolio stood at ₹ 334.33 (₹316.86 crs with provision on IL&FS & DHFL). The Company's investment corpus comprises of debt securities out of which 66.6% are in Sovereign and AAA & A1+ rated securities; 4.5% in AA+ rated securities, 7.5% in 'D' rated securities; 8.6% in overnight/liquid schemes of mutual funds and 12.9% of fixed deposits. The yield on investments stands at 7.6% for the year ended 31st March 2020. The investments are usually held to maturity. However, Portfolio re-balancing is considered based on opportunities to enhance yield and rationalize duration in line with Asset Liability Management Policy of the Company.

## 8. Human Resources

Your Company, being in the service industry, recognizes the value of Human Capital. Your Company believes that employees are integral to the ongoing and sustained success of the Company. Human Resources Department (HR) of your Company invests continuously in building a motivated and focused human capital to achieve optimized employee performance. HR at your company provides a range of benefits and services as well as advice and guidance on a host of employment situations ranging from its culture, career orientation & opportunities, cohesive work environment, compensation and overall benefits package. Together, this mosaic of attributes makes up the company's Employee Value Proposition.

Your company has an inclusive culture dedicated to product innovation and excellence in teaching – from the Industry Experts and on the job learning, driven through Manager Employee Relationship. Leaders & Managers are encouraged to invest good amount of time in grooming and mentoring not only their teams but also other stakeholders. These aspects are well included as a part of KRA of each Manager. To manage the workforce diversity which has a mix of seasoned experienced professionals to millennials, your company hosts a lot of social/cultural programs like Cultural day, Town Hall, Wellness programs focusing on health and fitness etc.

As on March 31, 2020, your Company had 175 employees on the rolls of the Company.

As a further motivational approach and transparency, Your Company has designed a Target Performance Pay (TPA) at the beginning of the year. TPA is based on dual aspects of the overall company performance and individual performance measured through a well-defined and diversified key area depending upon the focus for the year.

Despite the vagaries of the market it operates in, and certain situations that were beyond its control, your Company has built a positive culture with its People first approach and has kept the morale of the employees high. This has allowed it keep attrition under control, even in adverse conditions.

Your company has boosted gender diversity where by the female employees are 22% of the total employees.

The information required pursuant to the provisions of Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) in respect of employees of the Company shall be made available on request of the Shareholders.

## 9. Customer Service

Your company has constituted Policyholders' Protection Committee which has the responsibility to establish, monitor and guide on appropriate procedures and effective mechanism to be in place for addressing complaints and grievances of policyholders and ensure compliance with the statutory and regulatory requirements. It reviews the Grievance Redressal Mechanism and the status of complaints at periodic intervals.

Your company has put in place strong processes and controls to ensure that we provide best in class services to our customers in first place itself to avoid cause for formation of a grievance. We monitor grievances closely not only for faster resolution & transparent communication but also for process corrections and better controls.

Your company has taken steps to de- mystify technical jargons in easy to understand language through various blogs. Prioritization to new topics is given basis the cause of grievances.

Your company is determined to work towards enhancing policyholder protection and information, has put in place

a process to issue acknowledgement to the policy holder on various touch points like collection of premiums, intimation of renewal, issuance of policy, claim notification, payment of claim and refund of premium, through an automated SMS.

Your company has appointed a Grievance Redressal officer at a senior cadre for reviewing grievances received from customers and ensuring they are resolved within stipulated turnaround time. Your Company has setup an inhouse inbound Contact Center, where the customers can reach out to get their queries addressed 365 days a year between 8am and 8pm. Your company also has customer care email id for all customers and a dedicated email id for senior citizens along with proper escalation levels for ensuring that customers concerns are resolved to their satisfaction in minimal time.

Your company so far has been successfully able to resolve all the customer queries and requests within stipulated timelines as mandated by regulatory authority and ensured communication of resolution to customers. Your Company is using a robust omni channel response management process for customer queries coming on digital media.

Your Company is working towards enhancing customer experience by way of leveraging various digital and technological solutions and innovations towards automation of processes in order to provide advantage to employees, intermediaries, business partners and vendors to ensure ease of business and faster services throughout the customer life cycle journey. Your Company is creating awareness for insurance and its importance through various digital platforms.

## 10. Share Capital

At the beginning of the year under review, the issued, subscribed and paid up equity share capital of the Company was Rs.190,05,00,000/- (Rupees One Hundred Ninety Crores and Five Lacs).

There was infusion of capital of Rs.120,00,00,000/- (Rupees One Hundred and Twenty Crores) during the year by way of rights issue of equity shares to the shareholders of the Company. The Share Capital as on 31st March 2020 stood at Rs.310,05,00,000/- (Rs. Three Hundred Ten Crores and Five Lacs).

## 11. Extract of Annual Return

The extract of the Annual Return in prescribed form MGT-9 is enclosed as **Annexure I**.

Further, the extract to the Annual Return of the Company can also be accessed on the **Company's website** at [www.cocogeneralinsurance.com](http://www.cocogeneralinsurance.com)

## 12. Nomination and Remuneration Policy

The Board of Directors upon recommendation of the Nomination and Remuneration Committee of Directors of the Company has adopted a Policy on nomination, appointment and remuneration for the directors, key managerial personnel and other Senior Management employees in terms of Section 178(3) and (4) of the

Companies Act, 2013 read with Insurance **Regulatory and Development Authority of India ("IRDAI") Corporate Governance Guidelines** dated May 18, 2016 and IRDAI Guidelines on Remuneration of Non - Executive Directors and Managing Directors/ Chief Executive Officer/ Whole Time Directors of Insurers dated August 5, 2016.

The policy inter alia provides appointment criteria and remuneration structure for whole time / Non-Executive Directors/Independent Directors and KMPs.

The candidate for the appointment as Director will be assessed by the Nomination & Remuneration Committee on various attributes such as qualification, experience, skills, expertise, background etc. Additionally, for the post of independent director, the candidate will be assessed on the regulatory prescribed criteria of independence.

The remuneration policy of the Company is within the Guidelines of IRDAI on Remuneration of Non -Executive Directors and Managing Directors/ Chief Executive Officer/ Whole Time Directors of Insurers dated August 5, 2016.

The said policy is available on the website of the Company i.e. [www.cocogeneralinsurance.com](http://www.cocogeneralinsurance.com)

### **Disclosures under IRDAI Guidelines on Remuneration of Non-executive Directors and Managing Director /Chief Executive Officer / Whole-time Directors of Insurers, Dated 5th August 2016**

(i) Qualitative Disclosures:

(a) Information relating to the design and structure of remuneration processes and Key Features and Objectives of the Remuneration Policy:

The Nomination and Remuneration Policy of the company outlines the overall remuneration **framework based on the Company's size and financial position and trends and practices on** remuneration prevailing in the industry, sufficient to attract and retain talent at all levels. The composition of remuneration structure is designed to maintain a reasonable balance between fixed and variable performance linked incentive pay. At Leadership levels Strategic goals and deliverable are linked to Company performance therefore the ratio of performance linked pay is comparatively higher at Senior Leadership levels and increments are lower, whereas in case of Middle level and lower level, the ratio of incremental fixed pay is higher and variable performance linked pay is lower. **The "Measures of Success" along with the parameter and their weightages are approved by the Board of Directors. At the end of the year the performance of the Company against each parameter along with their weightages and achievements are considered to assess the performance of the Managing Director, Key Management Personnel's and other Employees.**

The Nomination and Remuneration Committee whilst recommending the remuneration of the Managing Director and Key Management Personnel's to the Board of Directors for approval consider the above parameters,



which are subject to approval of IRDAI.

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

The Company recognizes that Risk Management is an integral part of governance process. The Board of Directors adopted the Risk Management Policy that defines the main principles adopted to ensure a sound defense against all the risks that could arise from its business activities. The remuneration process of Managing Director and Chief Executive Officer takes into account the risk management related aspects. The Nomination and Remuneration Committee takes into consideration all the aspects of enterprise risk management while assessing the organization and individual performance and making compensation related recommendations to the Board.

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

**The Nomination and Remuneration Committee takes into consideration the “Measures of Success” along with the parameter and their weightages approved by the Board of Directors.** The performance parameters include the business growth, Minimum Solvency Margin, Expenses of Management, Key strategic and operational deliverables including effectiveness of Grievance Redressal and overall Compliance to applicable laws .etc.

- (ii) Quantitative Disclosures:

Particulars	Year ended March 31, 2020
Number of MD/ CEO/ WTDs having received a variable remuneration award during the financial year	1
Number and total amount of sign on awards made during the financial year	
Details of guaranteed bonus, if any, paid as joining/signing bonus	NIL
<b>Breakup of amount of remuneration awarded for the financial year (In Rs.)</b>	
Fixed	Rs. 2,87,50,000/-
Variable	Up to Rs. 1,00,00,000/-
Deferred	NIL
<b>Total amount of outstanding deferred remuneration paid out in the financial year</b>	NIL
Cash	NIL
Shares	NIL
Shares linked instruments	NIL
Others	NIL

**Please note:**

1. Last Instalment amount of Rs. 18,50,915/- which was to be paid on March 21, 2020 as per the terms of appointment will be paid post IRDAI approval.

### 13. Risk Management Framework

The Company has a comprehensive enterprise wide Risk Management Framework (RMF) which encompasses all Business functions. The framework enables the business functions to do periodic self-assessments to identify and assess risks along with relevant controls. The self-assessment facilitates functions to monitor the risks and controls in the light of any changes in view of the changing dynamic business environment. During the year Risk Management Committee of the Board had monitored, assessed the Risk Management process and also discussed the key identified risks along with the steps taken by the Company to manage the same. Whenever new critical risks are identified requiring periodic monitoring, the framework enables the functions to include such risks in their self- assessment. Company believes Risk Management culture is one of the prime importance for managing risk, during the year Company has disseminated the objective and benefits of Risk Management among employees through various discussions & awareness programs which have resulted in functions becoming risk aware and comfortable in discussing risks and build suitable controls to mitigate them.

### 14. Corporate Governance Report

A detailed Report on Corporate Governance is annexed and forms part of this Report at “Annexure II”

### 15. Auditors

#### I. Statutory Auditors and their Report

M/s. J.C.Bhalla & Co (ICAI Firm Registration Number- 001111N), Chartered Accountants and M/s. N. M Raiji & Co (ICAI Firm Registration Number- 108296W), Chartered Accountants, the Joint Statutory Auditors of the Company hold office up to the conclusion of Sixth (6th) Annual General Meeting and Seventh (7th) Annual General Meeting respectively.

The Company has received confirmation from the Joint Statutory Auditors to the effect that their appointment is in terms of Section 139 & Section 141 of the Companies Act, 2013 and that they are not disqualified under the Act and Guidelines issued by the IRDAI.

#### Auditors’ Observations

The Auditors’ Report on the Financial Statements of the Company for the period ended March 31, 2020 is unqualified and the observations made in such Report are self-explanatory and therefore do not call for any further comments.

#### II. Secretarial Auditors

M/s. Anish Gupta & Associates, Company Secretaries in Whole Time Practices carried out the Secretarial audit under the provisions of Section 204 of the Companies Act, 2013; for the financial year 2019-20. The Board has appointed M/s Anish Gupta & Associates as the secretarial auditor for the financial year 2020-21.

The Report of the Secretarial Auditor is annexed

herewith as “Annexure III” to this report.

Observations of the Secretarial Auditors:

As required under Section 149(1) of the Companies Act, 2013 read with (Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014, the Board of Directors could not fill up the intermittent vacancy of a woman director caused due to the resignation of Dr. (Mrs.) Jaya Balachandran on 19th October 2019 within 3 months from the date of such vacancy or in immediate next board meeting, whichever is later. The woman director was appointed by the Board of Directors on 19 February 2020 with a delay of 33 days.

Management Reply:

The management has tried their all efforts to find out the suitable candidate for the designated post. However delay caused due to the time spent to complete the process of selecting the right candidate, interview of various probable candidates, review by the Nomination and Remuneration Committee and then approval by the Board.

## 16. Compliance with Secretarial Standards

Your Company has observed the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government, as prescribed by Section 118 (10) of Companies Act, 2013 as applicable for the Financial Year 2019-20.

## 17. Particulars of Loans, Guarantees or Investments

The provision of Section 186(4) of the Companies Act, 2013 requiring the disclosure in the financial statements of the full particulars of the loans given, investments made or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security is not applicable to the Company.

## 18. Related Party Transactions

As per Section 177 of the Act, the Audit Committee of the Board of Directors approves the related party transactions of the Company. Related party transactions entered during the year under review were in the ordinary course of **business and on an arm's length basis, thus not requiring prior Board's / Shareholders' approval.**

During the year, there were no material contracts or arrangements or transactions at arm's length basis that need to be disclosed in Form AOC-2 as required under the Act. As per Accounting Standard (AS) 18 on 'Related Party Disclosures', the details of related party transactions entered into by the Company are also included in the Notes to Accounts.

## 19. Implementation of Indian AS

IRDAI has issued circular no. IRDAI/ F&A/CIR/ ACTS/ 023/01/2020 dated 21st January 2020 as detailed below:

- a. Ind AS 109 & Ind AS equivalent to IFRS 17 will be implemented together along with all applicable Ind AS. (no more Ind AS 104 for statutory accounts)

- b. IFRS 17 standard will be finalized by the IASB around mid-2020
- c. Regulations will be notified by the IRDAI once MCA notifies IFRS 17 equivalent standard Requirement of submission of Proforma Ind AS Financial on quarterly basis stands dispensed with.

In compliance with the regulatory requirements, the Company has constituted a Steering Committee to oversee the implementation of Ind AS. The scope of the Steering Committee includes evaluating the impact on the following areas:

- (a) Ind AS technical requirements
- (b) Systems and processes
- (c) Business impact
- (d) People
- (e) Project management

The Steering Committee oversees the implementation of Ind AS and the Audit Committee is updated on a quarterly basis.

## 20. Policy for allocation and apportionment of expenses of management

The Board of Directors approved the Policy for allocation and apportionment of expenses of management as per the provisions of Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016. The Board of Directors at its meeting held on 30th October 2018 reviewed the policy without any revision.

## 21. Establishment of Vigil Mechanism

The Company has established vigil mechanism by formulating policies such as Whistle Blower Policy, Code of Conduct & Anti Money Laundering for the employees and any third party to raise concerns internally about possible irregularities, governance weaknesses, financial reporting issues or other such matters of irregularities. The said vigil mechanism provides adequate measures to safeguard the persons who take recourse to such vigil mechanism and in appropriate cases, the concerned person may approach the Chairperson of the respective committee. The Committee oversees the vigil mechanism of the Company. During the year under review there were NIL complaints received under this mechanism.

## 22. Transfer to Reserves

Loss for the year ended March 31, 2020 has been carried to 'Debit balance in Profit & Loss Account' appearing in Balance sheet, part of the Financial Statements of the Company under review.

## 23. Dividend

Your directors do not recommend any dividend for the period ended March 31, 2020.

## 24. Material Changes and Commitments, if any, affecting the Financial Position of the Company which have occurred between the end of the Financial Year of the Company to

## which the Financial Statements Relate and the Date of the Report

Your Directors further state that there is no material change that has taken place affecting the financial position of the Company which has occurred subsequent to the close of the financial year of the Company to which the financial statements relate and the date of this Report.

During the year under review, the net expenditure in foreign currencies amounted to Rs. 8.93 Crores.

## 25. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company does not carry out any manufacturing activity, therefore the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 are not applicable to the Company.

## 26. Details of the Directors & Key Managerial Personnel appointed/ resigned during the period under review

### A. Directors

As on 31st March 2020, your Company has two Non-Executive Director including Chairman, one Additional Woman Director, three Independent Director and one Whole Time Director designated as Managing Director & Chief Executive Officer.

During the year under review three Non-Executive Director representing Wadhawan Global Capital Ltd including the Chairman resigned subsequent to execution of Share Purchase Agreement and one Independent Woman Director also resigned. Three Additional Non- Executive Director including Chairman and one Woman Director was appointed during the year. The details of change in directorship are provided in Corporate Governance Report.

### B. Key Managerial Personnel

During the period under review, the following Key Managerial Personnel (KMP) designated in compliance with the provisions of the Corporate Governance Guidelines dated May 18, 2016 issued by Insurance Regulatory Development Authority of India for Insurers in India were ceased to be KMPs

Sr. No.	Name of Key Managerial Personnel	Designation
1.	Mr. Jatin Arora	Senior Vice President & Chief Risk Officer & Head Strategy
2.	Mr. Ketul Patel	Vice President & Head- Internal Audit
3.	Mr. Harikrishnan VH	Senior Vice President & Chief Digital Officer
4.	Ms. Seema Raghunath	Senior Vice President & Head- Human Resource

## 27. Declaration by Independent Directors under Section 149(6) of the Companies Act, 2013

Independent directors appointed by the Company had provided the declarations pursuant to Section 149(7) of the Companies Act, 2013 at the first meeting of the Board in which they participated as Directors, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

## 28. Annual Performance Evaluation

For the year ended March 31, 2020, in accordance with Section 134(3)(p) of the Companies Act 2013, annual performance evaluation of the Board, its Committees and the Directors individually has been carried out by the Nomination and Remuneration Committee as per the Nomination and Remuneration Policy of the Company.

The Nomination and Remuneration Committee determined the parameters and rating scale to evaluate the performance of Board, its Committees and the Directors individually.

## 29. Corporate Social Responsibility Initiatives

Provisions of the Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company, with reference to the year under review.

## 30. Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures (if any);
- such accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give true & fair view of the state of affairs of the Company as on March 31, 2020 and of the profit and loss of the Company for the period ended on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your company and for prevention and early detection of fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- The Internal Financial Controls to be followed by the Company have been laid down and such controls are adequate and operating effectively;
- proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



### 31. Details of Subsidiary Company

Your Company did not have any Subsidiary Company during the period under review.

### 32. Deposits

The Company has not accepted any deposits from the public within the ambit of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.

### 33. Significant and material Orders passed by the Regulators or Courts

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

### 34. Internal Controls over Financial Reporting with reference to the Financial Statements

The Company's internal control over financial reporting framework are commensurate with the nature of its business and the size and complexity of its operations. These are regularly tested and certified by Statutory as well as Internal Auditors. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. The Company's Internal financial controls over financial reporting with reference to the financial statements were adequate and operating effectively. During the Financial Year 2019 - 2020, M/s. Ernst & Young LLP, conducted an assessment of adequacy and operational efficacy of Internal Controls over Financial Reporting in the Company and report of which was submitted to the Audit Committee of the Board.

### 35. Prevention of Sexual Harassment of Woman Employees at workplace

Your Company is committed to create a healthy working environment in which all employees can work together free from any workplace harassment. The Company believes that all employees and other persons dealing with the Company have a right to be treated with dignity. Sexual harassment is an offence and is punishable. Your

Company has put in place the Policy on Prevention of Sexual Harassment and provided the necessary training to all employees during the year under review.

Details of sexual harassment complaints / cases during the period under review:

No. of complaints/cases received: 1

No. of complaints/cases disposed: 1

### 36. Reporting of frauds by Auditors

During the year under review, Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Act, including rules made thereunder.

### 37. Maintenance of Cost Records

The provision of maintenance of Cost records as per section 148 doesn't applicable on the Company.

### 38. Appreciation and Acknowledgment

Your Directors express their sincere appreciation for the co-operation and assistance received from the Promoter and Group Company for their support and advice.

Your Directors also express their sincere thanks to the Insurance Regulatory and Development Authority of India for its support.

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

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

**On behalf of the Board of Directors Navi General Insurance Limited  
(Formerly Known as DHFL General insurance Limited)**

Sd/-

**Sachin Bansal  
Chairman**

DIN: 02356346

Date: June 10, 2020

Place: Mumbai

# Annexure II

## REPORT ON CORPORATE GOVERNANCE

Corporate Governance aims at defining set of process and practice to enhance the quality of governance at all levels in the organisation. Your Company is committed to the best practices in the area of Corporate Governance, in letter and in spirit. The Corporate Governance depicts commitment to values and ethical business conduct. It is about how an organisation is managed vis-à-vis the corporate and business structures, its culture, policies and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial position of the company, its performance and ownership form part of effective corporate governance.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company adheres to ethical standards which leads to effective management. Good governance practices stem from the culture and mindset of the organisation. It is therefore about enacting regulations and procedures and establishing an environment of trust and confidence among various stakeholders. It enables the Company to maintain high level of business ethics and to optimize the value for all the stakeholders. The Company ensures that its performance goals are aligned with integrity. It is about demonstrating a high level of transparency, accountability and disclosures across the company's operations and in its interaction with its stakeholders, including shareholders, customers, employees, the regulatory authorities and the society.

### 2. BOARD OF DIRECTORS:

#### a. Composition and Category of the Board

The Board of Directors along with its Committees provide strategic leadership and guidance to the Company's Management and oversees & wheels the performance of the Company. The Board's action and decisions are aligned with the philosophy of bringing value and wealth to the stakeholders of the Company.

No Director is related to any other Director on the Board under the degrees of relationship defined under the Companies Act 2013.

The Composition of the Board of Directors is governed by the Companies Act, 2013, Corporate Governance Guidelines issued by the IRDAI and the Articles of Association of the Company.

The Board of Directors of your Company has an optimum combination of Executive, Non-Executive and Independent Directors.

The Board was reconstituted during the Financial Year 2019-20 on account of resignation of Dr. (Mrs) Jaya Balachandran, Mr. Kapil Wadhawan, Mr. Suresh Mahalingam, Mr. Srinath Sridharan and appointment of Mr. Sachin Bansal, Mr. Ankit Agarwal, Ms. Riya Bhattacharya and Mr. G. Srinivasan.

Dr. (Mrs) Jaya Balachandran resigned as Independent Director from the Board with effect from 19th October 2019.

