



FIFTEENTH ANNUAL REPORT

2019-2020

Star Health and Allied Insurance Co. Ltd.

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STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED

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BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Fifteenth Annual Report and the Audited Financial Statements for the year ended 31st March 2020, together with the Auditors' Report and the Management Report.

The Company received the approval from the Insurance Regulatory and Development Authority of India on 16th March 2006 to carry on General Insurance business to underwrite Health, Personal Accident and Travel Insurance.

During the year the Company procured a Gross Premium of Rs.686,514 lakh as compared to Rs.540,129 lakh during last year, registering a growth of Rs.146,385 lakh. (27.10%)

Overall net incurred claims ratio to net earned premium worked out to 65.91 %. The profit after adjustment of tax for the Year was Rs.26,330 lakhs.

With absolute thrust on the market business coupled with control on incurred claims ratio, rationalizing expenses and robust digital infrastructure the Company's outlook for future is positive even in the prevailing Covid-19 situation.

The highlights of the financial results of the Company are as under:

(Amount Rs in Lakhs.)

Particulars	2019-20	2018-19
Gross Direct Premium	686,514	540,129
Less: Premium on reinsurance ceded	162,567	127,258
Net Premium	523,947	412,871
Less: Adjustment for change in reserve for unexpired risks	55,538	46,634
Total Premium Earned (Net)	468,409	366,237
Direct Claims Paid	388,788	282,742
Add: Claims on reinsurance accepted	-	1
Less: Claims recovered from re-insurer	94,262	68,772
Net Claims Paid	294,526	213,971
Add: Change in outstanding claims	14,217	15,788
Net incurred claims	308,743	229,759
Net Commission	34,041	25,691
Operating Expenses	110,132	98,890
Underwriting Profit / (Loss)	15,493	11,049
Less: Provision for impairment of investments	400	975
Add: Investment income Policy holders	16,962	11,530
Add: Investment income - Shareholder funds	12,392	8,012
Less: Other outgo	1260	348
Profit / (Loss) before Interest and Tax	43,187	29,268
Less: Interest on Debentures	2,566	2,560
Profit / (Loss) before Tax	40,621	26,708
Less: Provision for Taxation	14,757	8,311

Less: MAT Credit Entitlement	198	-
Less: Tax relating to earlier years	60	32
Less: Deferred tax	(724)	24
Net Profit / (Loss) for the year	26,330	18,341

CHANGE IN OWNERSHIP

During the year 2018-19, the existing Promoters, Investors and shareholders of the Company had entered into a Share purchase Agreement dated 01st February 2019 with the Westbridge AIF I (investing through a SPV- Safecrop Investments India LLP), Mr. Rakesh Jhunjhunwala, MIO Star, MIO IV Star, Madison India Opportunities Trust Fund (Madison), US Entities (New Buyers) for sale of shares at a price of Rs.142.43/- per share. IRDAI had given approval for the said transfer vide its letter dated 27th March 2019. Nearly 93.84% of the shares were transferred during the FY 2018-19 and FY 2019-20.

This has resulted in change in ownership of the Company and the promoters of the Company are Safecrop Investments India LLP, Westbridge AIF I, Mr..Rakesh Jhunjhunwala and Mrs.Rekha Jhunjhunwala

CHANGE IN THE NATURE OF BUSINESS

There were no changes in the nature of business of your Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

There are no material changes and commitments affecting the financial position of the Company during the year under review or which have occurred between the end of the Financial Year and the date of Report.

CAPITAL INFUSION

The Company had issued shares through preferential issue to the tune of Rs.350 Crore in FY 2018-19 to meet the solvency requirements of the Company. The shares thus issued were allotted during the year under review.

Further, during the year, to augment its solvency margin position, your Company issued 1,05,31,489 equity shares on rights basis to the existing shareholders to the extent of Rs.150 Crore in December 2019.

This has resulted in increase of paid up capital of the Company Rs.490.64 Crore in 31st March 2020 (P.Y Rs.455.58 Crore) and share premium from to Rs.1036.98 Crore in 31st March 2020 (P.Y Rs.574.56 Crore)

SOLVENCY

The Company's solvency position as at 31st March 2020 was 1.88 (P.Y 2.1) which is well above the regulatory requirement of 1.5 times.

INVESTMENTS

The aggregate investments and the Fixed Deposits held with Banks & Flexi Deposits stood at Rs.438,789 lakhs as at 31st March 2020. The investment income, net of amortization including Profit on sale of investments was Rs.29,353 lakh for the year ended 31st March 2020. The Weighted Average yield on income bearing investments was 7.55%.

DIVIDEND

Your Directors do not recommend any dividend on equity shares for the year under review.

DEPOSITS

During the year under review, the Company has not accepted any deposits under the relevant provisions of the Companies Act 2013.

DEBENTURES

During the Financial Year 2019-20, no debentures were issued by your Company.

LOANS, GUARANTEES AND INVESTMENTS

The provisions of Section 186 of Companies Act 2013 is not applicable for your Company. The company has not made any investments as contemplated under subsection 1 of the said section. The Company does not have any associate, Joint Venture or Subsidiary as on 31.03.2020.”

TRANSFER TO RESERVES:

The Company has appropriated Rs.2.5 Crore towards Debenture Redemption Reserve as per regulatory requirements.

PARTICULARS REGARDING CONSERVATION OF ENERGY AND TECHNICAL OBSERVATION:

The Company has no activity relating to conservation of energy or technology absorption and hence, the provisions of Section 134 (3)(m) of the Companies Act, 2013 do not apply.

FOREIGN EXCHANGE EARNINGS & OUTGO

The Company’s foreign exchange earnings and outgo for the year 2019-20 are as under;

Earnings (inflow)	: Rs.3435.01 Lakh
Outgo	: Rs.381.68 Lakh

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS /COURTS

There are no significant material orders passed by the Regulators/Courts that would impact the operations of the Company.

CORPORATE GOVERNANCE REPORT

Your Company is committed to the principles and features of good corporate governance and follows the same in all spheres of activities. Your Company has complied with the Corporate Governance Guidelines issued by the Insurance Regulatory and Development Authority of India (IRDAI) effective from 01st April 2010, which was subsequently amended by IRDAI on 18th May 2016 and made applicable from FY 2016-17 onwards.

A detailed report on the same for the year ended 31st March 2020 is attached as **Annexure A**.

BOARD OF DIRECTORS

The Company has a broad based Board consisting of members who are eminent persons with considerable expertise and experience in Insurance, Finance, Public administration, Law and Banking Sector. The Company is greatly benefited by experience, knowledge, and wise counsel rendered by them.

During the year the following Directors retired/resigned from the Directorship of the Company.

- 1) Mr. V P Nagarajan, w.e.f 25th April 2019
- 2) Mr. Matteo Stefanel w.e.f 09th May 2019
- 3) Justice (Retd.) K B K Vasuki w.e.f 27th September 2019
- 4) Mr. D R Kaarthikeyan w.e.f 06th August 2019
- 5) Dr M Y Khan w.e.f 06th August 2019
- 6) Mr.D C Gupta w.e.f 06th August 2019

Mr. V Jagannathan, Chairman & Managing Director had been re-designated as Chairman & CEO w.e.f 16th December 2019.

Further, the following Directors were appointed during the year under review

- 1) Mr. Berjis Desai (Additional Director w.e.f 01-11-2019 and Independent Director w.e.f 06-11-2019)
- 2) Mr. Rohit Bhasin (Additional Director w.e.f 01-11-2019 and Independent Director w.e.f 06-11-2019)
- 3) Ms. Anisha Motwani (Additional Director w.e.f 01-11-2019 and Independent Director w.e.f 06-11-2019)
- 4) Mr. Arun Duggal (Nominee Director w.e.f 06-11-2019)
- 5) Mr. D R Kaarthikeyan (Additional Director w.e.f 10-12-2019 and Independent Director w.e.f 19-03-2020)
- 6) Dr S Prakash (Managing Director w.e.f 16-12-2019)
- 7) Mr. Anand Shankar Roy (Managing Director w.e.f 16-12-2019)

The number of meetings of the Board and the Board sub committees are as under.