Pursuant to Clause 8.2(c)(I) and Clause 6(b) of the Share Purchase Agreement dated January 2, 2020 executed between the Company, Wadhawan Global Capital Limited ("WGC") and Navi Technologies Private Limited ("Navi"), Mr. Kapil Wadhawan, Mr. Suresh Mahalingam and Mr. Srinath Sridharan resigned from the Board of Directors on 6th February 2020. Further, the Company appointed Mr. Sachin Bansal as Chairman & Non-Executive Director and Mr. Ankit Agarwal as Non-Executive Nominee Director on 6th February 2020. The Company further appointed Ms. Riya Bhattacharya as Additional (Non- Executive Woman) Director with effect from 19th February 2020 and Mr. G. Srinivasan was appointed as Additional (Non- Executive) Director with effect from 9th April 2020.

As on March 31, 2020, the total strength of Board is 8 (Eight) Directors out of which 4 (four) are Non- Executive Director, 3 (Three) are Independent Directors and one Managing Director & Chief Executive Officer. The Chairman of the Company is a Non-Executive Director.

The Composition of the Board of Directors of the Company as at March 31 2020 along with their brief profile is as follows:

#### 1. Mr. Sachin Bansal- Chairman & Non- Executive Director

Mr. Sachin Bansal is the CEO of Navi and former

Chairman and co-founder of Flipkart, India's leading e-commerce marketplace, acquired by Walmart in 2018. Under his leadership, Flipkart has pioneered innovations that have redefined the e-commerce ecosystem in India, e.g. cash on delivery, replacement guarantees on products, UPI payments, owned logistics network, etc. An Indian software engineer and Internet entrepreneur, Mr. Sachin Bansal graduated from IIT-Delhi with a degree in Computer Science in 2005. He was named World 40 under 40 by Fortune Magazine in 2012, Entrepreneur of the year by Economic Times in 2013, and TIME Magazine 100 most influential people in the world in 2016. He has served on Government committees for skill development in India.

## **2. Mr. Ankit Agarwal- Non-Executive Nominee Director**

Mr. Ankit Agarwal is Chief Financial Officer at Navi Technologies Private Limited. He has extensive experience in banking spanning over 10 years. He has held senior positions in the treasury department across Deutsche Bank and Bank of America in their Mumbai offices. His contribution among other things included market-making and trading in Corporate & Government Bonds as well as syndication of primary issuances of bonds. Ankit has an MBA from IIM Ahmedabad and B. Tech. from IIT Delhi.

## **3. Ms. Riya Bhattacharya – Additional (Non-Executive Woman) Director**

Ms. Riya Bhattacharya heads strategy at Navi Technologies Private Limited. She has extensive experience in investing and building high growth companies. She started her career with Merrill Lynch in New York and then worked as a research analyst with Credit Suisse, where she covered companies across markets in India and US. After that, she joined Peepul Capital as a Private Equity investor, where she led several investments. She was on the boards of her portfolio companies where she played a key role in strategy, leadership hiring, business finance, fundraise and corporate governance. Riya has an MBA from IIM Ahmedabad and B. Tech. from IIT Kanpur.

## **4. Mr. G. Srinivasan - Additional (Non- Executive) Director**

Shri G. Srinivasan has more than 38 years of experience in the General Insurance Industry both in India and abroad. A well-known name in the Indian financial sector, he is the longest serving CMD of Public Sector Insurance Companies. His last appointment was that of Chairman-cum-Managing Director of the largest Indian Insurer, The New India Assurance Co. Ltd. Prior to joining The New India Assurance Company Ltd. in 2012, he was the Chairman-Cum-Managing Director of The United India Insurance Company Limited. Earlier he had served as MD of The New India Assurance Co. (Trinidad & Tobago) Ltd., Port of Spain. He is a Commerce Graduate from Madras

University, and an Associate of Institute of Cost and Management Accountants of India, and a Fellow of Insurance Institute of India.

## **5. Mr. Sunjoy Joshi - Independent Director**

Mr. Sunjoy Joshi joined the Madhya Pradesh Cadre of the prestigious Indian Administrative Services in 1983 but has taken premature retirement from the service in 2009 in order to pursue his primary interests in energy and environment.

During his career spanning over 25 years in the Indian Administrative Service, Sunjoy has gained experience across the conventional as well as non-conventional energy sectors. He has handled oil and gas exploration as Joint Secretary in the Ministry of Petroleum and Natural Gas and was the Government nominated Director on the Boards of ONGC, OVL, OIL and MRPL. Mr. Sunjoy headed the Madhya Pradesh Energy Development Agency as its Managing Director and served as Chairman of M.P. Windfarms.

He has been Visiting Associate at the International Institute of Strategic Studies, London as well as Distinguished visitor to the Programme on Energy and Sustainable Development, University of Stanford, USA.

He joined Observer Research Foundation in January 2007. He is a Chairman of the Foundation. His expertise areas are Energy, Climate Change, Development Studies.

He has a Master's Degree in English Literature from Allahabad University, India, as well as in Development Studies from University of East Anglia, Norwich. He also studied Upstream Economics and Risk Analysis at the Petroleum Economist, Woking, UK.

## **6. Mr. G.P. Kohli – Independent Director**

Mr. G. P. Kohli is the former Managing Director of Life Insurance Corporation of India (LIC) and has vast experience in the fields of insurance, housing, human resource development, information technology and marketing, having worked in different positions at LIC. He holds Master's Degree in English Literature and has acquired a Diploma in Labour Laws, Labour Welfare and Personnel Management - LLD.

## **7. Mr. Kaushal Kishore Mishra – Independent Director**

Mr. Kaushal Kishore Mishra is the former CEO & MD of Tata-AIG General Insurance Ltd. He is Fellow Life Member of Institute of Directors since 2014. He worked in various capacities at Tata AIA General Insurance before taking up role as CEO & MD such as Executive Vice President – Operations and Systems & Zones, Handled Claims Management and Member of Core Team for setting Tata AIG.

Mr. Mishra also worked in various capacities at General Insurance Corporation (GIC)/ United India Insurance Co. Ltd. from 1979-2000.

Mr. Mishra conceptualized and developed India's First Specialized Professional Claims vertical that brought in the concept of "in-house assessment" in Indian market- This coupled with close interaction and prudent underwriting resulted in overall several points lower loss ratio compared to that of the nearest Competitor Company for last ten years.

Mr. Mishra was instrumental in changing the appetite and building an aggressive business culture of the organization as CEO at Tata AIG.

#### 8. Mr. Vijay Sinha – Managing Director & Chief Executive Officer (Up to 13th May 2020)

Mr. Vijay Sinha has over 30 years of experience in the Indian Financial Sector, primarily in the life insurance space.

A career that started with LIC in 1985 before moving into the private insurance space in 2001 as a founding member of Bajaj Allianz Life Insurance Company, where he was the Head of Marketing & Product Development before taking over as National Sales Manager (Agency) heading half the country.

Joined Tata AIA Life in 2004 as VP & Head of Distribution Training & Development, building one of the most admired training teams with an ISO-9001:2008 Trainer Certification Process. In his 10-year stint with Tata AIA Life, he headed the entrepreneurial retail Agency Model as its Asstt. Director of Agency. Has also headed the successful set up and launch of the Unit Manger Agency Vertical of Tata AIA Life. Apart from heading Agency - both Sales & Training - has also headed Agency Channel Development, Agency Best Practices, Direct Sales Force

Channel, Marketing, Corporate Communication and the Product Development departments. Prior to moving on from Tata AIA Life, also spearheaded the Sales Force Automation Project at Tata AIA Life.

Post a short stint as CMO of Bajaj Allianz Life Insurance in 2014, moved from the life insurance into the housing finance industry in November 2014 as President & Business Head for Home Loans, Retail Liability at the 2nd largest Housing Finance Company in the private sector - DHFL. In December 2014, he took over as President (New Initiatives) with the responsibility of spearheading projects to transform DHFL into a full-fledged financial conglomerate.

Mr. Vijay Sinha, Managing Director & CEO of the Company resigned on 13th May 2020. On account of the presently vacant position of Managing Director & CEO, Mr. Ramchandra Pandit, Senior Vice President & Chief Distribution officer, discharging the responsibility of Managing Director & Chief Executive Officer w.e.f. 13th May 2020

b. Number of Board Meetings held and attendance during 2019-20:

During the period under review, 8 (EIGHT) Board Meetings were held, i.e., on 25th April 2019, 12th August 2019, 23rd October 2019, 13th December 2019, 23rd January 2020, 6th February 2020, 24th February 2020 and 24th March 2020. . The provisions of the Companies Act, 2013 and Rules framed thereunder read with Secretarial Standard on meetings of the Board of Directors were adhered to while considering the time gap between any two consecutive meetings.

#### Attendance of Directors in the Board Meetings held during the Period under Review:

Name of the Director	Category	No of Board Meetings attended	
		Held during tenure	Attended
Mr. Kapil Wadhawan*	Chairman & Non-Executive Director	6	1
Mr. Suresh Mahalingam*	Non-Executive Director	6	6
Mr. Srinath Sridharan*	Non-Executive Director	6	5
Mr. Sachin Bansal**	Chairman & Non-Executive Director	2	0
Mr. Ankit Agarwal**	Non-Executive Nominee Director	2	2
Ms. Riya Bhattacharya***	Additional (Non- Executive Woman) Director	2	1
Mr. G. Srinivasan #	Additional (Non- Executive) Director	0	0
Mr K. K. Mishra	Non-Executive Independent Director	8	8
Mr. Sunjoy Joshi	Non-Executive Independent Director	8	5
Mr. G. P. Kohli	Non-Executive Independent Director	8	8
Dr (Mrs) Jaya Balachandran ##	Non-Executive Independent Director	2	2
Mr. Vijay Sinha	Managing Director Chief Executive Officer	8	8

\* Mr. Kapil Wadhawan, Mr. Suresh Mahalingam and Mr. Srinath Sridharan resigned from the Board of the Company on 6th February 2020.

\*\* Mr. Sachin Bansal and Mr. Ankit Agarwal were appointed on the Board of the Company on 6th February 2020.

\*\*\* Ms. Riya Bhattacharya was appointed on the Board of the Company with effect from 19th February 2020.

# Mr. G. Srinivasan was appointed on the Board of the Company with effect from 9th April 2020.

## Dr. (Mrs.) Jaya Balachandran resigned from the Board of the Company on 19th October 2019.

## 5. COMMITTEES OF THE BOARD

### a) Composition and attendance

The Board has constituted 5 (Five) mandatory Committees namely the Audit Committee, Nomination and Remuneration Committee, Investment Committee, Risk Management Committee and Policyholders Protection Committee as per the Companies Act, 2013 read with Corporate Governance Guidelines issued by IRDAI.

The composition and attendance of the above-mentioned Committees are as under-

#### Audit Committee

Mr. K K Mishra, Chairman of the Audit Committee, is an

Sr No	Name of Members	Category	Meetings Held during the Year	Meetings Attended during the Year
1.	Mr. K. K. Mishra –Chairman	Non-Executive Independent Director	5	5
2.	Mr. Sunjoy Joshi	Non-Executive Independent Director	5	5
3.	Mr. Suresh Mahalingam*	Non-Executive Director	4	4
4.	Mr. Sachin Bansal*	Chairman of the Board & Non-Executive Director	1	0

\*Consequent to the reconstitution of Board of the Company pursuant to Clause 6 (f) of the Share Purchase Agreement (SPA) entered between Wadhawan Global Capital Limited (Seller), Navi Technologies Private Limited (Purchaser) and the Company, the Audit Committee was re-constituted on 6<sup>th</sup> February 2020.

#### Nomination and Remuneration Committee

Mr. Sunjoy Joshi is an Independent Director and Chairman

Sr No	Name of Members	Category	Meetings Held during the Year	Meetings Attended during the Year
1	Mr. Sunjoy Joshi –Chairman	Non-Executive Independent Director	5	4
2	Mr. Kapil Wadhawan*	Chairman of the Board & Non-Executive Director	4	0
3	Mr. G. P. Kohli	Non-Executive Independent Director	5	5
4.	Mr. Suresh Mahalingam*	Non-Executive Director	4	4
5.	Mr. Sachin Bansal*	Chairman of the Board & Non-Executive Director	1	0
6.	Mr. Ankit Agarwal*	Non-Executive Nominee Director	1	1

\*Consequent to the reconstitution of Board of the Company pursuant to Clause 6 (f) of the Share Purchase Agreement (SPA) entered between Wadhawan Global Capital Limited (Seller), Navi Technologies Private Limited (Purchaser) and the Company, the Nomination and Remuneration Committee was re-constituted on 6<sup>th</sup> February 2020.

#### Investment Committee

The Investment Committee is comprised of two Non-

Sr No	Name of Members	Category	Meetings Held during the Year	Meetings Attended during the Year
1	Mr. Kapil Wadhawan- Chairman	Chairman of the Board & Non-Executive Director	5	0
2	Mr. K. K. Mishra	Non-Executive Independent Director	6	6
3	Mr. Suresh Mahalingam	Non-Executive Director	5	5
4	Mr. Sachin Bansal*- Chairman	Chairman of the Board & Non-Executive Director	1	0
5	Mr. Ankit Agarwal*	Non-Executive Nominee Director	1	1
6	Dr (Mrs) Jaya Balachandran**	Non-Executive Independent Director	1	1
7	Mr. Vijay Sinha	Managing Director & Chief Executive Officer	6	6
8	Mr. Vishal Garg	Chief Financial Officer	6	6
9	Mr. Jatin Arora**	Senior Vice President, Chief Risk Officer & Head Strategy	1	1
10	Mr. Alok Sharma	Head Investment	6	5
11	Prasun Sarkar	Senior Vice President & Appointed Actuary	6	5

Independent Director of the Company and is an eminent personality of insurance industry with a strong Financial and Management analysis background. The association of the CEO in the Audit Committee is limited to occasions where the Audit Committee requires eliciting any specific information concerning audit findings.

The constitution and Terms of Reference of the Committee are in compliance with the requirements of Section 177 of the Companies Act, 2013 and Corporate Governance Guidelines issued by IRDAI. The Head of Finance Function i.e. Chief Financial Officer, Appointed Actuary, Statutory Auditors and Internal Audits & CRO are invited to attend the meetings of the Audit Committee. The Composition of the Committee is as under -

of the Nomination and Remuneration Committee of the Company. As per Corporate Governance Guidelines of the IRDAI, half of the Committee comprises of the Independent Directors. The constitution and Terms of Reference of the Committee are in compliance with the requirements of Section 178 of the Companies Act, 2013 and Corporate Governance Guidelines issued by IRDAI. The Composition of the Committee is as under -

Executive Directors, one Independent Director, the Chief Executive Officer, Chief of Finance, Chief of Investment, Chief Risk Officer and, the Appointed Actuary as per the Corporate Governance Guidelines of IRDAI. The constitution and Terms of Reference of the Committee are in compliance with the requirements of Corporate Governance Guidelines and IRDAI (Investment) Regulations, 2016, issued by IRDAI. The Composition of the Committee is as under -



\*Consequent to the reconstitution of Board of the Company pursuant to Clause 6 (f) of the Share Purchase Agreement (SPA) entered between Wadhawan Global Capital Limited (Seller), Navi Technologies Private Limited (Purchaser) and the Company, the Investment Committee was re-constituted on 6<sup>th</sup> February 2020. Mr. Sachin Bansal was appointed as the Chairman of the Committee.

\*\*Dr (Mrs) Jaya Balachandran resigned from the Board of the Company with effect from 19<sup>th</sup> October 2019.

\*\*\*Mr. Jatin Arora resigned as Senior Vice President, Chief

Risk Officer & Head Strategy with effect from 24<sup>th</sup> May 2019.

#### Policyholders' Protection Committee

The Policyholders' Protection Committee is headed by a Non-Executive Director and includes an expert/ representative of customers as an invitee to enable insurers to formulate policies and assess compliance thereof. The constitution and Terms of Reference of the Committee follow the requirements of Corporate Governance Guidelines issued by IRDA. The Composition of the Committee is as under -

Sr No	Name of Members	Category	Meetings Held during the Year	Meetings Attended during the Year
1	Mr. Suresh Mahalingam- Chairman*	Non-Executive Director	4	4
2	Mr. Srinath Sridharan*	Non-Executive Director	4	4
3	Mr. G. P. Kohli	Non-Executive Independent Director	4	4
4	Mr. Sunjoy Joshi	Non-Executive Independent Director	4	4
5	Mr. Sachin Bansal*- Chairman	Chairman of the Board & Non-Executive Director	0	0
6	Mr. Ankit Agarwal*	Non-Executive Nominee Director	0	0
7	Mr. Madan Bezbaruah	Permanent Invitee as Customer Representative	4	2

\*Consequent to the reconstitution of Board of the Company pursuant to Clause 6 (f) of the Share Purchase Agreement (SPA) entered between Wadhawan Global Capital Limited (Seller), Navi Technologies Private Limited (Purchaser) and the Company, the Policyholders' Protection Committee was re-constituted on 6<sup>th</sup> February 2020. Mr. Sachin Bansal was appointed as the Chairman of the Committee.

Mr. Madan Bezbaruah was appointed as a permanent invitee w.e.f. 19 January 2018 representing the interest of the Policyholders.

Mr. Madan Prasad Bezbaruah, a retired IAS officer was

Secretary, Ministry of Tourism, Government of India for five years from January 1997 to December 2001. After retirement he was Banking Ombudsman of Reserve Bank of India from 2003 to 2006 and recently was Member, North Eastern Council (in the rank of Minister of State). He is also honorary Permanent Representative of UN-WTO and Hon Adviser of Administrative Staff College of India.

#### Risk Management Committee

The constitution and Terms of Reference of the Risk Management Committee is according to the requirements of Corporate Governance Guidelines issued by IRDA. The Composition of the Committee is as under -

Sr No	Name of Members	Category	Meetings Held during the Year	Meetings Attended during the Year
1	Mr. Kapil Wadhawan- Chairman*	Chairman of the Board & Non-Executive Director	4	0
2	Mr. K. K. Mishra	Non-Executive Independent Director	4	4
3	Mr. Suresh Mahalingam*	Non-Executive Director	4	4
4	Mr. Sachin Bansal*- Chairman	Chairman of the Board & Non-Executive Director	0	0
5	Mr. Ankit Agarwal*	Non-Executive Nominee Director	0	0
6	Dr (Mrs) Jaya Balachandran**	Non-Executive Independent Director	1	1

\*Consequent to the reconstitution of Board of the Company pursuant to Clause 6 (f) of the Share Purchase Agreement (SPA) entered between Wadhawan Global Capital Limited (Seller), Navi Technologies Private Limited (Purchaser) and the Company, the Risk Management Committee was re-constituted on 6<sup>th</sup> February 2020. Mr. Sachin Bansal was appointed as the Chairman of the Committee.

\*\*Dr (Mrs) Jaya Balachandran resigned from the Board of the Company with effect from 19<sup>th</sup> October 2019.

#### 6. INDEPENDENT DIRECTOR'S MEETING

The code of conduct for Independent Directors

prescribed vide Schedule IV of the Companies Act, 2013, provides for an evaluation mechanism for the Board/Chairperson/Non-executive Directors/ Wholtime Directors which would need to be done at a separate Meeting of Independent Directors, without the attendance of Non-Independent Directors and members of management.

Independent Directors of the Company met on October 23, 2019 for Financial Year 2019-20 to inter-alia discuss the performance evaluation of the Board, the Chairman & the Non Independent Directors.

#### 7. DETAILS OF DIRECTORS' REMUNERATION (2019-20)

Remuneration of Independent Directors: The details of the Sitting Fees paid to the Independent Directors of

the Company during the Financial Year 2019-20 is as follows:

Name of Director	Fees for Board meeting	Fees for Committee meeting	Total
Mr. G P Kohli	3,20,000	2,25,000	5,45,000
Mr. K K Mishra	3,20,000	3,75,000	6,95,000
Mr. Sunjoy Joshi	2,00,000	3,25,000	5,25,000
Dr. (Mrs) Jaya Balachandran	80,000	50,000	1,30,000

#### 8. GENERAL BODY MEETINGS (During the Financial Years):

Extra Ordinary General Meetings held during last 3 Financial Years are as under:

The details of the Annual General Meeting and the

Year	AGM/EGM	Date	Venue	Business transacted by Special Resolution
2017-18	AGM	June 27, 2017	10th Floor, TCG Financial Centre, BKC Road, Bandra Kurla Complex, Bandra (East), Mumbai 400098	Appointment of Mr. Vijay Sinha (DIN: 07711564) as Managing Director & Chief Executive Officer of the Company.
18-19	AGM	27 <sup>th</sup> June 2018	10th Floor, TCG Financial Centre, BKC Road, Bandra Kurla Complex, Bandra (East), Mumbai 400098	<ul style="list-style-type: none"> <li>Appointment of Dr. (Mrs)Jaya Balachandran (DIN:07019087 as Non -Executive Independent Director</li> <li>Revision in the remuneration of Mr. Vijay Sinha, Managing Director &amp; Chief Executive Officer of the Company. (DIN: 07711564)</li> </ul>
19-20	AGM	12 <sup>th</sup> August 2019	402, 403 & 404, A & B Wing, Fulcrum, Next to Hyatt Regency, Andheri (East), Mumbai - 400099	<ul style="list-style-type: none"> <li>Revision in the remuneration of Mr. Vijay Sinha, Managing Director &amp; Chief Executive Officer of the Company. (DIN: 07711564)</li> </ul>
19-20	EGM	14 <sup>th</sup> February 2020	3rd Floor, Salarpuria Business Center, 93, 5th A Block, Koramangala Ind Layout Bangalore-560095, Karnataka	<ul style="list-style-type: none"> <li>Change of name of the Company from "DHFL General Insurance Limited" to "Navi General Insurance Limited".</li> <li>Alteration of the Memorandum of Association and Articles of Association of the Company.</li> <li>Appointment of Mr. Sachin Bansal (DIN 02356346) as Chairman &amp; Non- Executive Director of the Company.</li> <li>Appointment of Mr. Ankit Agarwal (DIN: 08299808) as Non- Executive Director of the Company</li> </ul>

#### 9. Recording of the Minutes and Proceedings of Various Meetings:

The Company Secretary of the Company is responsible for recording the Minutes and proceedings of various meetings of the Board, General Meetings of the Members and the Meetings of the Committees of the Board.

The finalized Minutes and proceedings of the meetings are entered into the Minutes Book within 30 days from the conclusion of the meeting.

during the period under review. The Company has a Whistle Blower Policy duly approved by the Board of Directors and any employee, if he/ she desires, has free access to meet or communicate with the Senior Management and report any matter of concern.

All the mandatory requirements of Corporate Governance Guidelines issued by IRDAI as amended from time to time are complied with.

#### 10. SUBSIDIARY COMPANY:

The Company does not have any subsidiary companies.

#### 11. DISCLOSURES

There were no materially significant related party transactions with the promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in the Notes to the Accounts forming part of the Annual Report. There were no cases of any penalties or strictures imposed by any statutory authority for any violation related to the non-compliance of breach of any Regulations

#### "CERTIFICATION FOR COMPLIANCE OF THE CORPORATE GOVERNANCE GUIDELINES"

I, Manish Pahwa, hereby certify that the Company has complied with the Corporate Governance Guidelines issued by Insurance Regulatory & Development Authority for Insurance Companies, as amended from time to time, and nothing has been concealed or suppressed to the best of my knowledge.

Sd/-

**Manish Pahwa**

Company Secretary, Head Legal & Compliance  
Navi General Insurance Limited  
(Formerly known as DHFL General Insurance Limited)  
Mumbai

# Annexure III

## FORM NO. MR.3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,  
The Members,  
**NAVI General Insurance Limited**  
(Previously known as DHFL General Insurance Limited)  
Mumbai

We have conducted the Secretarial Audit of Navi General Insurance Limited (previously known as DHFL General Insurance Limited) (hereinafter called the "Company") to review the compliance of applicable statutory provisions and the adherence to good corporate practices. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances/ board process and expressing our opinion thereon.

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

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

- (i) The Companies Act, 2013 (the "Act") and the rules made thereunder, as may be applicable.
- (ii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder.
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the

extent of Foreign Direct Investment; and

- (iv) Based on the representation made by the Company and its officers, the Company has adequate system and process in place for compliance under the other applicable Laws, Acts, Rules, Regulations, Guidelines and Standards including the following:
  - (i) Insurance Act, 1938 and The Insurance Law (Amendments) Act, 2015; and
  - (ii) Insurance Regulatory and Development Authority Act, 1999 ("IRDA") and the rules, regulations, circulars, guidelines, instructions etc. issued by IRDAI.

Other major Statutes, Acts, Laws, Rules, Regulations, Guidelines and Standards etc., applicable to the Company, as per the details provided by the management of the company, are given below:

- (i) Maharashtra Shops and Establishments Act, 1948; and Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017;
- (ii) Maharashtra Labour Welfare Fund Act, 1953;
- (iii) The Minimum Wages Act, 1948;
- (iv) Payment of Wages Act 1936 and Payment of Wages (Amendment) Act, 2017;
- (v) The Equal Remuneration Act, 1976;
- (vi) The Maternity Benefits Act, 1961 and The Maternity Benefit (Amendment) Act 2017;
- (vii) Contract Labour (Regulation and Abolition) Act, (for branches wherever applicable), 1970;
- (viii) Payment of Bonus Act, 1965;
- (ix) Professional Tax Act, 1975;
- (x) Maharashtra State Tax on Profession, Trade, Callings and Employments Act 1975;
- (xi) Payment of Gratuity Act, 1972, The Payment of Gratuity (Amendment) Act, 2018;
- (xii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013;
- (xiii) The Employment Provident Funds and Miscellaneous Provision Act, 1952.

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

- (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;



- (iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

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

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

(1)As required under Section 149(1) of the Companies

Act, 2013 read with (Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014, the Board of Directors could not fill up the intermittent vacancy of a woman director caused due to the resignation of Dr. (Mrs.) Jaya Balachandran on 19th October 2019 within 3 months from the date of such vacancy or in immediate next board meeting, whichever is later. The women director was appointed by the Board of Directors on 19.02.2020 with a delay of 33 days.

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

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

Majority decisions are carried through and recorded in the minutes and there were no dissenting members for any decisions in the Board or committee meetings during the period under review.

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

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

S.No.	Date of Events	Details of Events
1.	6th February 2020	<b><u>Change of Management and Shareholding control</u></b> The 100% shareholding of the Company was acquired by Navi Technologies Private Limited from Wadhawan Global Capital Limited (promoter of the company). The Share Transfer and Allotment Committee of the Company has approved the transfer of shares on 6 <sup>th</sup> February 2020.
2	14 <sup>th</sup> February 2020	<b><u>Change of Name</u></b> The name of Company was changed from "DHFL General Insurance Limited" to "Navi General Insurance Limited" in the Extra Ordinary General Meeting held on 14.2.2020 and the Company has obtained the fresh certificate of incorporation from the office of Registrar of Companies, Mumbai on 11 <sup>th</sup> March 2020.
3.	27 <sup>th</sup> February 2020	The Company has issued and allotted 30,000,000 equity shares at Rs. 10/- each on right basis under Section 62(1) of the companies Act, 2013
4.	27 <sup>th</sup> March 2020	The Company has issued and allotted 90,000,000 equity shares at Rs. 10/- each on right basis under Section 62(1) of the companies Act, 2013

**For Anish Gupta & Associates**  
**Company Secretaries**  
**Anish Gupta**  
**Proprietor**  
**FCS: 5733, CP No. 4092**  
**FRN: I2001MH236100**  
**UDIN:F005733B000324161**

**Place: Mumbai,**  
**Date: 08-06-2020**

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

## “Annexure A”

To,  
The Members,  
**NAVI General Insurance Limited**  
(Previously known as DHFL General Insurance Limited)  
Mumbai

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of

Accounts of the Company.

4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures and systems on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. “In view of the restrictions imposed by the Government of India on the movement of people across India to contain the spread of Covid-19 pandemic, which led to the complete lockdown across the nation, we have relied on electronic data for verification of certain records as the physical verification was not possible.”

**For Anish Gupta & Associates**  
**Company Secretaries**  
**Anish Gupta**  
**Proprietor**  
**FCS: 5733, CP No. 4092**  
FRN: I2001MH236100  
UDIN:F005733B000324161

**Place: Mumbai,**  
**Date: 08-06-2020**



# MANAGEMENT REPORT



MANAGEMENT  
REPORT

# MANAGEMENT REPORT

In accordance with the provisions of the Insurance Regulatory & Development Authority of India (IRDAI) (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 ('Regulation') the following Management Report for the year ended March 31, 2020 is submitted

With respect to the operations of Navi General Insurance Limited for the year ended 31<sup>st</sup> March 2020 and results thereof, the Management of the Company confirms and declares that:

1. The Company has received the license to carry on insurance operations from Insurance Regulatory and Development Authority of India (IRDAI) on May 22, 2017 and the same is valid and holds a valid certificate of registration.
2. All dues payable to the statutory authorities have been paid to the extent they have fallen due.
3. The shareholding pattern is in accordance with the statutory and regulatory requirements as required under the Insurance Act, 1938 and the IRDAI (Registration of Indian Insurance Companies) Regulations. By virtue of the execution of a Share Purchase Agreement (SPA) between the Company, Wadhawan Global Capital Limited (WGC) (erstwhile promoters) and Navi Technologies Private Limited (Navi) (new promoters) on January 2, 2020, WGC have transferred their entire holding in the Company of 19,00,50,000 equity shares to Navi.

The said transfer of holding representing 100% of the equity share capital of the Company has taken place on February 6, 2020, after receipt of IRDAI approval for transfer of shares vide their letter no. 405/F&A(NL)/DHFL/ToS/01/2019-20/441 dated February 4, 2020.

The Company has also obtained the approval of the Ministry of Corporate Affairs on March 11, 2020, subsequent to which, the name of the Company has been changed to 'Navi General Insurance Limited'.

Navi Technologies Private Limited, have after acquiring 100% equity stake in the Company, infused further capital of Rs 120 crores, by way of right issue of shares.

The details of capital infusion are tabulated below:

Tranch No.	Date of allotment	No. of equity Shares	Share Capital (₹ '000)
1.	February 27, 2020	3,00,00,000	3,00,000
2.	March 27, 2020	9,00,00,000	9,00,000
<b>Total</b>		<b>12,00,00,000</b>	<b>12,00,000</b>

4. The Management has not invested directly or indirectly outside India any funds of its policyholders in India.
5. The required solvency margin under the Insurance Act, 1938 has been maintained.
6. The values of all the assets have been reviewed on the date of Balance Sheet and in Management's belief, the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the headings – "Loans", "Investments", "Agents balances", "Outstanding Premiums", "Interest, Dividends and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the several items specified under "Other Accounts".
7. The Company is exposed to a variety of risks associated with its insurance business and the investment portfolio. The Company strives to maintain a diversified portfolio of insurance products across various lines of business. The Company is also adequately covered by Reinsurance including a "Catastrophe and Risk Excess of Loss Insurance". The limits of the reinsurance treaty are set based on estimated accumulations of risk. The reinsurance treaties have been filed with IRDAI. The investment portfolio is diversified and has been made as per the exposure norms set under the IRDAI regulations.

The Company has adopted an integrated approach to risks management and has constituted Risk Management Committee with the members of the Board of Directors with an objective to outline the risk profile of the Company and develop a strong risk management system and sound mitigation strategies. The Risk Management Committee assists the Board of Directors to formulate, monitor and revise strategies related to assets and liabilities management to achieve the financial objectives of the Company, given its risk appetite, risk tolerances and business profile.

8. The Company does not have insurance operations outside India.
9. In the Financial Year 2019-20 a total of 12,625 claims were reported and 12,131 claims were settled with an overall settlement ratio of 96%. Ageing analysis of claims outstanding during the preceding five years

- are given in Annexure 1. The trend in average claim settlement time during the preceding five years are given in Annexure 2. Number of claims intimated are given in Annexure 3.
10. The values, as shown in the Balance Sheet, of the investments which consists of fixed income securities and mutual fund units have been valued as per applicable provisions of IRDAI. Fixed income securities are valued at historical cost adjusted for amortization of premium/discount. The investments in the Mutual Funds are valued at the Net Asset Values (NAV) of the Mutual funds as on the Balance Sheet date. All government securities and corporate bonds are valued at historical cost subject to amortization of premium/discount. For the purpose of disclosure, fair market value has been arrived at by using prices/yields obtained from FIMMDA.
  11. The Company follows the Investment philosophy of 'Safety, Liquidity and sustainable Returns'. Accordingly, the portfolio is composed of high quality assets i.e Government Securities, corporate bonds with a minimum rating of AA, Bank Deposits and liquid Mutual Funds. Further investments are managed in consonance with the investment policy framed from time to time by the board and are within investment regulations and guidelines of IRDAI.
  12. The portfolio is monitored on a dynamic basis to optimize returns while keeping the risk at the minimum. Based on the past track record, the Management is confident of the quality and performance of the investments, in line with the investment philosophy. The Company has carried out periodic review of the investment portfolio and provision has been made in the books with regard to investment pertaining to Infrastructure Leasing & Financial Services (IL&FS) group and Dewan Housing Finance Corporation Limited (DHFL) on prudent basis.
  13. The Management of Navi General Insurance Limited certifies that:
    - a. The financial statements of have been prepared in accordance with the applicable accounting standards, principles and policies and disclosures have been made, wherever the same is required. There is no material departure from the standards, principles and policies;
    - b. The Company has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the financial year and of the operating loss of the Company for the year;
    - c. The management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (4 of 1938) and its subsequent amendments and Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
    - d. The financial statements have been prepared on a going concern basis;
    - e. The management has set up an internal audit system commensurate with the size and nature of the business and the same is operating effectively.
  14. The schedule of payments, which have been made to individuals, firms, companies and organizations in which the Directors of the Company are interested are given in Annexure 4

For and on behalf of the Board of Directors

**Sachin Bansal**  
Chairman  
DIN: 02356346  
Bengaluru

**Ankit Agarwal**  
Director  
DIN: 08299808  
Bengaluru

**Riya Bhattacharya**  
Director  
DIN: 07071729  
Bengaluru

**Ramchandra Pandit**  
Senior Vice President &  
Chief Partnership  
Distribution Officer\*  
Mumbai

**Vishal Garg**  
Chief Financial Officer  
M. No: 097735  
Mumbai

**Manish Pahwa**  
Company Secretary  
M. No: A18876  
Mumbai

Date: June 10, 2020

\* On account of the MD/CEO position being vacant, Mr. Ramachandra Pandit is currently discharging the responsibilities of the MD/CEO's office in an interim capacity

**Annexure-1:**

Ageing analysis of claims outstanding during the five preceding year ended March 31, 2020

**FY 2019-20**

(₹ in '000)

Ageing in Days	Fire		Motor Own Damage		Motor Third Party		Personal Accident		Health Insurance		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
0 - 30 Days	3	235	315	15,251	21	9,253	3	1,130	82	11,813	424	37,683
31 days to 6 Months	6	901	197	15,669	86	75,060	2	1,125	24	4,066	315	96,821
6 months to 1 Year	0	-	22	4,181	18	19,065	0	-	0#	1,954	40	25,200
1 Year to 5 Year	1	84	0	-	1	1,068	1	1,209	0#	193	3	2,554
5 Year and above	0	-	0	-	0	-	0	-	0	-	0	-
<b>Total</b>	<b>10</b>	<b>1,220</b>	<b>534</b>	<b>35,101</b>	<b>126</b>	<b>1,04,447</b>	<b>6</b>	<b>3,464</b>	<b>106</b>	<b>18,026</b>	<b>782</b>	<b>1,62,258</b>

# Coinsurance Cases where Navi GI is Follower hence no. of claims reported is Nil

**FY 2018-19**

(₹ in '000)

Ageing in Days	Fire		Motor Own Damage		Motor Third Party		Personal Accident		Health Insurance		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
0 - 30 Days	4	270	65	2,220	0	-	4	4,700	170	13,384	243	20,574
31 days to 6 Months	1	220	14	1,763	1	576	2	1,545	26	1,067	44	5,171
6 months to 1 Year	0	-	0	-	0	-	0	-	0	-	0	-
1 Year to 5 Year	0	-	0	-	0	-	0	-	0	-	0	-
5 Year and above	0	-	0	-	0	-	0	-	0	-	0	-
<b>Total</b>	<b>5</b>	<b>490</b>	<b>79</b>	<b>3,984</b>	<b>1</b>	<b>576</b>	<b>6</b>	<b>6,245</b>	<b>196</b>	<b>14,451</b>	<b>287</b>	<b>25,745</b>

**FY 2017-18**

(₹ in '000)

Ageing in Days	Fire		Health Insurance		Total	
	No.	Amount	No.	Amount	No.	Amount
0 - 30 Days	4	245	4	228	8	473
31 days to 6 Months	-	-	-	-	-	-
6 months to 1 Year	-	-	-	-	-	-
1 Year to 5 Year	-	-	-	-	-	-
5 Year and above	-	-	-	-	-	-
<b>Total</b>	<b>4</b>	<b>245</b>	<b>4</b>	<b>228</b>	<b>8</b>	<b>473</b>

**Annexure-2:**

The trend in average claim settlement time during the five preceding year ended March 31, 2020. (₹ in '000)

Line of Business	No. of Claims	Avg. Settlement Time in Days@
Fire	108	2
Motor Own Damage	6,846	1
Motor Third Party	14	1
Personal Accident	31	2
Health Insurance	3,711	3
Others	1,421	7
<b>Total</b>	<b>12,131</b>	

The trend in average claim settlement time during the five preceding year ended March 31, 2019. (₹ in '000)

Line of Business	No. of Claims	Avg. Settlement Time in Days@
Fire	64	2
Motor Own Damage	179	1
Motor Third Party	5	1
Personal Accident	15	2
Health Insurance	1,869	5
<b>Total</b>	<b>2,132</b>	

The trend in average claim settlement time during the five preceding year ended March 31, 2018. (₹ in '000)

Line of Business	No. of Claims	Avg. Settlement Time in Days@
Fire	-	-
Personal Accident	1	1
Health Insurance	7	5
<b>Total</b>	<b>8</b>	

@ Average Settlement Time (in working days) is calculated from last document received date to claim closure date)

**Annexure-3:**

Number of claims intimated for FY 2019-20 (₹ in '000)

Line of Business	No. of Claims intimated	Amount
Fire	113	6,467
Motor Own Damage	7,301	1,80,792
Motor Third Party	139	1,06,417
Personal Accident	31	31,881
Health Insurance	3,620	2,36,450
Others	1,421	15,672
<b>Total</b>	<b>12,625</b>	<b>5,77,679</b>

Number of claims intimated for FY 2018-19 (₹ in '000)

Line of Business	No. of Claims intimated	Amount
Fire	65	3,321
Motor Own Damage	258	6,097
Motor Third Party	6	881
Personal Accident	21	27,992
Health Insurance	2,061	1,12,303
<b>Total</b>	<b>2,411</b>	<b>1,50,594</b>

Number of claims intimated for FY 2017-18 (₹ in '000)

Line of Business	No. of Claims intimated	Amount
Fire	4	245
Personal Accident	1	500
Health Insurance	11	555
<b>Total</b>	<b>16</b>	<b>1,300</b>

Note: Above amount include claims paid & change in outstanding reserve.

**Annexure -4:**

Schedule of payments (including accrual amounts), made to individuals, firms, companies and organizations in which the Directors of the Company are interested.

(₹ in '000)

Sr. No.	Individual/Entity in which Director is interested	Name of the Director	Interested as	Payment during the Year
1.	Pramerica Life Insurance Limited (Erstwhile DHFL Pramerica Life Insurance Co. Limited)	Kapil Wadhawan Srinath Sridharan Suresh Mahalingam Sunjoy Joshi	Director Director Director Director	791
2.	Dewan Housing Finance Corporation Limited (DHFL)	Kapil Wadhawan Kapil Wadhawan	Managing Director Director	33,148
3.	Aadhar Housing Finance Limited	Suresh Mahalingam G P Kohli	Director Director	18,460
4.	Sachin Bansal	Sachin Bansal	Self	2,50,000

Note :

- Refer Note 4.12 of Schedule 16 (Notes to Accounts) for detailed breakup of above payments.
- There was a change in ownership during the year hence transactions till the date of change ownership are given in case of DHFL. Refer Note 4.26.



# INDEPENDENT AUDITORS' REPORT

AUDITORS' REPO



# INDEPENDENT AUDITORS' REPORT

To the Members of  
**Navi General Insurance Limited**  
(formerly DHFL General Insurance Limited)

## Report on the Audit of Financial Statements

### Opinion

We have audited the accompanying financial statements of Navi General Insurance Limited (formerly known as DHFL General Insurance Limited) (the "Company") which comprise the Balance Sheet as at March 31, 2020, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account for the year then ended and a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- (b) in the case of the Revenue Accounts, of the net loss for the year ended March 31, 2020;
- (c) in the case of the Profit and Loss Account, of the loss for the year ended March 31, 2020; and
- (d) in the case of the Receipts and Payments Account, of the receipts and payments for the year ended March 31, 2020.

### Basis for Opinion

We have taken into account the provisions of the Act, the Insurance Act, the IRDAI Act, the IRDAI Financial Statements Regulations, orders / directions issued by the IRDAI, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's 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 have nothing to report in this regard.

## **Responsibilities of Management and those charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account of the Company in accordance with the accounting principles generally accepted in India, including the provisions the Insurance Act, the IRDAI Act, the IRDAI Financial Statements Regulations, orders/directions issued by the IRDAI in this regard and the Accounting Standards specified under Section 133 of the Act, to the extent applicable. 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or 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 of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit, in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### Other Matter

- The actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (IBNR), Claims Incurred But Not Enough Reported (IBNER) and Premium Deficiency Reserve (PDR) is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities, as at March 31, 2020, has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for outstanding claims reserves (IBNR and IBNER) and PDR as reflected in the financial statements of the Company.
- Due to the COVID- 19 pandemic and the lockdown and other restrictions imposed by the Government and local authorities, the audit processes were carried out on a work from home basis, with necessary records, information and explanations being made available by the management through digital medium.

Our opinion is not modified in respect of the above matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated June 10, 2020, certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDAI Financial Statements Regulations.
2. This report does not include a statement on the matters specified in paragraph 3 of the Companies (Auditors' Report) Order 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, since in our opinion and according to the information and explanations given to us, the Order is not applicable to the Company.
3. As required by the IRDAI Financial Statements Regulations, read with Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of the audit and have found them to be satisfactory.
  - (b) In our opinion, proper books of account, as required by law, have been maintained by the Company, so far as it appears from our examination of those books.
  - (c) As the Company's financial accounting system is centralized, no returns for the purposes of our audit are prepared at the branches of the Company.
  - (d) The Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account, referred to by this report, are in agreement with the books of account.
  - (e) The accounting policies selected by the Company are appropriate which, along with the financial statements, comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, to the extent not inconsistent with the accounting principles prescribed in the IRDAI Regulations and orders/directions issued by the Insurance Regulatory and Development Authority of India in this regard.
  - (f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, the IRDAI Financial Statements Regulations and/or orders/ directions issued by the IRDAI in this regard.
  - (g) On the basis of the written representations received from the Directors of the Company, 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 Companies Act, 2013.
  - (h) 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 the Annexure below. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- (i) 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 Schedule 16, Note 4.1 to the financial statements.
  - (ii) The Company did not have long-term contracts, including derivative contracts, as at March 31, 2020, for which there were any material foreseeable losses.
  - (iii) The Company was not required to deposit or pay any dues in respect of the Investor Education and Protection Fund during the year.