Particulars of Meeting	No. of Meetings
Board Meeting (02-05-2019, 30-05-2019, 06-08-2019, 06-11-2019 (2 meetings), 30-11, 2019, 14-02-2020)	7

Particulars of Meeting	No. of Meetings
Audit Committee (30-05-2019, 06-08-2019, 06-11-2019, 14-02-2020)	4
Investment Committee (30-05-2019, 06-08-2019, 06-11-2019, 14-02-2020)	4
Nomination and Remuneration Committee (30-05-2019, 06-08-2019, 06-11-2019, 14-02-2020)	4
Corporate Social Responsibility Committee (30-05-2019)	1
Risk Management Committee (09-05-2019,24-07-2019,24-10-2019,14-02-2020)	4
Policyholders Protection Committee (16-04-2019,24-07-2019, 06-11-2019, 14-02-2020)	4

RETIREMENT BY ROTATION

As per the requirements of Section 152 of the Companies Act 2013 Mr. Rakesh Jhunjhunwala and Mr. Utpal Sheth retire in the ensuing Annual General Meeting and being eligible offers themselves for re-appointment

DECLARATION BY INDEPENDENT DIRECTORS

Your Company currently has four independent directors viz., Mr. Berjis Desai, Ms. Anisha Motwani, Mr. Rohit Bhasin and Mr. D R Kaarthikeyan who are not liable to retire by rotation. All the independent directors have given necessary declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act 2013.

KEY MANAGERIAL PERSONNEL

Mr. V Jagannathan, Chairman & CEO, Dr.S.Prakash, Managing Director, Mr.Anand Roy Managing Director, Mr.S. Sundaresan, Chief Claims Officer ,Mr.V.Jayaprakash, Chief Compliance Officer, Dr. K Harikrishnan, Executive Director,Marketing, Mr. Aneesh Srivastava, Chief Investment Officer, , Mr Nilesh Kambli, Chief Financial Officer Mr.Chandrashekhar Dwivedi, Appointed Actuary, Mr. R Margabandhu, Chief Risk Officer and Ms. Jayashree Sethuraman, Company Secretary are the Key Managerial Personnel as on 31st March 2020.

Mr. R Margabandhu had been appointed in the place of Mr. P V S Lakshmi Prasad as Chief Risk Officer who had superannuated w.e.f 01st June 2019.

Mr. Aneesh Srivastava was appointed in the place of Mr.N Jayaraman as Chief Investment Officer who had relinquished his position with effect from 18th January 2020.

Mr. Nilesh Kambli was appointed in the place of Mr. S Venkataraman as Chief Financial Officer who, had relinquished his position with effect from 09th March 2020.

APPOINTED ACTUARY

Mr. Chandrashekhar Dwivedi is the Appointed Actuary of the Company, working under the guidance of Mr. K Subrahmanyam, Mentor.

BOARD EVALUATION

As per the Companies Act, 2013 Board evaluation of Director's performance had been carried out to assess the performance of the Board, its Directors, Chairperson and the Committees.

The meeting of the Independent Directors could not be held during the year under review. The Ministry of Corporate Affairs vide its Circular No.11/2020 dated 24th March 2020 has given a onetime relaxation that non- convening of Independent Directors meeting in FY 2019-20 will not be considered as a violation.

AUDITORS

Internal Auditors

Your Company has an in house Internal Audit Team. They carry out an effective internal audit control, highlight areas that require attention and report their findings and recommendations to the Audit Committee of the Board. The Audit Committee reviews the audit findings and the actions taken thereon and the effectiveness of the internal control systems on a quarterly basis.

Statutory Auditors

M/s. Brahmayya & Co., Chartered Accountants and M/s. V Sankar Aiyar & Co., Chartered Accountants are the Joint Statutory Auditors for the year under review. The Joint statutory Auditors have been appointed for a period of five years from the conclusion of the Fourteenth Annual General Meeting till the conclusion of the Nineteenth Annual General Meeting.

Concurrent Auditor

M/s Chaturvedi & Co, Chartered Accountants, appointed as Concurrent Auditors carried out concurrent audit of the investment transactions processes and systems for the year 2019-20.

Secretarial Auditor

Mr. M Francis, Practicing Company Secretary has been appointed as Secretarial Auditor of your Company. The report of the Secretarial Auditor is annexed as **Annexure B**.

AUDIT REPORT QUALIFICATIONS, ADVERSE REMARKS

Your Company did not receive any audit qualifications/ adverse remarks from the Auditors or the Practicing Company Secretary. Further no frauds are detected and reported in the reports of Auditors during the year under Review.

RELATED PARTY TRANSACTIONS

The Company has not entered into any contracts or arrangements with related parties during the year under review.

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship - Nil

(b) Nature of contracts/arrangements/transactions - Nil

(c) Duration of the contracts/arrangements/transactions - Nil

(d) Salient terms of the contracts or arrangements or transactions including the value, if any - Nil

(e) Justification for entering into such contracts or arrangements or transactions - Nil

(f) Date of approval by the Board - Nil

(g) Amount paid as advances, if any: - Nil

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 - Nil

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship - Nil

(b) Nature of contracts/arrangements/transactions - Nil

(c) Duration of the contracts/arrangements/transactions - Nil

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: - Nil

(e) Date(s) of approval by the Board, if any: - Nil

(f) Amount paid as advances, if any: - Nil

PARTICULARS OF LOANS RECEIVED FROM DIRECTORS AND/OR THEIR RELATIVES:

Your Company has not received any Loans from the Directors or their relatives.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The company has a Risk Management Committee constituted by the Board which regularly assesses the Risk and takes suitable measures to mitigate the same.

The Chief Risk officer is responsible for identification, reporting and monitoring the risks and reports to the Risk Management Committee.

Periodical meetings are held and minutes are drawn for taking suitable action plan.

There is no element of Risk in the opinion of the Board that may threaten the existence of the Company.

INTERNAL CONTROL SYSTEMS:

The Company has implemented a financial control system designed to protect the interest of the Company adequately and in ensuring the accuracy of the financial statements commensurate with the size of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board at its Meeting held on May 08, 2014 had constituted a Corporate Social Responsibility Committee of Star Health and Allied Insurance Company Limited for formulating, drafting and implementing the CSR activities within the frame work of Companies Act 2013. The Committee was reconstituted by the Board in its meeting dated 14th February 2020.

During the Financial year 2019-20, the Company has spent an amount of Rs.3.69 Crore towards CSR activities based on the recommendation of the Corporate Social Responsibility Committee.

The CSR Policy is displayed in the website: <https://www.starhealth.in/content/other> .

The Composition of the CSR Committee, the Report on the CSR Activities undertaken by the Company in the year 2019-20 along with the reasons for under spending are furnished in **Annexure C** attached to this report.

MAINTENANCE OF COST RECORDS (SECTION 148(1))

The Government has not mandated maintenance of Cost Records by the Company under Section 148(1) of the Companies Act, 2013.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has generally complied with applicable Secretarial Standards during the year.

DISCLOSURE UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013

The sexual harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 was enacted by the parliament for protection of women against sexual harassment at workplace. In accordance with the provisions of the Act, the Company has formulated a policy on prevention of

sexual harassment of women employees at workplace and has constituted an internal Complaints Committee to consider and redress complaints on sexual harassment, if any.

The Committee received 7 complaints under the legislation during the year under review (including 1 complaint pending since FY 2018-19 and appropriate action taken on all cases based on merit of the case.

MANAGEMENT REPORT

In accordance with Part IV, Schedule B of the Insurance Regulatory and Development Authority of India (Preparation of Financial statements and Auditor's Report of Insurance Companies) Regulations 2002, the Management Report forms a part of the financial statements.