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

**For N. M. Raiji & Co.**  
**Chartered Accountants**  
 Firm Registration No.108296W

**Rajesh Sethi**  
 PARTNER  
 M. No.: 085669  
 UDIN: 20085669AAAABP1861

**Vinay D. Balse**  
 PARTNER  
 M. No.: 039434  
 UDIN:20039434AAAABS4737

Place: New Delhi  
 Dated: June 18, 2020

Place: Mumbai  
 Dated: June 18, 2020

## **Annexure to the Independent Auditor's Report of even date on the Financial Statements of Navi General Insurance Limited (formerly DHFL General Insurance Limited)**

*(Referred to in paragraph 3 (h) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)*

### **Report on the Internal Financial Controls Over Financial Reporting 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 Navi General Insurance Limited (formerly DHFL General Insurance 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. The actuarial valuation of liabilities for Premium Deficiency Reserve and reserve for IBNR is required to be certified by the Appointed Actuary as per the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDAI Financial Statements Regulations"), and the assumptions used by the actuary for ascertaining the reserves have been relied upon by us, as mentioned in the "Other Matter" para of our audit report on the financial statements of the Company as at and for the year ended March 31, 2020. Accordingly, we have not audited the internal financial controls over financial reporting in respect of the valuation and accuracy of the aforesaid actuarial valuation.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, including the provisions of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015, read with Insurance Regulatory and Development Authority of India circular IRDA/F&A/CIR/CPM/056/03/2016 dated April 4, 2016 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDAI Act"), the IRDAI Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard.

### **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 and the Standards on Auditing, issued by

the ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 issued by the ICAI.

For J.C. Bhalla & Co.  
Chartered Accountants  
Firm Registration No.001111N

Rajesh Sethi  
PARTNER  
M. No.: 085669  
UDIN: 20085669AAAABP1861

Place: New Delhi  
Dated: June 18, 2020

For N. M. Raiji & Co.  
Chartered Accountants  
Firm Registration No.108296W

Vinay D. Balse  
PARTNER  
M. No.: 039434  
UDIN:20039434AAAABS4737

Place: Mumbai  
Dated: June 18, 2020

# INDEPENDENT AUDITORS' CERTIFICATE

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditor's Report dated June 18, 2020)

This certificate is issued to Navi General Insurance Limited (formerly DHFL General Insurance Limited) (the "Company") to comply with the provisions of paragraphs 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDAI Financial Statements Regulations") read with Regulation 3 of the IRDAI Financial Statements Regulations and is not intended to be used or distributed for any other purpose.

The Company's Management is responsible for complying with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act") read with Insurance Regulatory and Development Authority of India circular IRDAI/F&A/CIR/CPM/056/03/2016 dated April 4, 2016, the Insurance Regulatory and Development Authority Act, 1999 (the "IRDAI Act"), the IRDAI Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

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

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by 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 the year ended March 31, 2020, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements as adopted by the Board of Directors and our report thereon.
2. Based on the 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, we certify that the Company has complied with the terms and conditions of registration stipulated by the IRDAI;
3. We have verified the cash balances on the basis of certificates / confirmations received from the Company and its branch and on the basis of subsequent deposits thereof in the banks; and securities relating to the Company's investments as at March 31, 2020, on the basis of certificates/confirmations received from the Custodian and/or Depository Participants appointed by the Company as at March 31, 2020. Due to the COVID-19 pandemic and the restrictions imposed by the Government / local authorities, the audit

processes were carried out on a work from home basis, with necessary records, information and explanations being made available by the management through digital medium.

4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act 2015, relating to the application and investments of the Policyholders' Funds.

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

**Rajesh Sethi**  
PARTNER  
M. No.: 085669  
UDIN: 20085669AAAABP1861

Place: New Delhi  
Dated: June 18, 2020

**For N. M. Raiji & Co.**  
**Chartered Accountants**  
Firm Registration No.108296W

**Vinay D. Balse**  
PARTNER  
M. No.: 039434  
UDIN:20039434AAAABS4737

Place: Mumbai  
Dated: June 18, 2020



# FINANCIAL STATEMENTS



FINANCIAL  
STATEMENT



# FINANCIAL STATEMENTS

FORM B-BS

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)  
IRDAI Registration No. 155, dated May 22, 2017

**Balance Sheet as at March 31, 2020**

(₹ in '000)

Particulars	Schedule	As at March 31, 2020	As at March 31, 2019
<b>Sources of Funds</b>			
Share Capital	5	31,00,500	19,00,500
Reserves and Surplus	6	-	-
Fair Value Change Account			
Shareholders' Funds		70	8
Policyholders' Funds		56	137
Borrowings	7	-	-
<b>Total</b>		<b>31,00,626</b>	<b>19,00,645</b>
<b>Application of Funds</b>			
Investments - Shareholders'	8	14,35,961	4,30,095
Investments - Policyholders'	8A	17,32,791	15,86,188
Deferred Tax Asset (Refer Note 4.15 of Schedule 16)		-	-
Loans	9	-	-
Fixed Assets	10	5,38,443	5,38,003
Current Assets			
Cash and Bank Balances	11	52,202	85,196
Advances and Other Assets	12	2,65,779	5,84,514
<b>Sub-Total (A)</b>		<b>3,17,981</b>	<b>6,69,710</b>
Current Liabilities	13	11,47,466	7,57,961
Provisions	14	10,07,574	10,85,365
<b>Sub-Total (B)</b>		<b>21,55,040</b>	<b>18,43,326</b>
<b>Net Current Assets (C) = (A - B)</b>		<b>(18,37,059)</b>	<b>(11,73,616)</b>
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit and Loss Account		12,30,490	5,19,975
<b>Total</b>		<b>31,00,626</b>	<b>19,00,645</b>
Schedule Nos.1 to 16 form an integral part of these Financial Statements			

**In terms of our report attached**

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

For **N.M. Rajji & Co.**  
Chartered Accountants  
Firm Regn. No.: 108296W

**Rajesh Sethi**  
Partner  
Membership No.: 085669  
New Delhi

**Vinay D. Balse**  
Partner  
Membership No.: 039434  
Mumbai

**Dated: June 10, 2020**

**For and on behalf of the Board of Directors**

**Sachin Bansal**  
Chairman  
DIN: 02356346  
Bengaluru

**Ankit Agarwal**  
Director  
DIN: 08299808  
Bengaluru

**Riya Bhattacharya**  
Director  
DIN: 07071729  
Bengaluru

**Ramchandra Pandit**  
Senior Vice President  
& Chief Partnership  
Distribution Officer\*  
Mumbai

**Vishal Garg**  
Chief Financial Officer  
M. No: 097735  
Mumbai

**Manish Pahwa**  
Company Secretary  
M. No: A18876  
Mumbai

\* On account of the MD/CEO position being vacant, Mr. Ramachandra Pandit is currently discharging the responsibilities of the MD/CEO's office in an interim capacity

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)  
IRDAI Registration No. 155, dated May 22, 2017

**Receipts and Payments Account for the year ended March 31, 2020**  
(Direct Basis)

(₹ in '000)

Sr. No.	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Premium received from policyholders, including advance receipts	19,10,689	26,59,341
	Other receipts (including-Environment Relief Fund & Motor TP Pool and Terrorism Pool)	188	47
	Receipt / (payment) from / to re-insurer net of commissions & claims recovery	(3,69,425)	(4,64,096)
	Receipt / (payment) from / to co-insurer net of claims recovery	(26,597)	36,480
	Payments of claims (net of salvage)	(3,70,136)	(1,00,740)
	Payments of commission and brokerage	(1,38,669)	(3,67,349)
	Payments of other operating expenses	(13,24,445)	(13,70,618)
	Deposits, advances & staff loans (net)	304	27,229
	Income tax paid (net)	19	(18)
	GST/ST paid	(60,048)	(1,51,445)
	Cash flows before extraordinary items	(3,78,120)	2,68,831
	Cash flows from extraordinary operations	-	-
<b>A</b>	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(3,78,120)</b>	<b>2,68,831</b>
	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Investments	(80,79,254)	(91,95,644)
	Sale of Investments	67,86,033	94,36,060
	Investment Income	1,51,044	1,47,048
	Purchase of intangible assets and property, plant and equipment	2,87,303	(6,05,780)
<b>B</b>	<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(8,54,874)</b>	<b>(2,18,316)</b>
	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Issue of Share Capital	12,00,000	-
<b>C</b>	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>12,00,000</b>	<b>-</b>
<b>A+B+C</b>	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(32,994)</b>	<b>50,515</b>
	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		
	Cash and Bank Balances	<b>85,196</b>	<b>34,681</b>
	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		
	Cash and Bank Balances	<b>52,202</b>	<b>85,196</b>

NOTES: a) Receipts and Payments Account has been prepared under the 'Direct method' as set out in Accounting Standard 3 on Cash Flow Statements  
b) Figures in bracket indicates cash outflow.

The accompanying notes form an integral part of these financial statements.

This is the Receipt and Payments Account referred to in our report of even date

For and on behalf of the Board of Directors

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

For N.M. Raiji & Co.  
Chartered Accountants  
Firm Regn. No.: 108296W

Sachin Bansal  
Chairman  
DIN: 02356346  
Bengaluru

Ankit Agarwal  
Director  
DIN: 08299808  
Bengaluru

Rajesh Sethi  
Partner  
Membership No.: 085669  
New Delhi

Vinay D. Balse  
Partner  
Membership No.: 039434  
Mumbai

Riya Bhattacharya  
Director  
DIN: 07071729  
Bengaluru

Ramchandra Pandit  
Senior Vice President  
& Chief Partnership  
Distribution Officer\*  
Mumbai

Dated: June 10, 2020

Vishal Garg  
Chief Financial Officer  
M. No: 097735  
Mumbai

Manish Pahwa  
Company Secretary  
M. No: A18876  
Mumbai

\* On account of the MD/CEO position being vacant, Mr. Ramachandra Pandit is currently discharging the responsibilities of the MD/CEO's office in an interim capacity

**FORM B-PL**  
**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)  
IRDAI Registration No. 155, dated May 22, 2017

**Profit and Loss Account for year ended March 31, 2020**

(₹ in '000)

Particulars	Schedule	Year ended March 31, 2020	Year ended March 31, 2019
<b>Operating Profit / (Loss)</b>			
(a) Fire Insurance		2,41,347	99,273
(b) Marine Insurance		-	-
(c) Miscellaneous Insurance		(7,23,264)	(4,16,893)
		<b>(4,81,917)</b>	<b>(3,17,620)</b>
<b>Income from Investments</b>			
(a) Interest, Dividend and Rent - Gross		25,289	77,583
(b) Profit on sale / redemption of investments		1,323	4,908
Less : Loss on sale of investments		-	-
		<b>26,612</b>	<b>82,491</b>
<b>Other Income</b>		80	521
<b>Total (A)</b>		<b>(4,55,225)</b>	<b>(2,34,608)</b>
<b>Provisions (Other than taxation)</b>			
(a) For diminution in the value of investments (Refer Note 4.8 of Schedule 16)		1,50,063	37,295
(b) For doubtful debts		-	-
(c) Others		-	-
		<b>1,50,063</b>	<b>37,295</b>
<b>Other Expenses</b>			
(a) Expenses other than those related to Insurance Business		81,200	-
(b) Bad debts written off		-	-
(c) For doubtful debts Others (Refer Note 4.11 of Schedule 16)		24,027	16,394
		1,05,227	16,394
<b>Total (B)</b>		<b>2,55,290</b>	<b>53,689</b>
<b>Profit/(Loss) Before Tax (C) = (A - B)</b>		<b>(7,10,515)</b>	<b>(2,88,297)</b>
<b>Provision for taxation</b>			
(a) Current tax (Refer Note 23 of Schedule 16)		-	-
(b) Deferred tax (Refer Note 4.15 of Schedule 16)		-	-
<b>Profit/(Loss) After Tax</b>		<b>(7,10,515)</b>	<b>(2,88,297)</b>
<b>Appropriations</b>			
(a) Interim dividends paid during the year		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution tax		-	-
(d) Transfer to any Reserves or Other Accounts		-	-
<b>Balance of Loss brought forward from last year</b>		<b>(5,19,975)</b>	<b>(2,31,678)</b>
<b>Balance carried forward to Balance Sheet</b>		<b>(12,30,490)</b>	<b>(5,19,975)</b>
<b>EARNINGS PER SHARE</b>			
<b>Basic (in Rupees)</b>		<b>(3.67)</b>	<b>(1.52)</b>
<b>Diluted (in Rupees)</b>		<b>(3.67)</b>	<b>(1.52)</b>
<b>Face Value per Equity Share (in Rupees)</b>		<b>10.00</b>	<b>10.00</b>
(Refer Note 4.14 of Schedule 16)			

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

In terms of our report attached

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

For N.M. Rajji & Co.  
Chartered Accountants  
Firm Regn. No.: 108296W

Rajesh Sethi  
Partner  
Membership No.: 085669  
New Delhi

Vinay D. Balse  
Partner  
Membership No.: 039434  
Mumbai

Dated: June 10, 2020

For and on behalf of the Board of Directors

Sachin Bansal  
Chairman  
DIN: 02356346  
Bengaluru

Ankit Agarwal  
Director  
DIN: 08299808  
Bengaluru

Riya Bhattacharya  
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Manish Pahwa  
Company Secretary  
M. No: A18876  
Mumbai

\* On account of the MD/CEO position being vacant, Mr. Ramachandra Pandit is currently discharging the responsibilities of the MD/CEO's office in an interim capacity

**FORM B-RA**  
**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)  
IRDAI Registration No. 155, dated May 22, 2017  
**Revenue Account for year ended March 31, 2020**

**FIRE BUSINESS**

(₹ in '000)

Particulars	Schedule	Year ended March 31, 2020	Period ended March 31, 2019
<b>Income</b>			
Premium earned (Net)	1	3,04,579	5,22,358
Profit on sale / redemption of Investments		3,276	5,604
<b>Others</b>			
Other Income		-	-
Earlier year provisions written back		9,169	-
Interest, Dividend and Rent - Gross		31,413	37,383
<b>Total (A)</b>		<b>3,48,437</b>	<b>5,65,345</b>
<b>Expenditure</b>			
Claims Incurred (Net)	2	(40,782)	64,694
Commission (Net)	3	(45,952)	(1,29,568)
Operating Expenses related to Insurance Business	4	1,62,496	4,63,534
Premium Deficiency (Refer Note 4.23 of Schedule 16)		31,278	67,377
<b>Others</b>			
Terrorism Pool Management Expenses		50	35
<b>Total (B)</b>		<b>1,07,090</b>	<b>4,66,072</b>
<b>Operating Profit / (Loss) from Fire Business (C) = (A) - (B)</b>		<b>2,41,347</b>	<b>99,273</b>
<b>Appropriations</b>			
Transfer to Shareholders' Account		2,41,347	99,273
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
<b>Total (D)</b>		<b>2,41,347</b>	<b>99,273</b>

Schedule Nos.1 to 16 form an integral part of these Financial Statements

**In terms of our report attached**

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

For **N.M. Rajji & Co.**  
Chartered Accountants  
Firm Regn. No.: 108296W

**Rajesh Sethi**  
Partner  
Membership No.: 085669  
New Delhi

**Vinay D. Balse**  
Partner  
Membership No.: 039434  
Mumbai

Dated: June 10, 2020

**For and on behalf of the Board of Directors**

**Sachin Bansal**  
Chairman  
DIN: 02356346  
Bengaluru

**Ankit Agarwal**  
Director  
DIN: 08299808  
Bengaluru

**Riya Bhattacharya**  
Director  
DIN: 07071729  
Bengaluru

**Ramchandra Pandit**  
Senior Vice President  
& Chief Partnership  
Distribution Officer\*  
Mumbai

**Vishal Garg**  
Chief Financial Officer  
M. No: 097735  
Mumbai

**Manish Pahwa**  
Company Secretary  
M. No: A18876  
Mumbai

\* On account of the MD/CEO position being vacant, Mr. Ramachandra Pandit is currently discharging the responsibilities of the MD/CEO's office in an interim capacity

**FORM B-RA**  
**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)  
IRDAI Registration No. 155, dated May 22, 2017  
**Revenue Account for year ended March 31, 2020**

**MARINE BUSINESS**

(₹ in '000)

Particulars	Schedule	Year ended March 31, 2020	Period ended March 31, 2019
<b>Income</b>			
Premium earned (Net)	1	-	-
Profit on sale/redemption of Investments		-	-
<b>Others</b>	-	-	
Other Income			
Earlier year provisions written back		-	-
<b>Total (A)</b>		-	-
<b>Expenditure</b>			
Claims Incurred (Net)	2	-	-
Commission (Net)	3	-	-
Operating Expenses related to Insurance Business	4	-	-
Premium Deficiency (Refer Note 4.23 of Schedule 16)		-	-
<b>Total (B)</b>		-	-
<b>Operating Profit/(Loss) from Marine Business (C) = (A) - (B)</b>		-	-
<b>Appropriations</b>			
Transfer to Shareholders' Account		-	-
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
<b>Total (D)</b>		-	-

Schedules Nos. 1 to 16 form an integral part of Financial Statements

**In terms of our report attached**

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

For N.M. Raiji & Co.  
Chartered Accountants  
Firm Regn. No.: 108296W

Rajesh Sethi  
Partner  
Membership No.: 085669  
New Delhi

Vinay D. Balse  
Partner  
Membership No.: 039434  
Mumbai

Dated: June 10, 2020

**For and on behalf of the Board of Directors**

Sachin Bansal  
Chairman  
DIN: 02356346  
Bengaluru

Ankit Agarwal  
Director  
DIN: 08299808  
Bengaluru

Riya Bhattacharya  
Director  
DIN: 07071729  
Bengaluru

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Vishal Garg  
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Company Secretary  
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Mumbai

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**FORM B-RA**  
**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)  
IRDAI Registration No. 155, dated May 22, 2017  
**Revenue Account for year ended March 31, 2020**

**MISCELLANEOUS BUSINESS**

(₹ in '000)

Particulars	Schedule	Year ended March 31, 2020	Period ended March 31, 2019
<b>Income</b>			
Premium earned (Net)	1	9,19,714	5,60,767
Profit on sale / redemption of Investments		11,130	7,717
<b>Others</b>			
Other Income		-	1
Earlier year provisions written back		12,380	-
Interest, Dividend and Rent - Gross		1,06,726	51,483
<b>Total (A)</b>		<b>10,49,950</b>	<b>6,19,968</b>
<b>Expenditure</b>			
Claims Incurred (Net)	2	8,55,120	2,42,982
Commission (Net)	3	11,472	(2,70,966)
Operating Expenses related to Insurance Business	4	10,16,996	8,35,999
Premium Deficiency (Refer Note 4.23 of Schedule 16)		(1,11,311)	2,28,182
Others			
Co-Insurance Administration Fee		203	487
Terrorism Pool Management Expenses		10	7
Contribution to Solatium Fund		724	170
<b>Total (B)</b>		<b>17,73,214</b>	<b>10,36,861</b>
<b>Operating Profit / (Loss) from Miscellaneous Business (C) = (A) - (B)</b>		<b>(7,23,264)</b>	<b>(4,16,893)</b>
<b>Appropriations</b>			
Transfer to Shareholders' Account		(7,23,264)	(4,16,893)
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
<b>Total (D)</b>		<b>(7,23,264)</b>	<b>(4,16,893)</b>

**In terms of our report attached**

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

For N.M. Raiji & Co.  
Chartered Accountants  
Firm Regn. No.: 108296W

Rajesh Sethi  
Partner  
Membership No.: 085669  
New Delhi

Vinay D. Balse  
Partner  
Membership No.: 039434  
Mumbai

Dated: June 10, 2020

**For and on behalf of the Board of Directors**

Sachin Bansal  
Chairman  
DIN: 02356346  
Bengaluru

Ankit Agarwal  
Director  
DIN: 08299808  
Bengaluru

Riya Bhattacharya  
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Mumbai

\* On account of the MD/CEO position being vacant, Mr. Ramachandra Pandit is currently discharging the responsibilities of the MD/CEO's office in an interim capacity

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)  
IRDAI Registration No. 155, dated May 22, 2017

**SCHEDULE — 1**  
**PREMIUM EARNED (NET)**  
(Refer Note 4.5 of Schedule 16)

**Schedule forming part of Revenue Account for the year ended March 31, 2020**

(₹ in '000)

Particulars	CURRENT YEAR										GRAND TOTAL
	FIRE	MARINE	MISCELLANEOUS							MISCELLANEOUS	
			Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability	Engineering	Others		
Premium from direct business written (Net of GST)	2,41,272	-	1,56,475	7,23,809	53,849	3,33,525	-	-	70,987	13,38,645	15,79,917
Add: Premium on reinsurance accepted	5,087	-	-	-	-	-	-	978	-	978	6,065
Less : Premium on reinsurance ceded	(1,42,581)	-	(1,07,475)	(51,387)	(32,481)	(79,685)	-	(86)	(11,504)	(2,82,618)	(4,25,199)
<b>Net Premium</b>	<b>1,03,778</b>	<b>-</b>	<b>49,000</b>	<b>6,72,422</b>	<b>21,368</b>	<b>2,53,840</b>	<b>-</b>	<b>892</b>	<b>59,483</b>	<b>10,57,005</b>	<b>11,60,783</b>
Less: Adjustment for change in Reserve for Unexpired Risks	2,00,801	-	(7,900)	(2,63,001)	36,838	1,28,178	-	296	(31,702)	(1,37,291)	63,510
<b>Total Premium Earned (Net)</b>	<b>3,04,579</b>	<b>-</b>	<b>41,100</b>	<b>4,09,421</b>	<b>58,206</b>	<b>3,82,018</b>	<b>-</b>	<b>1,188</b>	<b>27,781</b>	<b>9,19,714</b>	<b>12,24,293</b>

(₹ in '000)