POLICY ON PAYMENT OF APPOINTMENT AND REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

As required under Sec 178(3) and 178(4) of the Companies Act 2013, the policy on payment of remuneration to Directors, Key Managerial Personnel and other employees is as given under:

1. Quantum of Remuneration	Based on Qualification, Experience and Responsibility
2. Criteria for Determining Qualifications	Need based
3. Criteria for Determining Positive Attributes	As per profile and periodical internal assessment
4. Criteria for Determining Independence	Functional basis
5. Relationship between Remuneration and Performance & Performance Benchmarks	Remuneration commensurates with the performance which is determined through internal assessment
6. Balance between Fixed Component and incentives reflecting the short and long term Goals of the Company	Adequate balance between fixed and variable component is ensured

TOP 10 EMPLOYEES OF THE COMPANY AND EMPLOYEES WHO WERE IN RECEIPT OF REMUNERATION FOR THAT YEAR WHICH, IN THE AGGREGATE, WAS NOT LESS THAN ONE CRORE AND TWO LAKH

S.NO	NAME	DESIGNATION	GROSS REMUNERATION	QUALIFICATION	YEARS OF EXPERIENCE (YEARS)	DATE OF COMMENCEMENT OF EMPLOYMENT	AGE (YEARS)	PARTICULARS OF PREVIOUS EMPLOYMENT	PRE EMPLOYMENT EXP. (YEARS)
1	Jagannathan V	Chairman & CEO	4,05,57,075	M.A. (ECONOMICS)	14	02-01-2006	76	United India Insurance Company Limited	41
2	Prakash S	Managing Director	7,54,61,681	MBBS, M.S FRCS (U.K) FAIS	12	02-05-2008	54	Consultant Surgeon - Apollo Hospital	5
3	Anand Roy	Managing Director	4,39,93,348	B.COM., PGDB A	14	12-06-2006	45	Anz Grindlays, American Express, ICICI Lombard	6
4	Sundaresan S	Senior Executive Director (Designated)	1,38,78,299	B.COM., A.F.I.I	13	21-05-2007	73	United India Insurance Company Limited	35

S.NO	NAME	DESIGNATION	GROSS REMUNERATION	QUALIFICATION	YEARS OF EXPERIENCE (YEARS)	DATE OF COMMENCEMENT OF EMPLOYMENT	AGE (YEARS)	PARTICULARS OF PREVIOUS EMPLOYMENT	PRE EMPLOYMENT EXP (YEARS)
5	Jayaprakash V	Senior Executive Director (Designated)	1,05,51,810	B.A.B.L.,	11	12-01-2009	71	United India Insurance Company Limited	31
6	Harikrishnan K	Executive Director (Designated)	1,09,30,138	M.V.SC., AIII	12	01-05-2008	65	Animal Husbandary Dept., United India Insurance Company Limited	25
7	Kumar K C	Executive Director (Designated)	1,12,23,028	B.COM, MBA	14	02-08-2006	64	Hindustan Lever, Bharat Overseas Bank Ltd (Bhub)	28
8	Mallesha A M	Executive Director (Designated)	1,50,00,000	M.A. (ECONOMICS)	14	13-03-2006	65	United India Insurance Company Limited, 3i Infotech	20
9	Rajeevalochanan V	Joint Executive Director	1,18,83,494	B.V.SC & AH., FIII	14	03-06-2006	58	United India Insurance Company Limited	21
10	Sachin Shrikant Mahajan	Joint Executive Director	1,38,96,321	DIPLOMA IN INDUSTRIAL ELECTRONICS ENG, PGDBM (MARKETING MANAGEMENT)	13	03-07-2007	51	Max Newyork Life Insurance Co. Ltd, Tata Aig General Insurance Co. Ltd	13
11	Himanshu Walia	Joint Executive Director	2,04,53,971	MBA	13	06-09-2007	40	ICICI Lombard General Insurance Co Ltd, Tata Aig Ltd	4
12	Vikas Sharma	Joint Executive Director	1,99,63,019	B.COM, PGDBM (SALES & MARKETING)	11	06-04-2009	44	ICICI Lombard General Insurance Co Ltd, Eureka Forbes Ltd,	11
13	Saumendra Nath Guha	Senior Vice President	1,06,65,001	BSC	13	07-03-2007	63	United India Insurance	23
14	Vilas V Vaidya	Senior Sales Manager	1,27,72,963	B.COM	12	15-12-2007	59	Life Insurance Corporation Of India	25
15	Supriya Amol Salunke	Senior Sales Manager	1,87,89,861	B.COM	12	20-02-2008	44	Life Insurance Corporation Of India	20
16	Manoj B Nair	Senior Sales Manager	1,01,68,743	BCOM	11	14-11-2008	54	1) Hamco Mining & Smelting Co. Ltd. (1989 - 1998) 2) Joshua Digital Recording Studio (2000 - 2003) 3) Insurance Advisor (2001-2008)	19

REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Chairman & CEO and Managing Directors

NAME	Jagannathan V	Prakash S	Anand Roy
DESIGNATION	Chairman & CEO	Managing Director (w.e.f 16-12-2019)	Managing Director (w.e.f 16-12-2019)
Basic	1,59,99,996	53,91,397	53,32,797
HRA	33,32,004	35,45,429	35,24,947
Tpt All	4,80,000	5,861	5,861
Medical	-	4,395	4,395
Other Allowance	2,00,56,236	49,845	-

Spl Allowance	-	-	-
Earned Salary (Gross)	3,98,68,236	89,96,927	88,68,000
Bonus	6,000	-	-
Loan Perquisite	-	-	-
Incentive	-	-	-
Wear And Tear	-	-	-
Goodwill	-	-	-
LTA	-	1,50,000	-
Vehicle Maintenance	-	1,18,765	1,11,473
Domiciliary	-	-	-
Medical Reimbursement	6,82,839	-	-
Total Gross Income	4,05,57,075	92,65,692	89,79,473

B) Remuneration to Key Managerial Personnel(KMP)

NAME	Dr S Prakash	Anand Roy	Sundar esan S	Jayaprakash V	Harikrishnan K	S Venkatar aman	Nilesh Ashok Kambli *	Jayaraman N	Aneesh Srivastava**	Chandra shekhar Dwivedi	Margabandhu R	Jayashree Sethuraman
DESIGNATION	Joint Managing Director (till 15.12.2019)	Joint Managing Director (till 15.12.2019)	Senior Executive Director	Senior Executive Director	Executive Director	Chief Financial Officer	Chief Financial Officer	Senior General Manager	Chief Investment Officer	Appointed Actuary	Chief Risk Officer	Company Secretary
Basic	7352683	6153632	5400000	4896000	3024000	1512000	321505	852000	1062365	3903996	876000	288000
HRA	7352683	6153632	2889900	2616900	1723344	1512000	321505	471204	1062365	3903996	816000	288000
TPT All	13574	13574	19200	19200	19200	120000	7419	-	24516	120000	120000	78276
Medical	10605	10605	15000	15000	15000	15000	927	15000	3065	15000	15000	15000
Other Allow	2732451	2282798	-	-	-	358524	96730	-	319629	1140708	60552	-
Spl Allow	-	-	-	-	240000	-	-	-	-	-	-	-
Earned Salary (Gross)	17461996	14614241	8324100	7547100	5021544	3517524	748086	1338204	2471940	9083700	1887552	669276
Bonus	6000	6000	6000	6000	6000	4948	-	6000	-	-	6000	7000
Loan Perquisite	-	9255	738	151587	44588	101219	-	-	-	-	41038	-
Incentive	48500000	20000000	5000000	2500000	5500000	-	-	-	3000000	-	475000	50000
Wear And Tear	-	165500	-	-	260414	320641	-	-	-	-	158090	-
Goodwill	-	-	-	-	-	-	-	-	-	-	-	-
LTA	-	-	150000	-	-	-	-	-	-	-	-	-
Vehicle Maintenance	227994	218879	316900	316900	-	-	-	-	-	-	-	-
Domiciliary	-	-	80561	30223	97592	-	-	-	-	-	-	-
Medical Reimbursement	-	-	-	-	-	-	-	-	-	-	-	-
Total Gross Income	66195990	35013875	13878299	10551810	10930138	3944332	748086	1344204	5471940	9083700	2567680	726276

*w.e.f 09-03-2020

**w.e.f 18-01-2020

EMPLOYEE STOCK OPTIONS

The Board of Directors in their meeting dated 06th August 2019 had approved the Employee Stock Option Scheme 2019 (ESoP- 2019) for issuance and allotment of 24,005,326 (Two crore, Forty Lakh, Five thousand, Three Hundred and Twenty Six) equity shares under the said scheme, out of which 1,71,31,339 options were granted during the year under review to the employees.

The details of the said Scheme are as under:

(a) Options granted	1,71,31,339														
(b) Options vested	Nil														
(c) Options exercised	Nil														
(d) The total number of shares arising as a result	Nil														
(e) Options lapse	Nil														
(f) The exercise price	Rs.142.43/-														
(g) Variation of terms of options	Nil														
(h) Money realized by exercise of options	Nil														
(i) Total number of options in force	1,71,31,339														
(j) Employee wise details of options granted to															
(i) Key managerial personnel;	<table border="1"><thead><tr><th>NAME of the KMP</th><th>NO. OF SHARES</th></tr></thead><tbody><tr><td>Dr. S Prakash</td><td>33,60,746</td></tr><tr><td>Mr. Anand Roy</td><td>33,60,746</td></tr><tr><td>Mr. Nilesh Kambli</td><td>12,00,267</td></tr><tr><td>Mr. Aneesh Srivastava</td><td>7,20,160</td></tr><tr><td>Mr. R Margabandhu</td><td>40,000</td></tr><tr><td>Ms. Jayashree Sethuraman</td><td>10,000</td></tr></tbody></table>	NAME of the KMP	NO. OF SHARES	Dr. S Prakash	33,60,746	Mr. Anand Roy	33,60,746	Mr. Nilesh Kambli	12,00,267	Mr. Aneesh Srivastava	7,20,160	Mr. R Margabandhu	40,000	Ms. Jayashree Sethuraman	10,000
NAME of the KMP	NO. OF SHARES														
Dr. S Prakash	33,60,746														
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Mr. Nilesh Kambli	12,00,267														
Mr. Aneesh Srivastava	7,20,160														
Mr. R Margabandhu	40,000														
Ms. Jayashree Sethuraman	10,000														
(ii) Any other employee who receives a grant of	Nil														
(iii) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding	Nil														

DETAILS OF SWEAT EQUITY SHARES ISSUED (Chapter IV Rule 8(13))

The Company has not issued any Sweat Equity Shares to its Directors or KMP or Employees for the year under review.

WEBLINK OF ANNUAL RETURN

The Annual Return of the Company for the year ended 31st March 2020 is displayed in the website of your Company: <https://www.starhealth.in/content/other> and is also attached as Annexure D to the Board's Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of the Companies Act 2013 and in accordance with Insurance Act, 1938, with respect to Directors' Responsibility statement, it is hereby confirmed:

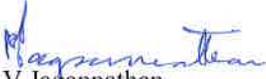
- that in the preparation of the Annual Accounts for the year ended 31st March 2020, the applicable Accounting Standards have been followed;
- appropriate accounting policies have been selected and applied consistently and such judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year ended 31st March 2020 and of the Profit of the Company for the financial year ended 31st March 2020 ;
- 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 the Company and for preventing and detecting fraud and other irregularities;
- the financial statements have been prepared on a 'going concern' basis;
- internal audit system commensurates with the size and nature of the business exists and is operating effectively.

ACKNOWLEDGEMENT

Your Directors wish to thank the officials and members of Insurance Regulatory and Development Authority of India (IRDAI) for their continued guidance and support to your Company. The support and co-operation extended by all the shareholders and stake holders merit appreciation. Your Directors express their sincere appreciation to the employees of the Company at all levels for their hard work, dedication and commitment.

The Directors also thank the Bankers, Corporate partners and customers for their valued support to your Company.

For and on behalf of the Board


V. Jagannathan
Chairman & CEO

Place: Chennai

Date: 12th June 2020

CORPORATE GOVERNANCE REPORT

Corporate Governance is a set of systems processes and principles which ensure that the Company is governed in the best interest of the stakeholders. Corporate Governance provides a framework for attaining the Company's objectives and defines the relationship between the shareholders, Board of Directors and management.

The Insurance Regulatory and Development Authority of India had issued Guidelines for Corporate Governance in May 2016. It details the governance framework to be followed by your Company.

Your Company has complied with the prescribed guidelines for the Financial Year 2018-19 and the report is follows:

The Corporate Governance structure broadly comprises of the Board of Directors and the various Committees of the Board at the apex level and the Management structure at the operational level.

Board of Directors

Your Company has a broad based Board consisting of members who are eminent persons with considerable expertise and experience in Insurance, Finance, Public administration, Law and Banking Sector. The Composition of the Board of Directors during the year 2019-20 is as given under:

Sl. No	Name	Designation	Category	Qualification	Field Of Specialization
1	Mr. V. Jagannathan	Chairman & CEO	CEO/ Whole time Director	M.A	Insurance
2	Dr. S Prakash	Managing Director	Managing Director	M.S, F.R.C.S(Glasgow)	Medical
3	Mr. Anand Shankar Roy	Managing Director	Managing Director	B. Com , MBA (Finance & Marketing)	Marketing
4	Mr. D.R.Kaarthikeyan	Director	Independent Director	M.A, LLB, IPS	Law
5	Mr. Berjis Desai	Director	Independent Director	Master of Law (University of Cambridge)	Law
6	Mr. Rohit Bhasin	Director	Independent Director	CA	Finance
7	Ms. Anisha Motwani	Director	Independent Director	MBA	Marketing

Sl. No	Name	Designation	Category	Qualification	Field Of Specialization
8	Mr. Sumir Chadha	Director	Nominee Director, WestBridge AIF I	BSE (Computer Science), MBA	Private Equity Investments
9	Mr. Deepak Ramineedi	Director	Nominee Director, WestBridge AIF I	B Tech (Electrical Engineering), MBA	Equity Investments
10	Mr. Arun Duggal	Director	Nominee Director, WestBridge AIF I	B.E (Mechanical), MBA	Banking & Finance
11	Mr. Rakesh Jhunjhunwala	Director	Non- Executive Director	Chartered Accountant	Investments
12	Mr. Utpal Sheth	Director	Non- Executive Director	B.Com, CWA, CFA	Investments
13	Mr. Surya Chadha	Director	Nominee Director of MIO IV Star	BA, BS, MBA	Private Equity Investments

Meetings of the Board:

The Board periodically reviews the performance of the Company. During the year 2019-20 seven (7) meetings of the Board of Directors were held on 02nd May 2019, 30th May 2019, 06th August 2019, 06th November 2019 (2 meetings), 30th November 2019, 14th February 2020

Mr. Chandrashekhar Dwivedi, Appointed Actuary and Mr. K Subrahmanyam, Mentor to Appointed Actuary were permanent invitees to the Committee and Board Meetings.

The details of the attendance at the meetings and the details of the directorships, chairmanship and Committees Memberships in other Companies held by Directors as on 31st March 2020 are as given below:

S.No.	Name	Category	Number of Board Meetings attended / held during the year 2019-20	Remarks
1	Mr. V. Jagannathan	Chairman and CEO	7/7	-
2	Mr. D.R.Kaarthikeyan	Independent Director	4/7	Retired w.e.f 06 th August 2019 and Appointed as Director w.e.f 10 th November 2019
3	Dr.M Y Khan	Independent Director	3/7	Retired w.e.f 06 th August 2019

S.No.	Name	Category	Number of Board Meetings attended / held during the year 2019-20	Remarks
4	Mr. D C Gupta	Independent Director	3/7	Retired w.e.f 06 th August 2019
5	Mr. V P Nagarajan	Non- Executive Director	0/7	Resigned w.e.f 25 th April 2019
6	Justice (Retd) K B K Vasuki	Non- Executive Director	3/7	Retired w.e.f 27 th September 2019
7	Mr. Berjis Desai	Independent Director	2/7	Appointed w.e.f 01 st November 2019
8	Ms. Anisha Motwani	Independent Director	2/7	Appointed w.e.f 01 st November 2019
9	Mr. Rohit Bhasin	Independent Director	1/7	Appointed w.e.f 01 st November 2019
10	Mr.Sumir Chadha	Nominee Director, WestBridge AIF I	5/7	
11	Mr.Deepak Ramineedi	Nominee Director, WestBridge AIF I	7/7	
12	Mr.Arun Duggal	Nominee Director, WestBridge AIF I	2/7	Appointed w.e.f 06 th November 2019
13	Mr.Rakesh Jhunjhunwala	Non- Executive Director	2/7	
14	Mr. Utpal Sheth	Non- Executive Director	6/7	
15	Mr. Surya Chadha	Nominee Director, MIO IV Star	6/7	
16	Mr. Matteo Stefanel	Nominee Director, Apis Growth 6 Ltd	0/7	Resigned w.e.f 09 th May 2019
17	Dr S Prakash	Managing Director	1/7	Appointed w.e.f 16 th December 2019
18	Mr. Anand Shankar Roy	Managing Director	1/7	Appointed w.e.f 16 th December 2019