Particulars	PREVIOUS PERIOD										GRAND TOTAL
	FIRE	MARINE	MISCELLANEOUS							MISCELLANEOUS	
			Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability	Engineering	Others		
Premium from direct business written (Net of GST)	9,46,347	-	40,976	1,70,118	2,17,560	10,42,577	-	8,856	4,244	14,84,331	24,30,678
Add: Premium on reinsurance accepted	4,950	-	-	-	-	-	-	1,062	-	1,062	6,012
Less : Premium on reinsurance ceded	(4,58,415)	-	(4,289)	(17,774)	(124,068)	(5,32,360)	-	(8,464)	(444)	(6,87,399)	(11,45,814)
<b>Net Premium</b>	<b>4,92,882</b>	<b>-</b>	<b>36,687</b>	<b>1,52,344</b>	<b>93,492</b>	<b>5,10,217</b>	<b>-</b>	<b>1,454</b>	<b>3,800</b>	<b>7,97,994</b>	<b>12,90,876</b>
Less: Adjustment for change in Reserve for Unexpired Risks	29,476	-	(19,464)	(80,806)	(20,028)	(1,14,129)	-	(784)	(2,016)	(2,37,227)	(2,07,751)
<b>Total Premium Earned (Net)</b>	<b>5,22,358</b>	<b>-</b>	<b>17,223</b>	<b>71,538</b>	<b>73,464</b>	<b>3,96,088</b>	<b>-</b>	<b>670</b>	<b>1,784</b>	<b>5,60,767</b>	<b>10,83,125</b>

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**Schedule forming part of Revenue Account for the year ended March 31, 2020**

**SCHEDULE — 2**  
**CLAIMS INCURRED (NET)**  
(Refer Note 4.4 of Schedule 16)

Particulars	CURRENT YEAR											GRAND TOTAL
	FIRE	MARINE	MISCELLANEOUS					Others	MISCELLANEOUS	GRAND TOTAL		
			Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability				Engineering	
Claims Paid - Direct	3,978	-	1,38,130	953	29,154	2,26,459	-	17,651	412,347	416,325	13	
Add : Reinsurance accepted	7	-	-	-	-	-	-	6	6	6	6	
Less: Reinsurance ceded	(1,121)	-	(64,904)	(48)	(13,223)	(17,481)	-	(883)	(96,539)	(97,660)		
<b>Net Claims Paid</b>	<b>2,864</b>	<b>-</b>	<b>73,226</b>	<b>905</b>	<b>15,931</b>	<b>2,08,978</b>	<b>-</b>	<b>16,768</b>	<b>3,15,814</b>	<b>3,18,678</b>		
Add : Claims Outstanding at the end of the year	24,014	-	36,880	592,367	15,195	50,619	-	7,234	7,02,555	7,26,569		
Less : Claims Outstanding at the beginning of the year	(67,660)	-	(4,240)	(20,235)	(12,677)	(1,25,342)	-	(601)	(1,63,249)	(2,30,909)		
<b>Total Claims Incurred (Net)</b>	<b>(40,782)</b>	<b>-</b>	<b>1,05,866</b>	<b>5,73,037</b>	<b>18,449</b>	<b>1,34,255</b>	<b>-</b>	<b>23,401</b>	<b>8,55,120</b>	<b>8,14,338</b>		

Particulars	PREVIOUS PERIOD											GRAND TOTAL
	FIRE	MARINE	MISCELLANEOUS					Others	MISCELLANEOUS	GRAND TOTAL		
			Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability				Engineering	
Claims Paid - Direct	2,001	-	1,476	-	12,747	91,779	-	-	1,06,002	1,08,003	81	
Add : Reinsurance accepted	63	-	-	-	-	-	-	18	18	18	18	
Less: Reinsurance ceded	(100)	-	(74)	-	(7,011)	(6,674)	-	-	(13,759)	(13,859)		
<b>Net Claims Paid</b>	<b>1,964</b>	<b>-</b>	<b>1,402</b>	<b>-</b>	<b>5,736</b>	<b>85,105</b>	<b>-</b>	<b>18</b>	<b>92,261</b>	<b>94,225</b>		
Add : Claims Outstanding at the end of the year	67,660	-	4,240	20,235	12,677	1,25,342	-	601	1,63,249	2,30,909		
Less : Claims Outstanding at the beginning of the year	(4,930)	-	-	-	(4,003)	(8,525)	-	-	(12,528)	(17,458)		
<b>Total Claims Incurred (Net)</b>	<b>64,694</b>	<b>-</b>	<b>5,642</b>	<b>20,235</b>	<b>14,410</b>	<b>2,01,922</b>	<b>-</b>	<b>601</b>	<b>2,42,982</b>	<b>3,07,676</b>		



**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**SCHEDULE — 3**  
**COMMISSION (NET)**

**Schedule forming part of Revenue Account for the year ended March 31, 2020**

(₹ in '000)

Particulars	CURRENT YEAR											GRAND TOTAL	
	FIRE		MARINE		MISCELLANEOUS								MISCELLANEOUS
	Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability	Engineering	Others	MISCELLANEOUS					
Commission Paid - Direct	39,819	-	22,322	17,930	8,046	33,473	-	-	100	81,871	1,21,690		
Add: Commission on Re-insurance Accepted	659	-	-	-	-	115	-	-	-	115	774		
Less : Commission on Re-insurance Ceded	(86,430)	-	(1,174)	(1,810)	(15,903)	(51,095)	-	-	(532)	(70,514)	(1,56,944)		
<b>Net Commission Paid / (Received)</b>	<b>(45,952)</b>	<b>-</b>	<b>21,148</b>	<b>16,120</b>	<b>(7,857)</b>	<b>(17,622)</b>	<b>-</b>	<b>-</b>	<b>115</b>	<b>(432)</b>	<b>(34,480)</b>		
<b>Break up of Gross Commission</b>													
Agents	-	-	-	-	-	-	-	-	-	-	-		
Brokers	-	-	10,641	13,016	1	31	-	-	100	23,789	23,789		
Corporate Agency	39,811	-	9	-	8,045	33,384	-	-	-	41,438	81,249		
Referral	-	-	-	-	-	-	-	-	-	-	-		
Others (POS, Web Aggregator and MISP)	8	-	11,672	4,914	-	58	-	-	-	16,644	16,652		
	<b>39,819</b>	<b>-</b>	<b>22,322</b>	<b>17,930</b>	<b>8,046</b>	<b>33,473</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>81,871</b>	<b>1,21,690</b>		

Particulars	PREVIOUS PERIOD											GRAND TOTAL	
	FIRE		MARINE		MISCELLANEOUS								MISCELLANEOUS
	Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability	Engineering	Others	MISCELLANEOUS					
Commission Paid - Direct	1,56,187	-	5,270	2,449	32,618	1,31,552	-	-	247	1,72,136	3,28,323		
Add: Commission on Re-insurance Accepted	399	-	-	-	-	-	-	83	-	83	482		
Less : Commission on Re-insurance Ceded	(2,86,154)	-	(307)	(425)	(60,539)	(3,80,353)	-	(1,529)	(32)	(4,43,185)	(7,29,339)		
<b>Net Commission Paid / (Received)</b>	<b>(1,29,568)</b>	<b>-</b>	<b>4,963</b>	<b>2,024</b>	<b>(27,921)</b>	<b>(2,48,801)</b>	<b>-</b>	<b>(1,446)</b>	<b>215</b>	<b>(2,70,966)</b>	<b>(4,00,534)</b>		
<b>Break up of Gross Commission</b>													
Agents	-	-	-	-	-	-	-	-	-	-	-		
Brokers	-	-	209	2,057	4	6,437	-	-	247	8,954	8,954		
Corporate Agency	1,56,187	-	11	-	32,614	1,25,115	-	-	-	1,57,740	3,13,927		
Referral	-	-	-	-	-	-	-	-	-	-	-		
Others (POS, Web Aggregator and MISP)	-	-	5,050	392	-	-	-	-	-	5,442	5,442		
	<b>1,56,187</b>	<b>-</b>	<b>5,270</b>	<b>2,449</b>	<b>32,618</b>	<b>1,31,552</b>	<b>-</b>	<b>-</b>	<b>247</b>	<b>1,72,136</b>	<b>3,28,323</b>		

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)  
**Schedule forming part of Revenue Account for the Year Ended March 31, 2020**

**SCHEDULE — 4**  
**OPERATING EXPENSES RELATED TO INSURANCE BUSINESS**

Particulars	CURRENT YEAR										GRAND TOTAL
	FIRE	MARINE	Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability	Engineering	Others	MISCELLANEOUS	
Employees' Remuneration and Welfare Benefits (Refer Note 4.9 and 4.11 of Schedule 16)	56,271	-	52,559	212,471	13,148	76,672	-	-	16,070	3,70,920	4,27,191
Travel, Conveyance and Vehicle running expenses	1,154	-	697	3,460	264	1,606	-	-	338	6,365	7,519
Training, Seminar and Conference Expenses	6,023	-	340	1,841	1,340	8,068	-	-	1,773	13,362	19,385
Rents, Rates and Taxes (Refer Note 4.13 of Schedule 16)	6,573	-	10,272	32,923	4,025	10,336	-	-	1,829	59,385	65,958
Repairs	995	-	1,450	4,948	286	1,593	-	-	273	8,550	9,545
Printing and Stationery	384	-	83	340	89	534	-	-	113	1,159	1,543
Communication	858	-	1,180	3,907	240	1,391	-	-	241	6,959	7,817
Legal and Professional charges	64,258	-	6,223	26,944	14,553	87,269	-	-	18,860	1,53,849	2,18,107
Auditors' fees, expenses etc. (Refer Note 4.22 of Schedule 16)											
a) as auditors	306	-	198	915	69	423	-	-	89	1,694	2,000
b) as advisors or in any other capacity, in respect of :											
(i) Taxation matters	(31)	-	(20)	(91)	(7)	(42)	-	-	(9)	(169)	(200)
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services	15	-	10	46	3	21	-	-	5	85	100
c) in any other capacity and											
d) out of pocket expenses	14	-	9	42	3	21	-	-	4	79	93
Advertisement and Publicity	3,402	-	26,140	1,79,619	766	6,123	-	-	956	2,13,604	2,17,006
Interest and Bank Charges	1	-	738	4,895	1	41	-	-	-	5,675	,676
Others:											
Information Technology Expenses	9,459	-	7,483	30,859	2,111	13,159	-	-	2,783	56,395	65,854
Membership & Subscription	273	-	211	905	56	337	-	-	78	1,587	1,860
Others	468	-	361	1,550	95	577	-	-	132	2,715	3,183
Depreciation/ Amortisation	11,680	-	19,081	68,099	3,271	18,609	-	-	3,238	112,298	1,23,978
GST Expenditure	393	-	360	1,429	82	499	-	-	114	2,484	2,877
<b>Total</b>	<b>1,62,496</b>	-	<b>1,27,375</b>	<b>5,75,102</b>	<b>40,395</b>	<b>2,27,237</b>	-	-	<b>46,887</b>	<b>10,16,996</b>	<b>11,79,492</b>

(₹ in '000)

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**Schedule forming part of Revenue Account for the year ended March 31, 2019**

Particulars	PREVIOUS PERIOD										GRAND TOTAL
	FIRE	MARINE	Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability	Engineering	Others	MISCELLANEOUS	
Employees' Remuneration and Welfare Benefits (Refer Note 4.9 and 4.11 of Schedule 16)	1,45,873	-	6,521	35,228	34,711	1,53,119	-	1,314	630	2,31,523	3,77,396
Travel, Conveyance and Vehicle running expenses	3,948	-	114	746	912	4,305	-	37	18	6,132	10,080
Training, Seminar and Conference Expenses	26,066	-	58	950	5,991	28,673	-	244	117	36,033	62,099
Rents, Rates and Taxes (Refer Note 4.13 of Schedule 16)	38,111	-	1,749	7,786	14,499	41,105	-	338	162	65,639	1,03,750
Repairs	2,795	-	137	917	731	3,046	-	24	12	4,867	7,662
Printing and Stationery	1,568	-	18	88	363	1,713	-	15	7	2,204	3,772
Communication	3,934	-	144	858	967	4,191	-	35	17	6,212	10,146
Legal and Professional charges	1,33,041	-	785	3,833	30,935	1,46,725	-	1,240	594	1,84,112	3,17,153
Auditors' fees, expenses etc. (Refer Note 4.22 of Schedule 16)											
a) as auditors	779	-	34	140	179	857	-	7	4	1,221	2,000
b) as advisors or in any other capacity, in respect of:											
(i) Taxation matters	78	-	3	14	18	86	-	1	-	122	200
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services	-	-	-	-	-	-	-	-	-	-	-
c) in any other capacity and	-	-	-	-	-	-	-	-	-	-	-
d) out of pocket expenses	29	-	1	5	7	32	-	-	-	45	74
Advertisement and Publicity	67,567	-	6,414	1,33,217	15,549	74,862	-	632	303	2,30,977	2,98,544
Interest and Bank Charges	513	-	22	96	118	565	-	5	2	808	1,321
Others:											
Information Technology Expenses	15,963	-	691	2,870	3,669	17,586	-	149	72	25,037	41,000
Membership & Subscription	622	-	25	124	142	657	-	6	3	957	1,579
Others	839	-	34	167	192	887	-	7	3	1,290	2,129
Depreciation/ Amortisation	20,921	-	1,077	7,737	5,731	22,674	-	177	85	37,481	58,402
GST Expenditure	887	-	30	128	202	967	-	8	4	1,339	2,226
<b>Total</b>	<b>4,63,534</b>	-	<b>17,857</b>	<b>1,94,904</b>	<b>1,14,916</b>	<b>502,050</b>	-	<b>4,239</b>	<b>2,033</b>	<b>8,35,999</b>	<b>12,99,533</b>

(₹ in '000)

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**Schedule forming part of Balance Sheet as at March 31, 2020**

**SCHEDULE — 5**  
**SHARE CAPITAL**

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorised Capital</b>		
50,00,00,000 (Previous Year : 50,00,00,000) Equity Shares of ₹ 10 each	50,00,000	50,00,000
<b>Issued Capital</b>		
31,00,50,000 (Previous Year : 19,00,50,000) Equity Shares of ₹ 10 each	31,00,500	19,00,500
<b>Subscribed Capital</b>		
31,00,50,000 (Previous Year : 19,00,50,000) Equity Shares of ₹ 10 each	31,00,500	19,00,500
<b>Called-up Capital</b>		
31,00,50,000 (Previous Year : 19,00,50,000) Equity Shares of ₹ 10 each	31,00,500	19,00,500
Less: Calls unpaid	-	-
Add: Equity Shares forfeited (Amount originally paid up)	-	-
Less: Par Value of Equity Shares bought back	-	-
Less: Preliminary Expenses	-	-
<b>TOTAL</b>	<b>31,00,500</b>	<b>19,00,500</b>

**SCHEDULE — 5A**  
**SHARE CAPITAL**  
**PATTERN OF SHAREHOLDING**

[As Certified by the Management]

(₹ in '000)

Shareholders	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters:				
- <b>Indian</b>				
Navi Technologies Private Limited	31,00,50,000	100%	-	-
Wadhawan Global Capital Limited	-	-	19,00,50,000	100%
- <b>Foreign</b>	-	-	-	-
<b>TOTAL</b>	<b>31,00,50,000</b>	<b>100%</b>	<b>19,00,50,000</b>	<b>100%</b>

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**Schedule forming part of Balance Sheet as at March 31, 2020**

**SCHEDULE — 6**  
**RESERVES AND SURPLUS**

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Reserve	-	-
Capital Redemption Reserve	-	-
Share Premium	-	-
General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilized for Buy-back	-	-
Catastrophe Reserve	-	-
Other Reserves	-	-
Balance of Profit in Profit and Loss Account	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**SCHEDULE — 7**  
**BORROWINGS**

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Debentures/Bonds	-	-
Banks	-	-
Financial Institutions	-	-
Others	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**Schedule forming part of Balance Sheet as at March 31, 2020**

**SCHEDULE — 8**  
**INVESTMENTS — SHAREHOLDERS'**

(₹ in '000)

Particulars	As at March 31, 2020		As at March 31, 2019	
<b>LONG TERM INVESTMENTS</b>				
Government securities and Government guaranteed bonds including Treasury Bills		4,63,238		1,53,064
Other Approved Securities		1,00,146		1,00,163
Other Investments :				
(a) Shares				
(i) Equity		-		-
(ii) Preference		-		-
(b) Mutual Funds		-		-
(c) Derivative Instruments		-		-
(d) Debentures / Bonds		-		-
(e) Other Securities				
(i) Fixed Deposit		55,000		-
(f) Subsidiaries		-		-
(g) Investment Properties - Real Estate		-		-
Investments in Infrastructure and Social Sector Other than Approved Investments		1,50,031		49,962
(a) Infrastructure Other Investments - Debenture/Bonds	49,974		49,974	
Less: Provision for diminution in value of Investments (Refer Note 4.8 of Schedule 16)	24,987	24,987	7,496	42,478
<b>Sub Total (A)</b>		<b>7,93,402</b>		<b>3,45,667</b>
<b>SHORT TERM INVESTMENTS</b>				
Government securities and Government guaranteed bonds including Treasury Bills		-		-
Other Approved Securities		-		-
Other Investments :				
(a) Shares				
(i) Equity		-		-
(ii) Preference		-		-
(b) Mutual Funds		1,94,292		9,708
(c) Derivative Instruments		-		-
(d) Debentures / Bonds		1,00,240		-
(e) Other Securities				
(i) Fixed Deposit		2,47,500		-
(ii) Reverse Repo		-		-
(iii) Commercial Paper		-		-
(iv) Certificate of Deposit		-		-
(f) Subsidiaries		-		-
(g) Investment Properties - Real Estate		-		-
Investments in Infrastructure and Social Sector Other than Approved Investments		1,00,527		-
(a) Infrastructure Other Investments - Commercial Paper	99,626		99,626	
Less: Provision for diminution in value of Investments (Refer Note 4.8 of Schedule 16)	99,626	-	24,906	74,720
<b>Sub Total (B)</b>		<b>6,42,559</b>		<b>84,428</b>
<b>Total (A+B)</b>		<b>14,35,961</b>		<b>4,30,095</b>

**Notes:**

- (a) (i) Aggregate book value of investments (other than listed equities, mutual funds & derivative instruments) is ₹ 13,66,281 thousand (previous year ₹4,52,789 thousand)
- (ii) Aggregate market value of investments (other than listed equities, mutual funds & derivative instruments) is ₹ 12,58,892 thousand (previous year ₹ 4,15,378 thousand)
- (b) Mutual Fund Investments are inclusive of unrealized gain of ₹ 70 thousand (previous year ₹ 8 thousand) arising due to change in Fair Value and has been recognized under the head 'Fair value change account' in the balance sheet
- (c) The Company has accounted for provision for diminution in value of investments in respect of securities related to IL&FS amounting to ₹1,29,505 thousand [includes interest provision of ₹4,893 thousand] till the year ended Mar 31, 2020.

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**Schedule forming part of Balance Sheet as at March 31, 2020**

**SCHEDULE — 8A**  
**INVESTMENTS — POLICYHOLDERS'**

(₹ in '000)

Particulars	As at March 31, 2020		As at March 31, 2019	
<b>LONG TERM INVESTMENTS</b>				
Government securities and Government guaranteed bonds including Treasury Bills		3,57,949		3,53,906
Other Approved Securities		1,50,137		1,50,011
Other Investments :				
(a) Shares				
(i) Equity		-		-
(ii) Preference		-		-
(b) Mutual Funds		-		-
(c) Derivative Instruments		-		-
(d) Debentures / Bonds		5,01,382		3,97,125
(e) Other Securities		-		-
(f) Subsidiaries		-		-
(g) Investment Properties - Real Estate		-		-
Investments in Infrastructure and Social Sector		3,51,920		2,52,050
Other than Approved Investments				
(a) Infrastructure Other Investments		-		-
(b) Other Investments	1,00,154		1,00,072	
Less: Provision for diminution in value of Investments (Refer Note 4.8 of Schedule 16)	50,077	50,077	-	1,00,072
<b>Sub Total (A)</b>		<b>14,11,465</b>		<b>12,53,164</b>
<b>SHORT TERM INVESTMENTS</b>				
Government securities and Government guaranteed bonds including Treasury Bills		-		-
Other Approved Securities		-		-
Other Investments :				
(a) Shares				
(i) Equity		-		-
(ii) Preference		-		-
(b) Mutual Funds		91,828		1,33,236
(c) Derivative Instruments		-		-
(d) Debentures / Bonds		99,498		99,874
(e) Other Securities				
(i) Fixed Deposit		1,30,000		50,000
(ii) Reverse Repo		-		-
(iii) Commercial Paper		-		-
(iv) Certificate of Deposit		-		49,914
(f) Subsidiaries		-		-
(g) Investment Properties - Real Estate		-		-
Investments in Infrastructure and Social Sector		-		-
Other than Approved Investments				
(a) Infrastructure Other Investments		-		-
<b>Sub Total (B)</b>		<b>3,21,326</b>		<b>3,33,024</b>
<b>Total (A+B)</b>		<b>17,32,791</b>		<b>15,86,188</b>

**Notes:**

- (a) (i) Aggregate book value of investments (other than listed equities, mutual funds & derivative instruments) is ₹16,91,040 thousand (previous year ₹14,52,951 thousand)  
(ii) Aggregate market value of investments (other than listed equities, mutual funds & derivative instruments) is ₹ 16,97,123 thousand (previous year ₹14,49,307 thousand)
- (b) Mutual Fund Investments are inclusive of unrealized gain of ₹56 thousand (previous year ₹137 thousand) arising due to change in Fair Value and has been recognized under the head 'Fair value change account' in the balance sheet.
- (c) The Company has accounted for provision for diminution in value of investments in respect of securities related to DHFL amounting to ₹ 57,852 thousand [includes interest provision of ₹ 7,775 thousand] till the year ended Mar 31, 2020.