SL. No	NAME	DESIGNATION	Number of Other Companies in which Directorship / Chairmanship is held		Number of Membership / Chairmanship held in Committee of Board of other Companies	
			Director	Chairman	Member	Chairman
1	Mr. V. Jagannathan	Chairman and Managing Director	Nil	Nil	Nil	Nil
2 *	Mr. D.R.Kaarthikeyan	Director	7	Nil	Nil	Nil
3 *	Dr.M Y Khan	Director	6	Nil	Nil	Nil
4 #	Mr. V. P. Nagarajan	Director	Nil	Nil	Nil	Nil
5*	Mr.D.C.Gupta	Director	Nil	Nil	Nil	Nil

SL. No	NAME	DESIGNATION	Number of Other Companies in which Directorship / Chairmanship is held		Number of Membership / Chairmanship held in Committee of Board of other Companies	
6 ##	Ms. Justice KBK Vasuki	Director	Nil	Nil	Nil	Nil
7 **	Mr. Matteo Stefanel	Director, Nominee of APIS Growth 6 Ltd	Nil	Nil	Nil	Nil
8	Mr. Berjis Desai	Independent Director	11	3	Nil	Nil
9	Ms. Anisha Motwani	Independent Director	9	Nil	Nil	Nil
10	Mr. Rohit Bhasin	Independent Director	4	Nil	Nil	Nil
11	Mr. Sumir Chadha	Nominee Director, WestBridge AIF I	5	Nil	Nil	Nil
12	Mr. Deepak Ramineedi	Nominee Director, WestBridge AIF I	1	Nil	Nil	Nil
13	Mr. Arun Duggal	Nominee Director, WestBridge AIF I	5	Nil	Nil	Nil
14	Mr. Rakesh Jhunjunwala	Non- Executive Director	5	2	Nil	Nil
15	Mr. Utpal Sheth	Non- Executive Director	15	Nil	Nil	Nil
16	Mr. Surya Chadha	Nominee Director, MIO IV Star	5	Nil	Nil	Nil
17	Dr S Prakash	Managing Director	Nil	Nil	Nil	Nil
18	Mr. Anand Shankar Roy	Managing Director	Nil	Nil	Nil	Nil

Note:

Resigned with effect from 25-04-2019.

* Retired w.e.f 06th August 2019

** Resigned w.e.f 09th May 2019

Retired w.e.f 27th September 2019

Committees of the Board

Your Board has constituted the following Committees to have more focused attention on the various aspects of the operations and business.

- A. Audit Committee
- B. Investment Committee
- C. Risk Management Committee
- D. Policyholders Protection Committee
- E. Nomination and Remuneration Committee

F. Corporate Social Responsibility Committee

A. Audit Committee

During the Year, Four Audit Committee Meetings were held on 30th May 2019, 06th August 2019, 06th November 2019 and 14th February 2020.

The attendance of each Director in the Audit Committee Meeting is detailed herein below.

S.No	Name	Category	Number of Audit Committee Meetings attended/ held during the year 2019-20	Remarks
	Chairman			
1	Dr.M Y Khan	Independent Director	2/4	Retired w.e.f 06 th August 2019
2	Mr.Berjis Desai	Independent Director	1/4	Appointed w.e.f 01 st November 2019
3	Mr. Rohit Bhasin	Independent Director	1/4	Appointed w.e.f 01 st November 2019
	Members			
4	Mr. D.R.Kaarthikeyan	Independent Director	2/4	Retired w.e.f 06 th August 2019 and Appointed as Director w.e.f 10 th November 2019
5	Mr. V. P. Nagarajan	Director	0/4	Resigned w.e.f 25 th April 2019
6	Mr.D.C.Gupta	Independent Director	2/4	Retired w.e.f 06 th August 2019
7	Ms. Anisha Motwani	Independent Director	1/4	Appointed w.e.f 01 st November 2019
8	Mr. Arun Duggal	Nominee Director, WestBridge AIF I	2/4	Appointed w.e.f 06 th November 2019

Note: 1

The Constitution of the Audit Committee during the year is as given below

Audit Committee re-constitution as of 06th August 2019	Audit committee re-constitution w.e.f 06th November -2019
<u>Chairman</u>	<u>Chairman</u>
Dr M Y Khan	Mr. Rohit Bhasin, Independent Director
<u>Members</u>	<u>Members</u>
Mr. D R Kaarthikeyan	Ms. Anisha Motwani, Independent Director
Mr. D C Gupta	Mr. Arun Duggal, Nominee Director, Westbridge AIF I

Note: 2

Mr. Berjis Desai chaired the Audit Committee Meeting only on 06th November 2019.

B. Investment Committee

During the Year, four Investment Committee Meetings were held on 30th May 2019, 06th August 2019, 06th November 2019 and 14th February 2020

The details and attendance of the Investment Committee Meeting is given below.

S. No.	Name	Category	Number of Investment Committee Meetings attended / held during the year 2019-20
	Chairman		
1	Mr. V. Jagannathan	Chairman & CEO	4/ 4
	Members		
2	Mr. D.R.Karthikeyan	Independent Director	2/ 4
3	Dr. M Y Khan	Independent Director	2 / 4
4	Mr. V. P. Nagarajan #	Director	0/ 4
5	Ms.Justice KBK Vasuki	Director	2/4
6	Mr.N. Jayaraman	Chief Investment Officer	3/ 4
7	Mr. Aneesh Srivastava **	Chief Investment Officer	1/ 4
8	Mr. P V S Lakshmi Prasad	Chief Risk Officer	1/ 4
9	Mr. R Margabandhu *	Chief Risk Officer	3/ 4
10	Mr.S Venkataraman	Chief Financial Officer	4/4
11	Mr. Berjis Desai	Independent Director	1/4
12	Mr. Utpal Sheth	Director	2/4
13	Mr.Sumir Chadha	Nominee Director, WestBridge AIF I	2/4
14	Mr.Deepak Ramineedi	Nominee Director, WestBridge AIF I	2/4
15	Mr. Rohit Bhasin	Independent Director	1/4
16	Mr. Chandrashekhar Dwivedi,	Appointed Actuary	4/4

Resigned with effect from 25-04-2019

*Appointed with effect from 1-06-2019.

**Appointed with effect from 18-01-2020.

Note: 1

The Constitution of the Investment Committee during the year is as given below

Investment Committee constitution as of 06th August 2019	Investment Committee constitution w.e.f 06 th November 2019	Investment Committee constitution w.e.f 14 th February 2020
<u>Chairman</u>	<u>Chairman</u>	<u>Chairman</u>
Mr.V Jagannathan, Chairman cum Managing Director	Mr.V Jagannathan , Chairman cum Managing Director	Mr.V Jagannathan, Chairman & CEO

Investment Committee constitution as of 06th August 2019	Investment Committee constitution w.e.f 06th November 2019	Investment Committee constitution w.e.f 14th February 2020
<u>Members</u>	<u>Members</u>	<u>Members</u>
Mr.D R Kaarthykeyan, Independent Director	Mr. Berjis Desai, Independent Director	Dr S Prakash, Managing Director
Dr.M Y Khan, Independent Director	Mr. Rohit Bhasin, Independent Director	Mr. Anand Shankar Roy, Managing Director
Ms.Justice (Retd) K B K Vasuki , Non-Executive Director	Mr. Utpal Sheth, Non- Executive Director	Mr. Berjis Desai, Independent Director
Mr. N Jayaraman, CIO	Mr. Sumir Chadha, Nominee Director, Westbridge AIF I	Mr. Rohit Bhasin, Independent Director
Mr. S Venkataraman, CFO	Mr. Deepak Ramineedi, Nominee Director, Westbridge AIF I	Mr. Utpal Sheth, Non- Executive Director
Mr. Chandrashekar Dwivedi, Appointed Actuary	Mr. N Jayaraman, CIO	Mr. Sumir Chadha, Nominee Director, Westbridge AIF I
Mr. R Margabandhu, Chief Risk officer	Mr. S Venkataraman, CFO	Mr. Deepak Ramineedi, Nominee Director, Westbridge AIF I
-	Mr. Chandrashekar Dwivedi, Appointed Actuary	Mr. D R Kaarthykeyan, Director
-	Mr. R Margabandhu, Chief Risk officer	Mr. Aneesh Srivastava, CIO
-	-	Mr. S Venkataraman, CFO
-	-	Mr. Chandrashekar Dwivedi, Appointed Actuary
-	-	Mr. R Margabandhu, Chief Risk Officer

C. Risk Management Committee

During the year, four Risk Management Committee Meetings were held on 09th May 2019, 24th July 2019, 24th October 2019 and 14th February 2020.