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**Schedule forming part of Balance Sheet as at March 31, 2020**

**SCHEDULE — 9**  
**LOANS**

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>SECURITY-WISE CLASSIFICATION</b>		
Secured		
(a) On mortgage of property		
(i) In India	-	-
(ii) Outside India	-	-
(b) On Shares, Bonds, Government Securities	-	-
(c) Others	-	-
Unsecured	-	-
<b>Total</b>	-	-
<b>BORROWER-WISE CLASSIFICATION</b>		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial Undertakings	-	-
(e) Others	-	-
<b>PERFORMANCE-WISE CLASSIFICATION</b>		
(a) Loans classified as standard		
(i) In India	-	-
(ii) Outside India	-	-
(b) Non-performing loans less provisions	-	-
(i) In India	-	-
(ii) Outside India	-	-
<b>Total</b>	-	-
<b>MATURITY-WISE CLASSIFICATION</b>		
(a) Short Term	-	-
(b) Long Term	-	-
<b>Total</b>	-	-



**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**SCHEDULE — 10**  
**FIXED ASSETS**

**Schedule forming part of Balance Sheet as at March 31, 2020**

Particulars	Cost/Gross Block			Depreciation/Amortisation			Net Block			
	Opening	Additions/ Adjustments	Deductions/ Adjustments	Closing	Upto Last Year	For the Year <sup>1</sup>	On Sales/ Adjustments	To Date	As at March 31, 2020	As at March 31, 2019
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles - Software	3,70,666	1,23,000	-	4,93,666	70,158	72,168	-	1,42,326	3,51,340	3,00,508
Land-Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	43,808	964	-	44,772	3,995	10,154	-	14,149	30,623	39,813
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture and Fittings	11,449	146	-	11,595	2,161	2,056	-	4,217	7,378	9,288
Information Technology Equipment	2,04,466	467	50	2,04,883	46,605	36,987	10	83,582	1,21,301	1,57,861
Vehicles	1,870	-	1,870	-	25	374	399	-	-	1,845
Office Equipment	11,639	112	8	11,743	1,485	2,239	1	3,723	8,020	10,154
Others	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6,43,898</b>	<b>1,24,689</b>	<b>1,928</b>	<b>7,66,659</b>	<b>1,24,429</b>	<b>1,23,978</b>	<b>410</b>	<b>2,47,997</b>	<b>518,662</b>	<b>5,19,469</b>
Work - in - progress <sup>1</sup>									19,781	18,534
<b>Grand Total</b>	<b>6,43,898</b>	<b>1,24,689</b>	<b>1,928</b>	<b>7,66,659</b>	<b>1,24,429</b>	<b>1,23,978</b>	<b>410</b>	<b>2,47,997</b>	<b>5,38,443</b>	<b>5,38,003</b>
<b>As at March 31, 2019</b>	<b>8,31,401</b>	<b>2,50,897</b>	<b>4,38,400</b>	<b>6,43,898</b>	<b>66,027</b>	<b>58,402</b>	<b>-</b>	<b>1,24,429</b>	<b>5,38,003</b>	<b>5,38,003</b>

**Note :**

1. Includes Capital Advances of ₹ 5,497 thousand (previous year ₹ 9,518 thousand)

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**Schedules forming part of Balance Sheet as at March 31, 2020**

**SCHEDULE — 13**  
**CURRENT LIABILITIES**

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Agents' Balances	69,113	86,547
Balances due to other insurance companies (including reinsurers)	23,554	1,26,610
Premiums received in advance	1,11,667	25,343
Unallocated Premium	10,287	24,811
Sundry Creditors (Refer Note 4.27 of Schedule 16)	1,89,423	2,42,730
Due to subsidiaries/ holding company	-	-
Claims Outstanding	7,26,569	2,30,909
Due to Officers/Directors	-	-
Others		
Statutory Liabilities	16,393	21,011
GST Payable	-	-
Unclaimed Amount of Policyholders (Refer Note 4.21 of Schedule 16)	460	-
<b>Total</b>	<b>11,47,466</b>	<b>7,57,961</b>

**SCHEDULE — 14**  
**PROVISIONS**

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Reserve for Unexpired Risk	6,52,812	6,66,667
For taxation (less advance tax paid and taxes deducted/collected at source)	1	-
For proposed dividends	-	-
For dividend distribution tax	-	-
Others		
Gratuity (Refer Note 4.9 of Schedule 16)	634	702
Compensated Absences (Refer Note 4.9 of Schedule 16)	24,131	7,967
Premium Deficiency (Refer Note 4.23 of Schedule 16)	3,29,996	4,10,029
<b>Total</b>	<b>10,07,574</b>	<b>10,85,365</b>

**SCHEDULE — 15**  
**MISCELLANEOUS EXPENDITURE**

(To the Extent not Written Off or Adjusted)

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Discount Allowed on issue of shares/debentures	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**Schedule forming part of Balance Sheet as at March 31, 2020**

**SCHEDULE — 11**  
**CASH AND BANK BALANCES**

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash (including cheques, drafts, stamps) <sup>1</sup>	4,068	18,275
Bank Balances (with scheduled banks):		
(a) Deposit Accounts		
(i) Short-term (due within 12 months)	1,000	1,533
(ii) Others	-	-
(b) Current Accounts	47,134	65,388
(c) Others	-	-
Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
Others	-	-
<b>Total</b>	<b>52,202</b>	<b>85,196</b>

**Note:**

1. Includes cheques on hand of Nil (previous year ₹ 12,538 thousand)

**SCHEDULE — 12**  
**ADVANCES AND OTHER ASSETS**

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>ADVANCES</b>		
Reserve Deposits with Ceding Companies	-	-
Application Money for Investments	-	-
Investment sold pending settlement	-	-
Prepayments	23,755	31,562
Advances to Directors / Officers	-	-
Advance tax paid and taxes deducted at source (Net of provision for taxation)	-	19
Others		
Advance to Suppliers	582	59
Advances to Employees	6,184	55
<b>Total (A)</b>	<b>30,521</b>	<b>31,695</b>
<b>OTHER ASSETS</b>		
Income Accrued on Investments	63,074	44,292
Outstanding Premiums	-	-
Agents' Balances	3,692	-
Foreign Agencies Balances	-	-
Due from other entities carrying on insurance business (including reinsurers)	22,822	6,759
Due from subsidiaries/ holding company	-	-
Others		
Deposits for Office Premises	26,082	26,082
Other Deposit	830	1,134
Other receivables	-	4,01,667
GST unutilised credit (Net) /Unavailed GST Credit	1,18,758	72,885
<b>Total (B)</b>	<b>2,35,258</b>	<b>5,52,819</b>
<b>Total (A)+(B)</b>	<b>2,65,779</b>	<b>5,84,514</b>

# SCHEDULE - 16

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020.

### 1. Background

Navi General Insurance Limited (formerly known as DHFL General Insurance Limited) ('the Company') was incorporated on July 5, 2016 and is now a wholly owned subsidiary of Navi Technologies Private Limited with effect from February 6, 2020, pursuant to a change of ownership. The Company obtained Regulatory approval to undertake General Insurance business on May 22, 2017, from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration.

### 2. Basis of Preparation of Financial Statements

The financial statements have been prepared and presented under the historical cost convention, unless otherwise specifically stated, on the accrual basis of accounting, and comply with the applicable accounting standards as per Indian GAAP referred to in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, 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 rounded off to the nearest thousand.

Accounting policies applied are consistent with the previous year except where different treatment is required as per the new pronouncements made by the regulatory authorities.

### 3. Significant Accounting Policies:

#### 3.1 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires

management to make judgements, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period. These estimates are based upon management's best knowledge of current events and actions as at the date of financial statements. Any revision to the accounting estimates is recognized prospectively in the period in which the results are known/materialized.

#### 3.2 Revenue Recognition

##### Premium Income

Premium including reinsurance accepted is recorded over the contract period or the period of risk, as appropriate, after adjusting for unearned premium (unexpired risk). Installment cases are recorded on installment due dates. Long term Motor Own Damage Premium is recorded on a year to year basis in proportion to the movement in Insured's Declared Value (IDV) and Third-Party Premium is recorded equally over the duration of the term of Insurance. The remaining premium in Long Term Motor business is taken to Advance Premium Account. Reinstatement premium is recorded as and when such premiums are recovered. Any subsequent revisions to premium are recognised over the remaining period of risk or contract period, as applicable.

Adjustments to premium income arising on cancellation of policies are recognised in the period in which they are cancelled.

##### Income from reinsurance ceded

Commission on reinsurance ceded is recognised as income in the period of ceding the risk. Profit commission income / expense under re-insurance treaties, wherever applicable, is recognized in accordance with treaty arrangements with the reinsurers and combined with commission on re-insurance ceded

##### Income earned on investments

##### Interest income

Interest income on investments is recognised on an accrual basis.

### **Premium / discount on purchase of Investments**

Accretion of discount and amortization of premium relating to debt securities is recognized over the holding/maturity period on a constant yield to maturity basis.

### **Dividend income earned on Investments**

Dividend income is recognised when the right to receive dividend is established. Dividend income in respect of listed equity shares is recognised on the ex-dividend date. Mutual Fund scheme dividend is accounted on a T+1 day basis where T is the dividend declaration date.

### **Profit / Loss on sale of Investment**

The net realised gains or losses on the securities are the difference between the net sale consideration and the amortised cost, which is computed on a weighted average basis, as on the date of sale. Sale consideration for the purpose of realised gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

In the case of listed equity shares / mutual fund units, the profit or loss on sale of investment includes the accumulated changes in the fair value previously recognised under "Fair Value Change Account".

In the case of Treasury Bills, the difference between the acquisition price and the maturity value of treasury bills is recognised as income in the revenue accounts or the profit and loss account, as the case may be, over the remaining term of these instruments using the constant yield method.

### **3.3 Premium received in advance**

This represents premium received during the year, where the risk commences subsequent to the balance sheet date. The remaining premium in Long Term Motor business post recognizing the current year's and previous year's premium is taken to Advance Premium Account

### **3.4 Reinsurance premium**

Insurance premium on ceding of the risk is recognised in the period in which the risk commences in accordance with reinsurance arrangements with the reinsurers. Any subsequent revision to premium ceded is recognised in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognised in the period in which they are cancelled.

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

### **3.5 Reserve for unexpired risk**

Reserve for unexpired risk represents that part of the net premium written which is attributable to and allocable to the succeeding accounting

period(s), is calculated net of re-insurance cession, on the basis of the following method:

- 50% for Fire / Marine Cargo / Miscellaneous business; and
- 100% for Marine hull business

of the net premium written over the preceding twelve months.

### **3.6 Premium deficiency**

Premium deficiency is recognised if the sum of the expected claim costs, related expenses and maintenance cost (related to claims handling) exceeds related reserve for unexpired risk. The expected claim costs are calculated and duly certified by the Appointed Actuary.

### **3.7 Claims**

Claims incurred comprise claims paid, 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 such as survey/legal fees and other directly attributable costs. Claims (net of amounts receivable from reinsurers/coinsurers) are recognised in the respective revenue account(s) on the date of intimation based on internal management estimates or on estimates from surveyors/insured.

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/payable to co-insurers/reinsurers and salvage to the extent there is certainty of realisation. Salvaged stock is recognised at estimated net realisable value, based on an 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 based on the past experience and in cases where claim payment period exceeds four years based on actuarial valuation. These estimates are progressively revalidated on availability of further information. 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 an 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.

### **3.8 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 in which they are incurred.

### 3.9 Fixed Assets

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes acquisition price, installation and other incidental expenses, including freight and taxes incurred to bring the asset to its present location and working condition for its intended use. Any additions to the original fixed assets are depreciated over the remaining useful life of the asset.

Gains and losses arising from retirement or disposal of fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Revenue Account(s) on the date of retirement or disposal.

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

Depreciation on tangible fixed assets is provided on a pro rata basis for the period of use on a straight-line basis over the useful lives of assets as stipulated in Part C of Schedule II to the Companies Act 2013, except in the case of Furniture and Fixtures and Motor Vehicles where, based on technical evaluation carried out by Management internally, the useful life has been considered as 5 years each instead of 10 years and 8 years respectively.

All assets including intangibles, individually costing up to 5,000/- are fully depreciated/amortised in the month of capitalisation.

### 3.10 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment.

Intangible assets comprise of software, which is amortized over its useful life of six years, on the straight line method, being the management's estimate of the useful life of such intangible software.

### 3.11 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date for indications of any impairment, based on internal / external factors. If any indication of impairment exists, an impairment loss is recognized, where the carrying value of those assets exceeds their recoverable amount. Any such impairment loss is recognised by charging it to the Profit and Loss Account. If, at the balance sheet date, there is any indication that a previously recognised impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

### 3.12 Retirement and Other Employee Benefits

#### (a) Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

#### (b) Long Term Employee Benefits

##### (i) Defined Contribution Plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

##### (ii) Defined Benefit Plan

###### a. Gratuity

The cost of providing benefit under this plan is determined on the basis of actuarial valuation at each quarter end. A separate actuarial valuation is carried out for such plan using the projected unit credit method. Actuarial gains and losses for this defined benefit plan are recognized in full in the Revenue Account, in the period in which they occur.

###### b. Compensated absences

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purpose. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the quarter end. Actuarial gains/losses are immediately taken to the Revenue Account and are not deferred.

### 3.13 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 (Investment) Regulations, 2000, IRDAI (Investment) Regulations, 2016 as amended and various other circulars/ notifications issued by IRDAI in this context from time to time.

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

#### A. Classifications:

Investments maturing within twelve months from the Balance Sheet date and investments made with the specific intention to dispose them of within twelve months, are classified as 'short term investments'.

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

Investments that are earmarked, are

identified separately to policyholder's or shareholder's, as applicable.

**B. Valuation**

**Debt Securities:** All debt securities including Government Securities and redeemable Preference Shares are considered as "Held to Maturity" and are accordingly stated at amortised cost determined after amortisation of premium or accretion of discount on a constant yield basis over the holding period/maturity.

**Equities & Convertible Preference shares:** Equities listed at the balance sheet date are stated at fair value, at the last quoted closing price on the National Stock Exchange, being selected as the primary exchange, as required by the IRDAI circular number IRDA/F&I/INV/CIR/ 213/ 10/2013 dated October 30, 2013. If a security is not listed on the National Stock Exchange, then the last quoted closing price on the Bombay Stock Exchange is used.

**Mutual Funds:** Mutual fund investments are stated at fair value, at the closing net asset value per unit declared by the respective fund house at the balance sheet date.

Investments other than those mentioned above are valued at cost.

**C. Investment Income**

Investment income which is directly identifiable is recognised on actuals to revenue account(s) or the profit and loss account as applicable.

Further, investment income across segments within the revenue account(s) are allocated on the basis of segment-wise policyholders' funds. Policyholders' Funds are the aggregate of Outstanding Claims, estimates of IBNR, IBNER, PDR and Reserve for Unexpired Risk.

**D. Fair Value Change Account**

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

**E. Impairment of Investments**

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

such loss is reversed to the profit and loss account and the investment is restated to that extent.

Impairment for investment properties is assessed at each balance sheet date. The impairment loss, if any, is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value.

**3.14 Taxes**

**(a) Current Income Tax**

Current Income Tax is measured at the amount expected to be paid to the tax authorities, computed as per the applicable tax rates and tax laws.

**(b) Deferred Tax**

Deferred tax assets and liabilities are the timing difference between taxable income and accounting income that are capable of reversal in one or more subsequent period(s) and are measured using the tax rate enacted or substantively enacted as at the balance sheet date. Deferred Tax assets are only recognized to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, where the company has unabsorbed depreciation or carry forward tax loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty backed by convincing evidence that they can be realized against future taxable profits. The carrying amount of deferred tax is reviewed at each balance sheet date.

**(c) MAT Credit**

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India ('ICAI'), the same is created by way of a credit to the Statement of Profit and Loss shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**(d) Goods and Service tax (GST)**

Goods and Service Tax is considered as a liability against which GST paid for eligible



input services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilised credits, if any, are carried forward under 'Others – GST unutilised credit' and disclosed in Schedule 12 for adjustments in subsequent periods and the GST liability, if any, to be remitted to the appropriate authority is disclosed under 'Others – GST Liability' in Schedule 13.

### 3.15 Operating Lease

Leases are classified as operating leases where the lessor effectively retains substantially all the risks and rewards incidental to ownership of the leased item. Lease rentals with respect to assets taken on 'Operating Lease' are charged to revenue accounts on a straight-line basis over the lease term.

### 3.16 Cash and Cash Equivalent

Cash and cash equivalent for the purpose of cash flow statement comprises cash at bank, cash on hand, cheques on hand, short term deposit with bank, and stamp on hand.

### 3.17 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. However, contingent assets are not recognized on a prudent basis.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

### 3.18 Share issue expenses

Share issue related expenses are debited to Profit and Loss Account

### 3.19 Earnings Per Share

Basic earnings per share is 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.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for basic

earnings per share and also weighted average number of equity shares which would have been issued on conversion of all dilutive potential shares. In computing, diluted earnings per share, only potential equity shares that are dilutive are considered.

### 3.20 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 outstanding as at balance sheet date, are restated at the rates prevalent at the date of the balance sheet. The gains/losses on account of restatement and settlement are recognised in the revenue account(s) and profit and loss account, as applicable.

### 3.21 Operating expenses related to the insurance business

The Company has a Board approved policy for allocation and apportionment of expenses of management amongst various business segments as required by IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016. The expenses are segregated between those which can be directly attributed to a particular business segment and those which need to be apportioned between different business segments.

- Operating expenses which are directly attributable to a particular business segment are allocated directly to that segment.
- Operating expenses which are not directly identifiable to any business segment, but which are attached to specific functions are apportioned based on the most suitable lever of apportionment for respective functions. Operating expenses which are not attached to specific functions are apportioned based on the most logical available lever of apportionment as laid down in the policy.

### 3.22 Segment Reporting

#### Business Segment

In case of general insurance business, based on the primary segments identified under Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 read with AS 17 on "Segment Reporting" specified under Section 133 of the Companies Act, 2013, the Company has classified and disclosed segment information for Fire, Marine and Miscellaneous lines of business.

There are no reportable geographical segments, since all business is written in India.

### Segmental Assets and liabilities

Assets and liabilities have been identified under segments only where directly attributable or reasonably allocable. Cash & Bank Balances, Income Tax and Other Assets & Liabilities to the extent not identifiable to a segment are reported as unallocated funds.

The allocation of revenue and expenses to specific segments is done in the following manner, which is applied on a consistent basis.

- Direct operating expenses relating to Fire, Marine and Miscellaneous lines of business are charged to the respective Revenue Accounts.
- Indirect operating expenses have been allocated on basis of board approved methodology given above for allocation & apportionment of such expenses.

### 3.23 Contribution to Solatium Fund:

The Company provides for contribution to Solatium Fund at 0.1% of the total Third Party Premium of direct business, as per the requirements of the IRDAI Circular.

### 3.24 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 100% to the Terrorism Pool, subject to conditions and an overall limit of ₹ 20 billion.

In accordance with the terms of the agreement, GIC retrocedes terrorism premium to the Company, 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 in books of account as per the last confirmation received.

## 4. Notes to Accounts

### 4.1 Contingent Liabilities (₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Partly paid-up investments	-	-
Claims, other than against policies, not acknowledged as debts by the Company	-	-
Underwriting commitments outstanding (in respect of shares and securities)	-	-
Guarantees given by, or on behalf of the Company	-	-
Statutory demands / liabilities in dispute, not provided for	-	-
Re-insurance obligations, to the extent not provided for in accounts	-	-
Others (to be specified)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

4.2 The Company has all its assets within India. The assets of the Company are free from all encumbrances.

### 4.3 Commitments

- Commitments made and outstanding for investments and loans are NIL (Previous year NIL).
- Estimated amount of contracts remaining to be executed on capital account, to the extent not provided for (net of advances) is ₹ 705 thousand (Previous year ₹ 51,474 thousand).

### 4.4 Claims

Claims less reinsurance paid to claimants in/outside India are as under: (₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
In India	3,18,678	94,225
Outside India	-	-
<b>Total</b>	<b>3,18,678</b>	<b>94,225</b>

Ageing of gross claims outstanding is set out in the table below: (₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
More than six months	27,754	-
Others	1,34,504	25,746
<b>Total</b>	<b>1,62,258</b>	<b>25,746</b>

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

Claims where the claim payment period exceeds four years:

There are no insurance contract where the claim payment exceed four years.

### 4.5 Premiums less re-insurance written from business in / outside India:

- All premiums net of re-insurance are written and received in India.
- Premium Income recognized on "Varying Risk Pattern" is NIL (previous year: Nil)

(₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
In India	11,60,783	12,90,876
Outside India	-	-
<b>Total</b>	<b>11,60,783</b>	<b>12,90,876</b>

#### 4.6 Sector wise details of the policies issued are given below:

(₹ in '000)

Sector	For the year ended March 31, 2020					For the year ended March 31, 2019				
	GDPI (₹ '000)	No. of Policies	% of Policy	No. of lives	% of GDPI	GDPI (₹ '000)	No. of Policies	% of Policy	No. of lives	% of GDPI
Rural	1,58,657	56,081	12%	9,619	10%	2,16,505	28,989	10%	17,880	9%
Social	8,368	2,301	0.5%	2,596	0.5%	11,685	2,539	1%	2,007	0%
Urban	14,12,892	4,23,276	88%	97,402	89%	22,02,488	2,48,188	89%	1,84,750	91%
<b>Total</b>	<b>15,79,917</b>	<b>4,81,658</b>	<b>100%</b>	<b>1,09,617</b>	<b>100%</b>	<b>24,30,678</b>	<b>2,79,716</b>	<b>100%</b>	<b>2,04,637</b>	<b>100%</b>

The annual obligations as indicated in the Regulations shall be reckoned from FY 2018-19, which shall be considered as the first year of operations for the

purpose of compliance with these regulations (NOTIFICATION F.NO.IRDAI/ REG/ 13/103/2015, DATED 24-8-2015).

#### 4.7 Extent of risks retained and reinsured with respect to gross written premium is set out below (excluding excess of loss and catastrophe reinsurance):

(₹ in '000)

Particulars	Basis	For the year ended March 31, 2020		For the year ended March 31, 2019	
		Retention	Ceded	Retention	Ceded
Fire	Total sum insured	49%	51%	54%	46%
Miscellaneous					
Motor OD	Value at Risk	35%	65%	95%	5%
Motor TP	Value at Risk	95%	5%	95%	5%
Personal Accident	Value at Risk	45%	55%	45%	55%
Health Insurance	Value at Risk	76%	24%	49%	51%
Engineering	Value at Risk	0%	100%	6%	94%
Others	Value at Risk	95%	5%	95%	5%

#### 4.8 Investments

Value of contracts in relation to investments for:

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
a) Purchase where deliveries are pending	-	-
b) Sales where payments are overdue	-	-

The Company has received a license to operate as a General Insurer on May 22, 2017. Investments made are in accordance with the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 and Insurance Regulatory and Development Authority (Investment) Regulations, 2016.

Investments that are earmarked, are allocated separately to policyholders' fund or shareholders' fund, as applicable.

##### Provision for Diminution in value of Investment

The Company has created a provision for diminution in value of investments in respect of securities issued by

Dewan Housing Finance Corporation Limited (DHFL) amounting to ₹ 57,852 thousand [including interest provision of ₹ 7,775 thousand] till the year ended March 31, 2020

The Company has also created a provision for diminution in value of investments in respect of securities issued by Infrastructure Leasing & Financial Services Limited (IL&FS) amounting to ₹ 1,29,505 thousand [including interest provision of ₹ 4,893 thousand] till the year ended March 31, 2020

The historical cost and fair value of listed equity shares and mutual funds are as follows:

(₹ in '000)

Particulars	Historical Cost		Fair Value	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Investment- Listed Equity Shares & Mutual Funds	2,85,994	1,42,800	2,86,120	1,42,944

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Aggregate market value of investments other than Mutual Funds and Listed Equity Shares	29,56,016	18,64,685
Aggregate amortized cost/cost of the investments other than Mutual Funds and Listed Equity Shares	30,57,321	19,05,740

## Reverse Repo in Government securities and Corporate bonds

(₹ in '000)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year*#	Outstanding as on March 31, 2020
<b>Securities Sold under repo</b>				
1. Government Securities	NIL	NIL	NIL	NIL
2. Corporate Debt Securities	NIL	NIL	NIL	NIL
<b>Securities purchased under reverse repo</b>				
1. Government Securities	NIL	NIL	NIL	NIL
2. Corporate Debt Securities	NIL	NIL	NIL	NIL

\* Daily Average is on the basis of actual no. of days

# Face Value amount is considered for Note

## Reverse Repo in Government securities and Corporate bonds (Previous year)

(₹ in '000)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year*#	Outstanding as on March 31, 2019
<b>Securities Sold under repo</b>				
1. Government Securities	NIL	NIL	NIL	NIL
2. Corporate Debt Securities	NIL	NIL	NIL	NIL
<b>Securities purchased under reverse repo</b>				
1. Government Securities	50,000	100,000	60,000	NIL
2. Corporate Debt Securities	NIL	NIL	NIL	NIL

\* Daily Average is on the basis of actual no. of days

# Face Value amount is considered for Note

## 4.9 Employee Benefits

The relevant disclosures in pursuance of Accounting Standard (AS 15) "Employee Benefits" as notified under the Companies Act, 2013 are as follows:

- i. The Company has recognized, in the Schedule 4

Operating Expenses related to Insurance Business/Profit & Loss Accounts for the year, an amount of ₹ 23,682 thousand [Previous year ₹ 20,462 thousand] as expenses under defined contribution plans.

(₹ in '000)

Benefit (Contribution to)	For the year ended March 31, 2020	For the year ended March 31, 2019
Provident / Pension Fund	23,682	20,462

- ii. The Company operates defined benefit plan as follows:

- a) Post Retirement Gratuity

Details of the gratuity plan are as follows

(₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>1. Reconciliation of opening and closing balances of obligation</b>		
a. Obligation as at the beginning of the year	2,916	952
b. Current Service Cost	2,272	1,015
c. Past Service Cost (Vested Benefit)	-	-
d. Interest Cost	285	06
e. Actuarial (Gain) / Loss	687	843
f. Benefits paid	-	-
g. Obligation as at the end of the year	6,610	2,916
The defined benefit obligation as at the end of the year is wholly funded by the Company		
<b>2. Change in Plan Assets (Reconciliation of opening and closing balances)</b>		
a. Fair value of plan assets as at the beginning of the year	2,214	0
b. Expected return on plan assets	156	85
c. Actuarial (Gain) / Loss	156	(7)
d. Contributions	3,000	2,136
e. Benefits paid	0	0
f. Fair value of plan assets as at the end of the year	5,526	2,214

(₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>3. Expense recognized in the year</b>		
a. Current Service Cost	2,272	1,015
b. Past Service Cost (Vested Benefit)	0	0
c. Interest Cost	285	106
d. Expected return on plan assets	(156)	(85)
e. Actuarial (Gain)/Loss	531	850
f. Expense recognized in the year	2,32	1,886
<b>The expense is disclosed in Employees' Remuneration and Welfare Benefit</b>		
<b>4. Investment Details</b>		
a. Funded with a Life Insurance Company	5,526	2,214
<b>Break up of Plan Assets:</b>		
Government Bonds	-	-
PSU Bonds	-	-
Corporate Bonds	72.7%	-
Others	27.3%	100%
<b>5. Assumptions</b>		
a. Discount rate (per annum)	6.03%	7.07%
b. Estimated rate of return on plan assets (per annum)	6.03%	7.07%
c. Rate of escalation in salary (per annum)	8.00%	8.00%
d. Attrition Rate	30.00%	30.00%
e. Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
<b>6. Experience Adjustment</b>		
a. Experience adjustments on plan liabilities (Gain) / Loss	-	-
b. Experience adjustments on plan assets (Gain) / Loss	156	(7)
<b>7. Reconciliation of fair value of assets and Obligations</b>		
a. Fair value of plan assets as at end of the year	5,526	2,214
b. Present value of obligation as at end of the year	6,160	2,916
c. Amount recognised in the Balance Sheet – (Liability)/Asset	(634)	(702)

## b) Unfunded – Compensated Absences &amp; Leave Entitlement

Details of the Compensated Absences &amp; Leave Entitlement Plan are as follows

(₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>1. Reconciliation of opening and closing balances of obligation</b>		
a. Obligation as at the beginning of the year	7,967	5,134
b. Current Service Cost	1,425	1,296
c. Past Service Cost (Vested Benefit)	-	-
d. Interest Cost	524	366
e. Actuarial (Gain) / Loss	14,303	1,202
f. Benefits paid	(88)	(31)
g. Obligation as at the end of the year	24,131	7,967
The defined benefit obligation as at the end of the year is wholly funded by the Company		
<b>2. Expense recognized in the year</b>		
a. Current Service Cost	1,425	1,296
b. Past Service Cost (Vested Benefit)	-	-
c. Interest Cost	524	366
d. Actuarial (Gain) / Loss	14,303	1,202
e. Expense recognized in the year	16,252	2,864
The expense is disclosed in the line item – Employees' Remuneration and Welfare Benefits		

(₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>3. Assumptions</b>		
a. Discount rate (per annum)	6.03%	7.07%
b. Rate of escalation in salary (per annum)*	8.00%	8.00%
c. Attrition Rate	30.00%	30.00%
d. Leave Availment Ratio	1.00%	1.00%
d. Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
<b>4. Experience Adjustment</b>		
a. Experience adjustments on plan liabilities (Gain) / Loss	-	-
<b>5. Reconciliation of fair value of assets and Obligations</b>		
a. Fair value of plan assets as at end of the year	-	-
b. Present value of obligation as at end of the year	24,131	7,967
c. Amount recognised in the Balance Sheet – (Liability)/Asset	(24,131)	(7,967)

\*The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

#### 4.10 Segmental Reporting: Business Segments

In accordance with the Accounting Regulations, read with Accounting Standard 17 on "Segment Reporting", as specified under the Companies Act, 2013, the Insurer's business in India is segmented into Fire, Marine and Miscellaneous business.

##### Segmental Revenues and Expenses

Refer Appendix A for Segmental reporting of

Revenues and Expenses for "Miscellaneous" business.

##### Segmental Assets and Liabilities

Refer Appendix B for Segmental reporting of Assets and Liabilities.

#### 4.11 Managing Director's and Chief Executive Officer's (CEO) Remuneration

The details of remuneration to MD and CEO as per the term of appointment are as under:

(₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salary, Bonus & Allowances	36,366	29,018
Contribution to provident and other funds	2,661	2,376
<b>Total</b>	<b>39,027</b>	<b>31,394</b>

- Managerial remuneration in excess of ₹ 15,000 thousand has been charged to profit and loss account.
- Expense towards contribution to gratuity and leave

encashment has been determined on the basis of an actuarial valuation done annually on an overall company level and accordingly has not been considered in the above information.

#### 4.12 Related party Disclosures:

A) Holding Company
Wadhawan Global Capital Limited (till date of change of Ownership i.e. 6 <sup>th</sup> February 2020)
Navi Technologies Private Limited w.e.f. date of change of Ownership i.e. 6 <sup>th</sup> February 2020
B) Fellow Subsidiary
<b>Till date of Change of Ownership i.e. 6<sup>th</sup> February 2020</b>
WGC Management Services Private Limited
Aadhar Housing Finance Limited (Ceased to be subsidiary w.e.f. 10 <sup>th</sup> June 2019)
Arthveda Fund Management Private Limited
WGC Advisory Services Private Limited
WGC Consultancy Services Private Limited
Wadhawan Global Capital UK Limited
Wadhawan Wealth Managers Private Limited (Ceased to be subsidiary w.e.f. 24 <sup>th</sup> April 2019)
<b>With Effect from date of Change of Ownership i.e. 6<sup>th</sup> February 2020</b>
Navi Investment Advisors Private Limited
Navi Securities Private Limited
BACQ Acquisitions Private Limited
Maven Hive Technologies Private Limited
Chaitanya Rural Intermediation Development Services Private Limited

C) Associate & Other related party	
<b>Till date of Change of Ownership i.e. 6<sup>th</sup> February 2020</b>	
Pramerica Life Insurance Limited (Erstwhile DHFL Pramerica Life Insurance Co. Limited)	
Dewan Housing Finance Corporation Limited	
Avanse Financial Services Limited (Ceased to be a related party w.e.f. 30 <sup>th</sup> July 2019)	
<b>With Effect from date of Change of Ownership i.e. 6<sup>th</sup> February 2020</b>	
Mr. Sachin Bansal (Person having significant influence)	
Chaitanya India Fin Credit Private Limited (Subsidiary company of fellow subsidiary company)	
Flipkart Online Services Private Limited	
Sabin Advisors Private Limited	
D) Key Managerial Personnel	
Mr. Vijay Sinha	Managing Director and Chief Executive Officer
Mr. Vishal Garg	Senior Vice President & Chief Financial Officer
Mr. Peeyush Agarwal	Senior Vice President & Head – Operations (Additional Responsibility of Head Human Resources w.e.f. 1 <sup>st</sup> April 2020)
Mr. Harikrishnan V H	Senior Vice President & Chief Digital Officer ceased to be KMP w.e.f. February 17, 2020
Mr. Ramchandra Pandit	Senior Vice President & Chief Partnership Distribution Officer
Mr. Anupam Ashesh	Senior Vice President & Chief Underwriting Officer
Mr. Jatin Arora	Senior Vice President & Chief Risk Officer & Head Strategy ceased to be KMP w.e.f. May 24, 2019
Mr. Prasun Sarkar	Senior Vice President & Appointed Actuary Resigned on December 18, 2019 as per IRDAI's communication dated 7 <sup>th</sup> January 2020 he will be relieved after completing annual actuarial valuation and other associated reports for the Financial Year 2019-20
Mr. Manoj Kumar Agarwal	Senior Vice President & Chief Information Officer (Additional Responsibility of Chief Digital Officer)
Mr. Sunil Chawla	Vice President & Head - Motor Vertical & Property and Casualty Claims
Ms. Seema Raghunath	Vice President & Head Human Resource ceased to be KMP w.e.f. February 17, 2020
Mr. Prasun Acharyya	Vice President Marketing & Communications
Mr. Manish Pahwa	Vice President- Company Secretary, Head Legal & Compliance
Mr. Ketul Patel	Vice President & Head Internal Audit ceased to be KMP w.e.f. September 4, 2019
Dr. Sangita Shinde	Deputy Vice President - Health Claims
Mr. Alok Sharma	Head – Investments

**Related Party Transactions (April 1, 2019 – March 31, 2020)**

(₹ in '000)

Name of the Related Party / Transaction Type	Holding Company	Associate & Other related party	Fellow Subsidiaries	Key Management Personnel	Grand Total
<b>1. Pramerica Life Insurance Limited (Erstwhile DHFL Pramerica Life Insurance Co. Limited)</b>					
<b>Transactions during the year</b>					
Staff Insurance -Group Term Life Insurance Premium	-	747	-	-	747
Prepaid -Group Term Life Insurance Premium	-	44	-	-	44
<b>2. Dewan Housing Finance Corporation Ltd.</b>					
<b>Transactions during the year</b>					
Brand Fees	-	15,084	-	-	15,084
Premium	-	61,966	-	-	61,966
GMC Premium	-	(43,902)	-	-	(43,902)
Commission	-	(522)	-	-	(522)
<b>3. Aadhar Housing Finance Ltd.</b>					
<b>Transactions during the year</b>					
Premium	-	-	(1,17,499)	-	(1,17,499)
Commission	-	-	18,460	-	18,460
GMC Premium	-	-	(6,064)	-	(6,064)



## Related Party Transactions (April 1, 2018 – March 31, 2019)

(₹ in '000)

Name of the Related Party / Transaction Type	Holding Company	Associate & Other related party	Fellow Subsidiaries	Key Management Personnel	Grand Total
<b>4. Avanse Financial Services Ltd.</b>					
<b>Transactions during the year</b>					
Premium	-	(1,314)	-	-	(1,314)
Commission	-	196	-	-	196
GMC Premium	-	(5,438)	-	-	(5,438)
Reimbursement of Expenses	-	109	-	-	109
<b>Outstanding Balance at the year end</b>					
Commission payable	-	(75)	-	-	(75)
Unallocated Premium	-	(230)	-	-	(230)
<b>5. Arthveda Fund Management Private Limited</b>					
GMC Premium	-	-	(199)	-	(199)
<b>Outstanding Balance at the year end</b>					
<b>6. Wadhawan Wealth Managers Private Limited</b>					
GMC Premium	-	-	(1,828)	-	(1,828)
Unallocated Premium	-	-	(381)	-	(381)
<b>7. WGC Management Services Private Limited</b>					
<b>Outstanding Balance at the year end</b>					
Unallocated Premium	-	-	(24)	-	(24)
<b>8. Key Managerial Personnel</b>					
<b>Transactions during the year</b>					
Salary Bonus Other Allowances	-	-	-	1,54,772	1,54,772

**4.13 Operating Lease Commitments**

The Company's significant leasing arrangement is in respect of operating lease for office premises. These agreements are for a period of four/five years and are usually renewable at the option of the lessee. In respect these agreements, refundable

The details of future rent payables in respect of non-

deposits have been given. Lease rentals are recognised in the Schedule – 4 pertaining to operating expenses related to Insurance business and included under 'Rent, Rates and Taxes' aggregating ₹ 53,930 thousand [Previous year ₹ 70,519 thousand].

cancellable operating leases are given below:

(₹ '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Not later than one year	55,160	53,934
Later than one year and not later than five years	3,635	58,794
Later than five years	NIL	NIL

**4.14 Earnings Per Share (EPS)**

Earnings Per Share is calculated by dividing the loss after tax in the Profit and Loss Account by the

weighted average number of equity shares outstanding during the year. The numbers used in calculating basic and diluted earnings per equity share are as follows:

(₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a) Net Profit / (Loss) after tax for the year (₹ '000)	(7,10,515)	(2,88,297)
b) Weighted average number of Equity Shares	19,37,38,525	19,00,50,000
c) Basic / Diluted Earnings Per Share	(₹ 3.67)	(₹ 1.52)
d) Face Value Per Share	₹ 10.00	₹ 10.00

<b>4. Avanse Financial Services Ltd.</b>					
Transactions during the year					
GMC Premium	-	(91)	-	-	(91)
<b>5. Arthveda Fund Management Private Limited</b>					
Transactions during the year					
GMC Premium	-	-	(2)	-	(2)
<b>6. Wadhawan Wealth Managers Private Limited</b>					
Transactions during the year					
GMC Premium	-	-	(1)	-	(1)
<b>7. WGC Management Services Private Limited</b>					
Transactions during the year					
GMC Premium	-	-	(435)	-	(435)
<b>8. Mr. Sachin Bansal</b>					
Transactions during the year					
Purchase of securities	-	2,50,000	-	-	-
<b>9. Navi Technologies Private Limited</b>					
Transactions during the year					
Issue of Equity Shares	(12,00,000)	-	-	-	(12,00,000)
<b>10. Key Managerial Personnel</b>					
Transactions during the year					
Salary Bonus Other Allowances	-	-	-	1,81,196	1,81,196

**Related Party Transactions (April 1, 2018 – March 31, 2019)**

(₹ in '000)

Name of the Related Party / Transaction Type	Holding Company	Associate & Other related party	Fellow Subsidiaries	Key Management Personnel	Grand Total
<b>1. Pramerica Life Insurance Limited (Erstwhile DHFL Pramerica Life Insurance Co. Limited)</b>					
Transactions during the year					
Staff Insurance -Group Term Life Insurance Premium	-	780	-	-	780
Prepaid -Group Term Life Insurance Premium	-	327	-	-	327
<b>Outstanding Balance at the year end</b>					
Insurance Deposit	-	475	-	-	475
<b>2. Dewan Housing Finance Corporation Ltd.</b>					
Transactions during the year					
Rent	-	29,917	-	-	29,917
Other Rental	-	19,035	-	-	19,035
Facility Management Services (Non IT)	-	1,203	-	-	1,203
Reimbursement of Expenditure (Telephone)	-	5	-	-	5
Brand Fees	-	38,474	-	-	38,474
Rent Deposit set-off	-	(20,777)	-	-	(20,777)
Trademark License Asset reversal	-	(4,38,400)	-	-	(4,38,400)
Premium	-	(13,80,127)	-	-	(13,80,127)
GMC Premium	-	(49,095)	-	-	(49,095)
Commission	-	2,17,168	-	-	2,17,168
<b>Outstanding Balance at the year end</b>					
Other Current Liabilities -Rent	-	(2,105)	-	-	(2,105)
Balance receivable	-	4,03,773	-	-	4,03,773
Commission Payable	-	12,375	-	-	12,375
Refunds payable	-	(69,637)	-	-	(69,637)
Unallocated Premium	-	(17,199)	-	-	(17,199)
<b>3. Aadhar Housing Finance Ltd.</b>					
Transactions during the year					
Premium	-	-	(6,16,366)	-	(6,16,366)
Commission	-	-	96,543	-	96,543
GMC Premium	-	-	(26,512)	-	(26,512)
<b>Outstanding Balance at the year end</b>					
Commission payable	-	-	(17,053)	-	(17,053)
Unallocated Premium	-	-	(3,904)	-	(3,904)

#### 4.15 Deferred Taxation

The components of Deferred tax assets on account of timing differences are as follows:

(₹ in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Deferred Tax Liability (DTL):</b>		
Depreciation on Fixed Asset	48,730	38,379
<b>Total Deferred Tax Liability (A)</b>	<b>48,730</b>	<b>38,379</b>
<b>Deferred Tax Assets (DTA):</b>		
Provision for diminution in of value of investments	48,713	9,697
Related to leave encashment provision	6,118	1,873
Related to pre-operative expense	5,906	10,425
Others	1,727	858
Accumulated tax losses	2,57,524	1,41,605
<b>Total Deferred Tax Assets (DTA)</b>	<b>3,19,988</b>	<b>1,64,458</b>
<b>Deferred Tax Assets restricted to the extent of Deferred Tax Liability (B)</b>	<b>48,730</b>	<b>38,379</b>
<b>Net Deferred Tax Asset (A) – (B)</b>	<b>-</b>	<b>-</b>

#### 4.16 Outsourcing, business development and marketing support expenses

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

(₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Outsourcing expenses</b>	2,860	10,060
<b>Business development</b>	-	-
Sales promotion	63,027	15,761
Business support services	-	-
<b>Marketing support</b>	2,181	11,784

#### 4.17 Details of penal actions taken by various Govt. authorities during year ended March 31, 2020:

(₹ in '000)

Sl. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	-	-	-	-
2	GST 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, 2013	-	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities and Exchange Board of India	-	-	-	-
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/Local Govt / Statutory Authority (Tariff Advisory Committee)	-	-	-	-

#### 4.18 Summary of Financial Statements for five years

Refer Appendix C

#### 4.19 Analytical Ratios

Refer Appendix D

#### 4.20 Micro and small-scale business entities

There is no Micro, Small & Medium enterprise to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2020. This information, which is 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.