The Risk Management Committee performs the functions of the ALM and Ethics Committee.

The details and attendance of the Risk Management Committee Meeting is as given below.

S.No.	Name	Category	Number of Risk Management Committee Meetings attended / held during the year 2019-20	Remarks
	Chairman			
1	Mr. V.Jagannathan	Chairman & CEO	4/ 4	
2	Mr. D R Kaarthykeyan	Independent Director	0/4	w.e.f 14 th February 2020

S.No.	Name	Category	Number of Risk Management Committee Meetings attended / held during the year 2019-20	Remarks
	Members			
3	Mr.S Sundaresan	Senior Executive Director (Designated)	1/4	Removed as a result of re-constitution w.e.f 06 th November 2019
4	Mr.V.Jayaprakash	Senior Executive Director (Designated)	3/4	Removed as a result of re-constitution w.e.f 06 th November 2019
5	Mr.H.Srinivasan	Vice President	¾	Removed as a result of re-constitution w.e.f 06 th November 2019
6	Mr. P V S Lakshmi Prasad	Chief Risk Officer	¼	Retired w.e.f 30 th May 2019
7	Mr. Arun Duggal	Nominee Director, WestBridge AIF I	¼	Included w.e.f 06 th November 2019
8	Mr. Utpal Sheth	Non- Executive Director	¼	Included w.e.f 06 th November 2019
9	Dr S Prakash	Managing Director	0/4	w.e.f 14 th February 2020
10	Mr. Anand Shankar Roy	Managing Director	0/4	w.e.f 14 th February 2020
11	Mr. R Margabandhu	Chief Risk Officer	¾	Removed as a result of re-constitution w.e.f 06 th November 2019

Note: 1

The Constitution of the Risk Management Committee during the year is as given below

Risk Management Committee constitution as of 06 th August 2019	Risk Management Committee constitution w.e.f 06 th November 2019	Risk Management Committee constitution w.e.f 14 th February 2020
Chairman	Chairman	Chairman
Mr.V Jagannathan, Chairman cum Managing Director	Mr.V Jagannathan , Chairman cum Managing Director	Mr. D R Kaarthikeyan, Director
Members	Members	Members
Mr V Jayaprakash, Sr. Executive Director	Mr. Utpal Sheth, Non – Executive Director	Mr. Utpal Sheth, Non – Executive Director
Mr. S Sundaresan, Sr. Executive Director	Mr. Arun Duggal, Nominee Director ,Westbridge AIF I	Mr. Arun Duggal, Nominee Director ,Westbridge AIF I
Mr. P V S Lakshmi Prasad, Chief Risk Officer	Convener	Dr S Prakash, Managing Director
Mr. H Srinivasan, Sr. Vice President	Chief Risk Officer	Mr. Anand Shankar Roy, Managing Director
-	Invitee	Convener
-	_Appointed Actuary	Chief Risk Officer
-	-	Invitee
-	-	_Appointed Actuary

D. Policy Holders Protection Committee

During the Year, Four Policy Holders Protection Committee Meetings were held on 16-04-2019, 24-07-2019, 06-11-2019, 14-02-2020.

Mr. Sivaraman, Expert attended two meetings of the Policyholders Protection Committee.

S.No.	Name	Category	No. of Policy Holders Protection Committee Meetings attended / held during the year 2018-19	Remarks
	Chairman			
1	Mr. V.Jagannathan	Chairman & CEO	1/ 4	
2	Mr. V. P. Nagarajan [#]	Director	1/ 4	Resigned w.e.f 25 th April 2019
3	Mr. Utpal Sheth	Non- Executive Director	2/4	w.e.f 06 th November 2019
	Members			
4	Mr. V.Jagannathan	Chairman &CEO	4/ 4	Removed as a result of re-constitution w.e.f 14 th February 2020
5	Mr.V.Jayaprakash	Sr. Executive Director (Designated)	2 / 4	Removed as a result of re-constitution w.e.f 06 th November 2019
6	Ms. Anisha Motwani	Independent Director	¼	w.e.f 06 th November 2019
7	Mr. Deepak Ramineedi	Nominee Director, WestBridge AIF I	2/4	w.e.f 06 th November 2019
8	Mr. P V S Lakshmi Prasad	Chief Risk Officer	1 / 4	Retired w.e.f 30 th May 2019
9	Mrs. Vijayalakshmi Pandit	Grievance Redressal Officer	2 / 4	Removed as a result of re-constitution w.e.f 06 th November 2019
10	Mr.R Margabandhu	Chief Risk Officer	¼	Removed as a result of re-constitution w.e.f 06 th November 2019
11	Dr S Prakash	Managing Director	0/4	w.e.f 14 th february 2020
12	Mr.Anand Shankar Roy	Managing Director	0/4	w.e.f 14 th February 2020

resigned w.e.f 25th April 2019

Note: 1

The Constitution of the Policy Holders Protection Committee during the year is as given below

Policyholders Protection Committee constitution as of 06th August 2019	Policyholders Protection Committee constitution w.e.f 06th November 2019	Policyholders Protection Committee constitution w.e.f 14th February 2020
<u>Chairman</u>	<u>Chairman</u>	<u>Chairman</u>
Mr.V Jagannathan, Chairman cum Managing Director	Mr. Utpal Sheth, Non-Executive Director	Mr. Utpal Sheth, Non-Executive Director
<u>Members</u>	<u>Members</u>	<u>Members</u>
Mr. V Jayaprakash , Sr. Executive Director	V Jagannathan, CMD	Dr S Prakash, Managing Director
Mr. S Sundaresan, Senior Executive Director	Ms. Anisha Motwani, Independent Director	Mr. Anand Shankar Roy, Managing Director
Mr. P V S Lakshmi Prasad, Chief Risk Officer	Mr. Deepak Ramineedi, Nominee Director, Westbridge AIF I	Mr. D R Kaarthikeyan, Director
Mr. H Srinivasan, Sr. Vice President	<u>Invitees</u>	Ms. Anisha Motwani, Independent Director
-	Appointed Actuary	Mr. Deepak Ramineedi, Nominee Director, Westbridge AIF I
-	Grievance Redressal Officer	<u>Invitees</u>
-	Chief Risk Officer	Appointed Actuary
-	Expert/Representative	Grievance Redressal Officer
-	-	Chief Risk Officer
-	-	Expert/Representative

E. Nomination Remuneration Committee

During the year, four Nomination and Remuneration Committee Meetings were held on 30th May 2019, 06th August 2019, 06th November 2019, 14th February 2020.

The attendance of each Members of Nomination Remuneration Committee Meeting is detailed herein below.