#### 4.21 Unclaimed Amount of Policyholders

Vide IRDAI Master Circular with regard to Unclaimed amounts of Policyholders' dated 25.07.2017 read with circular no. IRDA/F&A/ CIR/Misc/ 173/07/2017 dated 25.07.2017, there is ₹ 460 ('000) unclaimed amount of policyholders as at March 31, 2020 as disclosed under Schedule 13 –Current Liabilities (refer IRDAI Master circular on Unclaimed Amounts of Policyholders). Age-wise analysis is given below:

**AGE- WISE ANALYSIS**

(₹ in '000)

Particulars	Total Amt	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/ Insured's due to any reasons except litigation from the Insured/policyholders	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Sum due to the Insured/Policyholders on maturity or otherwise	460 (-)	460 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of condition of the policy or as per the law or as may be directed by the Authority but not refunded so far	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Cheques issued but not encashed by the policyholder / Insured	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Total</b>	<b>460</b> <b>(-)</b>	<b>460</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>

**Details of Unclaimed Amount and Investment Income**

(₹ in '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Balance	-	-
<b>Add:</b> Amount transferred to Unclaimed Fund	460	-
<b>Add:</b> Cheques issued out of the unclaimed amount but not encashed by the policyholders (to be included only when the cheques are stale)	-	-
<b>Add:</b> Investment Income on Unclaimed Fund	-	-
<b>Less:</b> Amount of claims paid During the year	-	-
<b>Less:</b> Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	-	-
<b>Closing Balance of Unclaimed Amount Fund</b>	<b>460</b>	<b>-</b>

**4.22 Disclosure on Other Work Given to Auditors**

Pursuant to clause 7.1 of Guidelines on Corporate Governance for insurers in India issued by the

IRDAI on May18, 2016 the details of the 'other work' given to the statutory auditors are disclosed below:

(₹ in '000)

Name of the auditor	Services rendered	For the year ended March 31, 2020	For the year ended March 31, 2019
J. C. Bhalla & Co.	Other Services	-	-
N. M. Raiji & Co.	Other Services	-	-

**4.23 Premium Deficiency**

In accordance with Master Circular and Corrigendum on Master Circular on preparation of financial statement issued by IRDAI vide circular number IRDA/F&/ CIR/F&A/ 231/10/2012 dated

October 5, 2012 and circular number IRDA/F&A/ CIR/FA/ 126/07/2013 dated July 3, 2013 respectively, Premium deficiency duly certified by an Appointed Actuary is recognized as below:

(₹ in '000)

Line of Business	For the year ended March 31, 2020	For the year ended March 31, 2019
Fire	1,53,695	122,417
Motor OD	731	6,674
Motor TP	2,131	42,465
Personal Accident	59,612	34,621
Health Insurance	99,723	2,02,579
Engineering	68	60
Asset Service provider	14,036	1,213
<b>Total</b>	<b>3,29,996</b>	<b>4,10,029</b>

#### 4.24 Expenses of Management

Vide IRDAI order no. 38/F&A(non-life)/DHFL/01/2016-17 dated 17<sup>th</sup> January 2018, the company has been exempted from necessary compliances required under sec 40B of The Insurance Act, 1938 read with IRDAI (Expenses of Management of Insurer transacting General or Health Insurance Business) Regulations, 2016. The said exemption is valid from Financial year 2018-19 to 2022-23 (Five Financial years).

#### 4.25 Provision for Freeloop Period

The provision for Free Look period is NIL (Previous Year NIL) as certified by the Appointed Actuary.

#### 4.26 Change of Ownership & Capital Infusion

By virtue of the execution of a Share Purchase Agreement (SPA) between the Company, Wadhawan Global Capital Limited (WGC) (erstwhile promoters) and Navi Technologies Private Limited (Navi) (new promoters) on January

2, 2020, WGC have transferred their entire holding in the Company of 19,00,50,000 equity shares to Navi.

The said transfer of holding representing 100% of the equity share capital of the Company has taken place on February 6, 2020, after receipt of IRDAI approval for transfer of shares vide their letter no. 405/F&A(NL)/ DHFL/ ToS/01/ 2019-20/441 dated February 4, 2020.

The Company has also obtained the approval of the Ministry of Corporate Affairs on March 11, 2020, subsequent to which, the name of the Company has been changed to 'Navi General Insurance Limited'.

Navi Technologies Private Limited, have after acquiring 100% equity stake in the Company, infused further capital of ₹ 120 crores, by way of right issue of shares.

The details of capital infusion are tabulated below:

Tranch No.	Date of allotment	No. of Equity Shares	Share Capital (₹ '000)
1.	February 27, 2020	3,00,00,000	3,00,000
2.	March 27, 2020	9,00,00,000	9,00,000
<b>Total</b>		<b>12,00,00,000</b>	<b>12,00,000</b>

4.27 Sundry creditors include provision for capital & operating expenditure amounting to ₹ 1,62,974 Thousand (Previous year: ₹ 2,04,768 Thousand)

#### 4.28 COVID-19 Impact

The Company has considered the possible effects that may arise as a result of the COVID-19 pandemic by evaluating the impact of COVID-19 pandemic on its business operations and financial position based on current indicators of future economic conditions & forecasts. The required adjustments to Actuarial assumptions & recoverable amounts due to pandemic have been made in the Financial Statements. Other than these adjustments, the company believes that there is no significant impact on its financial results for the year ended March 31, 2020.

The extent to which the COVID-19 pandemic will impact the Company's future results will depend on future developments, which are presently

uncertain, as to when the pandemic will be brought under control and things will come back to normalcy. The management, based on its assessment as to the possible impact of the pandemic on its assets, including valuation and impairment of investments, liabilities and business as a whole, is of the view that given the fact that the Company is more than adequately capitalised with a solvency ratio of 335% against the minimum of 150% and also given the nature of business and the segment that it operates in, the COVID-19 pandemic will not have a significant impact on the Company's operations in the ensuing financial year so as to adversely impact its solvency.

4.29 Previous year figures have been regrouped, reclassified in the respective schedule and notes wherever necessary, to conform to current year classifications.

#### In terms of our report attached

##### For and on behalf of the Board of Directors

**Sachin Bansal**  
Chairman  
DIN: 02356346  
Bengaluru

**Ankit Agarwal**  
Director  
DIN: 08299808  
Bengaluru

**Riya Bhattacharya**  
Director  
DIN: 07071729  
Bengaluru

**Ramchandra Pandit**  
Senior Vice President  
& Chief Partnership  
Distribution Officer\*  
Mumbai

**Vishal Garg**  
Chief Financial Officer  
M. No: 097735  
Mumbai

**Manish Pahwa**  
Company Secretary  
M. No: A18876  
Mumbai

**Dated: June 10, 2020**

\* On account of the MD/CEO position being vacant, Mr. Ramachandra Pandit is currently discharging the responsibilities of the MD/CEO's office in an interim capacity.



# APPENDIX TO NOTES



APPENDIX  
TO NOTES

# APPENDIX TO NOTES

## APPENDIX — A

### NAVI GENERAL INSURANCE LIMITED (Formerly known as DHFL General Insurance Limited)

#### SCHEDULE FOR SEGMENTAL REPORTING OF REVENUES AND EXPENDITURE FOR "MISCELLANEOUS" BUSINESS FOR YEAR ENDED MARCH 31, 2020

(₹ in '000)

Particulars	Miscellaneous							
	Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability	Engg.	Others	Total
<b>INCOME</b>								
Premiums earned (Net)	41,100	4,09,421	58,206	3,82,018	-	1,188	27,781	9,19,714
Profit/(Loss) on sale / redemption of investments	617	5,165	875	4,183	-	9	281	11,130
Earlier year provisions written back	7	57	2,107	10,082	-	86	41	12,380
Interest, Dividend and Rent - Gross	5,920	49,533	8,387	40,110	-	83	2,693	1,06,726
Others	-	-	-	-	-	-	-	-
<b>TOTAL (A)</b>	<b>47,644</b>	<b>4,64,176</b>	<b>69,575</b>	<b>4,36,393</b>	<b>-</b>	<b>1,366</b>	<b>30,796</b>	<b>10,49,950</b>
<b>EXPENDITURE</b>								
Claims Incurred (Net)	1,05,866	5,73,037	18,449	1,34,255	-	112	23,401	8,55,120
Commission (Net)	21,148	16,120	(7,857)	(17,622)	-	115	(432)	11,472
Operating Expenses related to Insurance Business	1,27,375	5,75,102	40,395	227,237	-	-	46,887	10,16,996
Premium Deficiency	(5,943)	(40,334)	24,991	(1,02,856)	-	9	12,822	(1,11,311)
Co-Insurance Administration Fee	-	-	-	203	-	-	-	203
Terrorism Pool Management Expenses	-	-	-	-	-	10	-	10
Contribution to Solatium Fund	-	724	-	-	-	-	-	724
<b>TOTAL (B)</b>	<b>2,48,446</b>	<b>11,24,649</b>	<b>75,978</b>	<b>241,217</b>	<b>-</b>	<b>246</b>	<b>82,678</b>	<b>17,73,214</b>
<b>OPERATING PROFIT / (LOSS) FROM MISCELLANEOUS BUSINESS (A)-(B)</b>	<b>(2,00,802)</b>	<b>(6,60,473)</b>	<b>(6,403)</b>	<b>1,95,176</b>	<b>-</b>	<b>1,120</b>	<b>(51,882)</b>	<b>(7,23,264)</b>

#### SCHEDULE FOR SEGMENTAL REPORTING OF REVENUES AND EXPENDITURE FOR "MISCELLANEOUS" BUSINESS FOR THE PERIOD ENDED MARCH 31, 2019

(₹ in '000)

Particulars	Miscellaneous							
	Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability	Engg.	Others	Total
<b>INCOME</b>								
Premiums earned (Net)	17,223	71,538	73,464	3,96,088	-	670	1,784	5,60,767
Profit/(Loss) on sale / redemption of investments	213	1,007	960	5,503	-	7	27	7,717
Earlier year provisions written back	-	-	-	-	-	-	-	-
Interest, Dividend and Rent - Gross	1,422	6,717	6,404	36,714	-	47	179	51,483
Others	-	-	1	-	-	-	-	1
<b>TOTAL (A)</b>	<b>18,858</b>	<b>79,262</b>	<b>80,829</b>	<b>4,38,305</b>	<b>-</b>	<b>724</b>	<b>1,990</b>	<b>6,19,968</b>
<b>EXPENDITURE</b>								
Claims Incurred (Net)	5,642	20,235	14,410	2,01,922	-	172	601	2,42,982
Commission (Net)	4,963	2,024	(27,921)	(2,48,801)	-	(1,446)	215	(2,70,966)
Operating Expenses related to Insurance Business	17,857	1,94,904	1,14,916	502,050	-	4,239	2,033	8,35,999
Premium Deficiency	6,674	42,465	26,992	1,50,778	-	60	1,213	2,28,182
Co-Insurance Administration Fee	-	-	-	487	-	-	-	487
Terrorism Pool Management Expenses	-	-	-	-	-	7	-	7
Contribution to Solatium Fund	-	170	-	-	-	-	-	170
<b>TOTAL (B)</b>	<b>35,136</b>	<b>2,59,798</b>	<b>1,28,397</b>	<b>6,06,436</b>	<b>-</b>	<b>3,032</b>	<b>4,062</b>	<b>10,36,861</b>
<b>OPERATING PROFIT / (LOSS) FROM MISCELLANEOUS BUSINESS (A)-(B)</b>	<b>(16,278)</b>	<b>(1,80,536)</b>	<b>(47,568)</b>	<b>(1,68,131)</b>	<b>-</b>	<b>(2,308)</b>	<b>(2,072)</b>	<b>(4,16,893)</b>

**Note:**

1. Profit/(Loss) on sale /redemption of investments, Interest and Dividend-Gross and Amortisation for investments have been allocated based on the ratio of average technical funds. Technical Fund are the aggregate of Outstanding Claims, estimates of IBNR, IBNER, Premium Deficiency and Reserve for Unexpired Risk.





**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**SCHEDULE FOR SEGMENTAL REPORTING OF ASSETS AND LIABILITIES AS AT MARCH 31, 2019**

(₹ in '000)

Particulars	Fire	Marine	Miscellaneous				Shareholders Funds			Unallocated Funds	As at March 31, 2020 Grand Total	
			Motor-OD	Motor-TP	Personal Accident	Health Insurance	Liability	Engineering	Others			Total
<b>Assets</b>												
Investments	6,67,243	-	25,382	1,19,902	1,14,303	6,55,323	-	834	3,201	4,30,095	-	20,16,283
Loans	-	-	-	-	-	-	-	-	-	-	-	-
Fixed Assets	2,09,448	-	15,707	65,211	39,503	2,05,874	-	633	1,627	-	-	5,38,003
<b>Current Assets</b>												
Cash and Bank Balances	-	-	-	-	-	-	-	-	-	-	85,196	85,196
Income accrued on investments	15,291	-	582	2,747	2,620	15,017	-	19	73	7,943	-	44,292
Agents' Balances	-	-	-	-	-	-	-	-	-	-	-	-
Advances and Other Assets	-	-	-	-	-	-	-	-	-	-	540,222	540,222
Debit Balance in Profit and Loss Account	-	-	-	-	-	-	-	-	-	5,19,975	-	5,19,975
<b>Total Assets</b>	<b>8,91,982</b>	<b>-</b>	<b>41,671</b>	<b>1,87,860</b>	<b>1,56,426</b>	<b>8,76,214</b>	<b>-</b>	<b>1,486</b>	<b>4,901</b>	<b>9,58,014</b>	<b>6,25,418</b>	<b>37,43,971</b>
<b>Liabilities</b>												
Claims outstanding	67,660	-	4,240	20,235	12,677	1,25,342	-	154	601	-	-	2,30,909
Reserve for Unexpired Risk	2,59,537	-	19,464	80,806	48,951	2,55,109	-	784	2,016	-	-	6,66,667
Premium Deficiency	1,22,417	-	6,674	42,465	34,621	2,02,579	-	60	1,213	-	-	4,10,029
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	2,84,322	2,84,322
Provision for Expense	94,496	-	7,087	29,420	17,823	92,884	-	286	734	-	-	2,42,730
Provision for tax	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-
Other Provisions	3,375	-	253	1,051	637	3,317	-	10	26	-	-	8,669
Share Capital	-	-	-	-	-	-	-	-	-	19,00,500	-	19,00,500
Fair Value change Account	58	-	2	10	10	57	-	-	-	8	-	145
Deferred Tax Liability	-	-	-	-	-	-	-	-	-	-	-	-
Reserves and Surplus	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>5,47,543</b>	<b>-</b>	<b>37,720</b>	<b>1,73,987</b>	<b>1,14,719</b>	<b>6,79,288</b>	<b>-</b>	<b>1,294</b>	<b>4,590</b>	<b>19,00,508</b>	<b>2,84,322</b>	<b>37,43,971</b>
<b>Notes:</b>												
Total cost incurred during the year to acquire segment fixed assets												
Intangible	61,797	-	4,634	19,240	11,655	60,743	-	187	480	-	-	1,58,736
Tangible	35,879	-	2,691	11,17	6,767	35,266	-	108	279	-	-	92,161

**APPENDIX – C**

**NAVI GENERAL INSURANCE LIMITED**  
(Formerly known as DHFL General Insurance Limited)

**SUMMARY OF FINANCIAL STATEMENTS**

Sr. No.	Particulars	2019-20 (₹ in '000)	2018-19 (₹ in '000)	2017-18 (₹ in '000)	2016-17 (₹ in '000)	2015-16 (₹ in '000)
	OPERATING RESULTS					
1	Gross Direct Premiums	15,79,917	24,30,678	14,10,744	-	-
2	Net Earned Premium #	12,24,293	10,83,125	4,45,801	-	-
3	Income from Investments net (includes interest income, dividend income, profit on sale/redemption of investment and adjustment for amortisation of premium on investments) @	1,52,545	1,02,187	14,697	-	-
4	Others :					
	a) Other Income	-	1	-	-	-
	b) Earlier year provisions writtren back	21,549	-	-	-	-
5	<b>Total Income</b>	<b>13,98,387</b>	<b>11,85,313</b>	<b>4,60,498</b>	-	-
6	Commissions (Net) (including Brokerage)	(34,480)	(4,00,534)	(1,02,975)	-	-
7	Operating Expenses	11,79,492	12,99,533	6,45,008	-	-
8	Net Incurred Claims	8,14,338	307,676	18,243	-	-
9	Change in Unexpired Risk Reserve	63,510	(207,751)	(4,58,916)	-	-
10	Premium Deficiency	(80,033)	2,95,559	1,14,470	-	-
11	Co-Insurance Administration Fee	203	487	-	-	-
12	Terrorism Pool Management Expenses	60	42	-	-	-
13	Contribution to Solatium Fund	724	170	-	-	-
14	Loss/(Profit) on Disposal/Sale of Fixed Assets	-	-	-	-	-
	<b>Operating Profit / (Loss)</b>	<b>(4,81,917)</b>	<b>(3,17,620)</b>	<b>(2,14,248)</b>	-	-
	NON-OPERATING RESULTS					
15	Total Income under shareholders' account	(2,28,598)	29,323	72,730	(90,160)	-
16	Profit / (Loss) before tax	(7,10,515)	(2,88,297)	(1,41,518)	(90,160)	-
17	Provision for tax	-	-	-	-	-
18	Profit / (Loss) after tax	(7,10,515)	(2,88,297)	(1,41,518)	(90,160)	-
	MISCELLANEOUS					
19	Policyholders' Account :					
	Total Funds	17,09,377	13,07,604	5,90,844	-	-
	Total Investments	17,32,791	15,86,188	9,36,532	-	-
	Yield on Investments*	8.09%	8.35%	7.07%	-	-
20	Shareholders' Account:					
	Total Funds	18,70,080	13,80,533	16,68,854	(89,660)	-
	Total Investments	14,35,961	4,62,497	13,14,035	41,529	-
	Yield on Investments*	5.81%	7.94%	7.32%	NA	-
21	Paid up equity capital	31,00,500	19,00,500	19,00,500	500	-
22	Net Worth	18,70,080	13,80,533	16,68,854	(89,660)	-
23	Total Assets	31,00,626	19,00,645	19,00,598	500	-
24	Yield on Total Investments	7.64%	8.16%	7.31%	NA	-
25	Earnings per share (₹)					
	Basic	(3.67)	(1.52)	(0.79)	(18,03.20)	-
	Diluted	(3.67)	(1.52)	(0.79)	(18,03.20)	-
26	Book Value per share (₹)	6.03	7.26	8.78	(17,93.20)	-
27	Total Dividend	-	-	-	-	-
28	Dividend per share (₹)	-	-	-	-	-

# Net of reinsurance

@ Net of losses

\* Yield on investment includes return on Fixed Deposits forming part of Cash and Bank Balances

**Note:**

1. Since the Company was incorporated in the 2016-17 prior two year figures are not available for comparison.

**APPENDIX — D**
**NAVI GENERAL INSURANCE LIMITED**  
 (Formerly known as DHFL General Insurance Limited)

**ANALYTICAL RATIOS**
**Analytical Ratios for the year ended March 31, 2020**

Particulars	Total	Fire	Marine	Miscellaneous								
				Motor-OD	Motor-TP	Motor Total	Personal Accident	Health Insurance	Liability	Engineering	Others	Total
1 Gross Direct Premium Growth Rate	-35%	-75%	NA	282%	325%	317%	-75%	-68%	0%	-100%	1573%	-10%
2 Gross Direct Premium to Net Worth Ratio	0.84											
3 Growth rate of Net Worth	35%											
4 Net Retention Ratio	73%	42%	NA	31%	93%	82%	40%	76%	NA	91%	84%	79%
5 Net Commission Ratio	-3%	-44%	NA	43%	2%	5%	-37%	-7%	NA	13%	-1%	1%
6 Expense of Management to Gross Direct Premium Ratio	82%											
7 Expense of Management to Net Written Premium Ratio	112%											
8 Net Incurred Claims to Net Earned Premium <sup>1</sup>	60%											
9 Combined Ratio <sup>1</sup>	159%											
10 Technical Reserves to Net Premium Ratio	1.47											
11 Underwriting Balance Ratio <sup>1</sup>	-0.52	0.65	NA	-5.04	-1.75	-2.05	-0.31	0.37	NA	0.79	-1.98	-0.93
12 Operating Profit Ratio <sup>1</sup>	-39%											
13 Liquid Assets to Liabilities Ratio	0.59											
14 Net Earning Ratio	-61%											
15 Return on Net Worth Ratio	-38%											
16 Available Solvency to Required Solvency Margin Ratio	3.35											
17 NPA Ratio												
Gross NPA Ratio	7.47%											
Net NPA Ratio	2.37%											

Note:

1. Ratios are calculated after taking into consideration Premium Deficiency.

**APPENDIX — D**
**NAVI GENERAL INSURANCE LIMITED**  
 (Formerly known as DHFL General Insurance Limited)

**ANALYTICAL RATIOS**
**Analytical Ratios for the year ended March 31, 2019**

Particulars	Total	Fire	Marine	Miscellaneous								
				Motor-OD	Motor-TP	Motor Total	Personal Accident	Health Insurance	Liability	Engineering	Others	Total
1 Gross Direct Premium Growth Rate	72%	56%	0%	0%	0%	0%	69%	55%	0%	0%	0%	85%
2 Gross Direct Premium to Net Worth Ratio	1.76											
3 Growth rate of Net Worth	-17%											
4 Net Retention Ratio	53%	52%	NA	90%	90%	90%	43%	49%	NA	15%	90%	54%
5 Net Commission Ratio	-31%	-26%	NA	14%	1%	4%	-30%	-49%	NA	-99%	6%	-34%
6 Expense of Management to Gross Direct Premium Ratio	67%											
7 Expense of Management to Net Written Premium Ratio	126%											
8 Net Incurred Claims to Net Earned Premium	56%											
9 Combined Ratio	125%											
10 Technical Reserves to Net Premium Ratio	1.01											
11 Underwriting Balance Ratio	-0.39	0.11	NA	-1.04	-2.63	-2.32	-0.75	-0.53	NA	-3.53	-1.28	-0.85
12 Operating Profit Ratio	-29%											
13 Liquid Assets to Liabilities Ratio	0.40											
14 Net Earning Ratio	-22%											
15 Return on Net Worth Ratio	-21%											
16 Available Solvency to Required Solvency Margin Ratio	2.60											
17 NPA Ratio												
Gross NPA Ratio	NA											
Net NPA Ratio	NA											

**Note :**

1. Ratios are calculated after taking into consideration Premium Deficiency.



**NAVI GENERAL INSURANCE LIMITED**  
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