S.No	Name	Category	Number of Nomination and Remuneration Committee Meetings attended/ held during the year 2019-20	Remarks
	Chairman			
1	Mr. D.R.Kaarthikeyan	Independent Director	2/4	Retired w.e.f 06 th August 2019
2	Mr. Berjis Desai	Independent Director	1/4	w.e.f 06 th November 2019
3	Mr. Rohit Bhasin	Independent Director	1/4	w.e.f 06 th November 2019
	Members			
4	Dr.M Y Khan	Independent Director	2/4	Retired w.e.f 06 th August 2019
5	Mr.D.C.Gupta	Independent Director	2/4	Retired w.e.f 06 th August 2019
6	Ms. Anisha Motwani	Independent Director	1/4	w.e.f 06 th November 2019
7	Mr.Sumir Chadha	Nominee Director, WestBridge AiF I	2/4	w.e.f 06 th November 2019
8	Mr. Utpal Sheth	Non- Executive Director	2/4	w.e.f 06 th November 2019

Note: 1

The Constitution of the Nomination Remuneration Committee during the year is as given below

Nomination Remuneration Committee constitution as of 06th August 2019	Nomination Remuneration Committee constitution w.e.f 06 th November 2019
Chairman	Chairman
Mr. D R Kaarthikeyan, Independent Director	Mr. Berjis Desai, Independent Director
Members	Members
Dr.M.Y Khan, Independent Director	Ms. Anisha Motwani, Independent Director
Mr.D C Gupta, Independent Director	Mr. Rohit Bhasin, Independent Director
	Mr. Utpal Sheth Non- Executive Director
	Mr. Sumir Chadha, Nominee Director, Westbridge AIF I

F. Corporate Social Responsibility Committee

During the Year, one Corporate Social Responsibility Committee Meeting held on 30th May 2019.

The attendance of each Members of the Meeting is detailed herein below.

S.No.	Name	Category	Number of Nomination and Remuneration Committee Meetings attended/ held during the year 2019-20	Remarks
	Chairman			
1	Mr. D.R.Kaarthikeyan	Independent Director	1/1	Retired w.e.f 06 th August 2019
	Members			
2	Dr.M Y Khan	Independent Director	1/1	Retired w.e.f 06 th August 2019
3	Mr.D.C.Gupta	Independent Director	1/1	Retired w.e.f 06 th August 2019

The CSR Committee was reconstituted by the Board in its meeting dated 14th February 2020 with the following Directors.

Sl. No	Name of Member	Designation in the Company	Role in committee
1	Ms. Anisha Motwani	Independent Director	Chairman
2	Dr S Prakash	Managing Director	Member
3	Mr. Anand Shankar Roy	Managing Director	Member
4	Mr. D R Kaarthikeyan	Independent Director	Member
5	Mr. Rohit Bhasin	Independent Director	Member
6	Mr. Sumir Chadha	Nominee Director, WestBridge AIF I	Member

ANNUAL GENERAL MEETING

During the year 2019-20, the Company had conducted on Annual General Meeting on 27-09-2019

EXTRA ORDINARY GENERAL MEETING

During the year 2019-20, the Company had conducted four (4) extra ordinary general meeting on 06-08-2019, 06-11-2019 (2 meetings) and 19-03-2020.

COMPANY SECRETARY

Ms. Jayashree Sethuraman, Company Secretary is the Compliance Officer for Corporate Governance and acts as Secretary for the Board and all the Committees of the Board.

COMPLIANCE OFFICER

Mr. Jayaprakash.V, is the Chief Compliance Officer as per the requirements of IRDAI.

**CERTIFICATION FOR COMPLIANCE OF CORPORATE GOVERNANCE GUIDELINES
FOR 2019-20**

I, Jayashree Sethuraman, Company Secretary & Compliance Officer, Star Health and Allied Insurance Company Limited, hereby certify that the Company has complied with the Corporate Governance Guidelines for Insurance Companies, for 2019-20 as amended from time to time and nothing has been concealed or suppressed.



Jayashree Sethuraman
Company Secretary & Compliance Officer

M. FRANCIS
Practicing Company Secretary

*Flat No.2L, Mandira Apartments,
North Boag Road,
T Nagar, Chennai – 600 017
Ph: 9941432201
Email id: francis.acs@gmail.com*

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2020**

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

To,

The Members
Star Health And Allied Insurance Company Limited
No.1, New Tank Street, Valluvarkottam High Road
Nugambakkam
Chennai - 600 034.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED (hereinafter called the “Company”).

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, We hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2020, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) *The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, *Overseas Direct Investment and *External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) *The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) *The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The other laws applicable specifically to the company:
- Insurance Act 1938 and the Rules made there under.
 - Insurance Regulatory and Development Authority Act, 1999 and the Regulations made there under.
 - Corporate Governance Guidelines for Insurers in India 2016, issued by Insurance Regulatory and Development Authority of India.

We have also examined whether adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, competition laws, environment laws etc.

In respect of financial laws like Tax laws, etc we have relied on the audit reports made available during our audit for us to have the satisfaction that the Company has complied with the provisions of such laws.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) *The Listing Agreements entered into by the Company with NSE and BSE for securities.

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

Note:

* Denotes "NOT APPLICABLE"..



We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

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 the company had the following major transactions

1. During the year 2018-19, the existing Promoters, Investors and shareholders of the Company had entered into a Share purchase Agreement dated 01st February 2019 with the Westbridge AIF I (investing through a SPV- Safecrop Investments India LLP), Mr. Rakesh Jhunjhunwala, MIO Star, MIO IV Star, Madison India Opportunities Trust Fund (Madison), US Entities (New Buyers) for sale of shares at a price of Rs. 142.43/- per share. IRDAI has given approval for the said transfer vide its letter dated 27th March 2019. Nearly 93.84% of the shares were transferred during the FY 2018-19 and FY 2019-20.

This has resulted in change in ownership of the Company and the promoters of the Company are Safecrop Investments India LLP, Westbridge AIF I, Mr.. Rakesh Jhunjhunwala and Mrs. Rekha Jhunjhunwala.

2. The company on 16.05.2019 has allotted 2,04,30,334 equity shares of Rs.10/- each at a Premium of Rs.132.68/- per share. The said allotment exceeded the time limit of 60 days within which the allotment has to be made under Section 42 of the Companies Act,2013 consequent to approval received from Insurance Regulatory and Development Authority of India on 14.05.2019.

The company on 11.06.2019 has allotted 41,00,084 equity shares of Rs.10/- each at a Premium of Rs.132.68/- per share. Out of the said shares, application money for 21,37,651 shares were received from persons resident outside India under Foreign exchange Management Act, 1999 (FEMA). Under the provisions of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 the allotment of the said shares should have been done within 60 days of receipt of the application money. The Company applied to Reserve Bank of India (RBI) for compounding of the delay in allotment and obtained an order from RBI dated 29.11.2019 compounding the delay in allotment. The allotment for the balance 19,62,433 Shares in respect of which application money was received from Domestic Investors was made exceeding the time limit of 60 days within which the allotment has to be made under Section 42 of the Companies Act,2013 consequent to approval received from Insurance Regulatory and Development Authority of India on 14.05.2019.

3. Further, during the year, to augment its solvency margin position, the Company issued 1,05,31,489 equity shares of Rs.10/- each at a Premium of Rs.132.43/- per share.on rights basis to the existing shareholders to the extent of Rs. 150 Crore in December 2019. The allotment relating to this issue done on 01.01.2020 and other allotments made during the year as explained above have resulted in increase of paid up capital of the Company to Rs. 490.64 Crore in 31st March 2020 (P.Y Rs. 455.58 Crore) and share premium from to Rs.1036.98 Crore in 31st March 2020 (P.Y Rs. 574.56Crore)
4. The members of the Company has approved a plan of Employees Stock option (ESOP 2019) in the Extra – Ordinary General Meeting held on 06.08.2019 for the issue of 2,40,05,326/-(Two Crore Forty Lakh Five Thousand Three Hundred Twenty Six) equity shares of of Rs.10 each/-.
5. Mr. Aneesh Srivastava have been appointed as Chief Investment Officer of the Company w.e.f 18-01-2020 in the Board Meeting held on 14.02.2020.
6. Mr. Nilesh Kambli have been appointed as Chief Financial Officer of the Company w.e.f 09-03-2020 in the place of Mr. Srinivasan Venkataraman who had relinquished his office as the Chief Financial Officer.
7. Mr. Prakash Subbarayan and Mr. Anand Roy Shankar have been appointed as Managing Directors of the Company in the Extra – Ordinary General Meeting held on 06.11.2019 with effect from the date of approval by IRDAI. The IRDAI approval in this respect was received on 16-12-2019.
8. Mr. V Jagannathan has been re-designated from “Chairman Cum Managing Director” to “Executive Chairman” in the Extra – Ordinary General Meeting held on 06.11.2019 subject to the approval of IRDAI w.e.f the date of approval from IRDAI. The IRDAI approval in this respect was received on 16-12-2019
9. The Board in its meeting held on 14-02-2020 has reappointed Mr. V Jagannathan, as Chairman & CEO for a period of 5 years with effect from 17th June 2020 as per the terms specified subject to review by the Board and also subject to the approval of the IRDAI.. The Members have also accorded approval in this respect in the meeting held on 19-03-2020.

This report has to be read along with our statement furnished in Annexure A

Place: Chennai
Date: 11/06/2020
UDIN: A039610B000333783

Name of Company Secretary in practice: M. Francis
ACS No.: 39610
C.P. No.: 14967



M. FRANCIS
Practicing Company Secretary

*Flat No.2L, Mandira Apartments,
North Boag Road,
T Nagar, Chennai – 600 017
Ph: 9941432201
Email id: francis.acs@gmail.com*

Annexure 'A'

To,
The Members,
Star Health And Allied Insurance Company Limited
No.1, New Tank Street, Valluvarkottam High Road
Nugambakkam
Chennai - 600 034.

Dear Sir(s),

Sub.: Secretarial Audit Report for the Financial Year ended 31.03.2020

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, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai
Date: 11/06/2020
UDIN: A039610B000333783

Name of Company Secretary in practice: M. Francis
ACS No.: 39610
C.P. No.: 14967



Annual Report on Corporate Social Responsibility

1. A brief outline of Company's CSR Policy , including overview of projects or programs to be undertaken and a reference to the web -link to the CSR policy and projects or programs

The Company's CSR Policy is inspired by its belief in supporting meaningful socio economic development. It works towards developing an enabling environment that will help citizens realise their aspirations towards leading a meaningful life. In line with its objectives, the following areas have been shortlisted for the CSR roadmap such as health care, education, skill development and sustainable livelihoods etc conforming with the activities specified under Schedule VII of the Companies Act, 2013.

The CSR policy was approved by the Board of Directors and subsequently was put up on the official website.

Web link to the CSR policy:

https://www.starhealth.in/sites/default/files/CORPORATE_SOCIAL_RESPONSIBILITY_POLICY.pdf

2. The Composition of the CSR Committee:

The CSR Committee comprises of three Independent Director, one Non-executive Director and three Nominee Directors and is chaired by an Independent Director.

The composition of the Committee as at 31st March 2020 is set out below:

Sl. No	Name of Member	Designation in the Company	Role in committee
1	Ms. Anisha Motwani	Independent Director	Chairman
2	Dr S Prakash	Managing Director	Member
3	Mr. Anand Shankar Roy	Managing Director	Member
4	Mr. D R Kaarthikeyan	Independent Director	Member
5	Mr. Rohit Bhasin	Independent Director	Member
6	Mr. Sumir Chadha	Nominee Director, WestBridge AIF I	Member

The functions of the Committee include review of Corporate Social Responsibility (CSR) initiatives undertaken by the Company, formulation and recommendation to the Board of a CSR Policy stating the activities to be undertaken by the Company and the amount of the expenditure to be incurred on such activities, review and recommend the Annual CSR plan to the Board, monitor the CSR activities, implementation and compliance with the CSR Policy and to review and implement, any other matter related to CSR initiatives .

3. Average net profit of the Company for last three financial years:

The average net profit of the Company for the last three financial years calculated as specified by the Companies Act 2013 was Rs. 1,85,42,61,087/- .

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

The prescribed CSR expenditure requirement for FY 2019-20 was Rs.3,71,00,000/-

5. Details of CSR spent during the financial year

(a) Total amount to be spent for the financial year

Total amount spent towards CSR during FY 2019-20 was Rs. 3,69,86,244/-.

(b) Amount unspent, if any : Rs.1,13,756/-

Reason: The Actual expenses incurred were less than the budgeted amount for the approved projects under CSR in a few instances.

(c) Manner in which the amount spent during the financial year is detailed below:

Sl. No	Name of the Organization	Place	CSR Activity	Amt Spent (in Rs.)
1	ZRII TRUST - onsite inspection	Chennai	Onsite inspection expenditure incurred by ZRII Trust	₹ 30,896.00
2	Govt HSS, Pasuvanathanai, Nagampatti-1A	Pasuvanathanai	Construction of toilet for boys and girls and drinking water.	₹ 12,00,000.00
3	Primary School, Nagampatti-1B	Nagampatti	Construction of toilet for boys and girls and renovation of class rooms.	₹ 1,85,000.00
4	Lady Willingdon Girls Higher Secondary School-1C	Chennai	Constructuion of toilet for girls in primary section.	₹ 5,65,000.00
5	Addl. Payment to Govt, HSS, Nagampatti-1D	Pasuvanathanai	Construction of toilet for boys and girls and drinking water.	₹ 25,000.00
6	Addl. Payment to Govt, HSS, Nagampatti-1E	Pasuvanathanai	RO Plant renovation for Drinking water facility to schools students	₹ 25,000.00
7	Wheelchair Basketball Federation of India	Chennai	Wheel chair basket ball - Sports activity for Physically challenged.	₹ 5,00,000.00

Sl. No	Name of the Organization	Place	CSR Activity	Amt Spent (in Rs.)
8	Cyclone Fani Distress Relief Fund	Odisha	Distress Relief Fund towards Cyclone Fani.	₹ 8,34,902.00
9	Stella Maris College	Chennai	Promoting Education of Women.	₹ 5,00,000.00
10	Sankalp	Chennai	Promoting Education of differently abled children.	₹ 25,00,000.00
11	Pakal Veedu - Kalliyoor Grama Panchayat	Thiruvananthapuram	Providing Mid day meal , Day Care home for senior citizens	₹ 4,81,600.00
12	TMC 1984 Charity	Kumbakonam	Promoting Education of medical students.	₹ 5,00,000.00
13	GOS Bala Vihar	Chennai	Promoting Education of differently abled children.	₹ 3,00,000.00
14	Andhra Mahila Sabha	Chennai	Empowerment of women and educating the underprivileged boys and girls.	₹ 3,00,000.00
15	Assam Flood - Distress Relief Fund	Guwahati	Distress Relief Fund - Assam	₹ 4,93,200.00
16	Healthcare Exhibition in Kerala	Kerala	Promoting healthcare - Awareness programme	₹ 5,97,859.00
17	Healthcare Exhibition in Karnataka	Karnataka	Promoting healthcare - Awareness programme	₹ 13,89,116.00
18	Healthcare Exhibition - Material movement	Kerala, Karnataka & Telangana/AP	Promoting healthcare - Awareness programme	₹ 53,000.00
19	Healthcare Exhibition Telangana & AP *	Telangana & AP	Promoting healthcare - Awareness programme	₹ 24,16,082.00
20	Govt U. P. School	Kalloor	Providing infrastructure to School students and promoting education.	₹ 3,54,000.00
21	Bihar Flood - Distress Relief Fund	Bihar	Distress Relief Fund.	₹ 43,020.00
22	Healthcare Exhibition in Madurai Zone	Madurai	Promoting Healthcare - Awareness programme	₹ 5,14,551.00
23	Rotary Club of Chennai Towers (RCCT)	Chennai	Promoting Health care - Free Dialysis centre	₹ 3,00,000.00
24	Aranya Foundation	Chennai	Promoting healthcare - Providing Food to Patients at Hospitals	₹ 5,00,000.00
25	IIT Madras Alumni Association	Chennai	Promoting Education	₹ 3,00,000.00
26	Eco Konnectors	Chennai	Go Green - Environmental sustainability	₹ 70,000.00

Sl. No	Name of the Organization	Place	CSR Activity	Amt Spent (in Rs.)
27	Rotary Club of Madars East	Chennai	Health Care - Setting up of NON-TB Care Unit at Govt Hospital Thoracic Medicine - Tambaram Sanatorium Chennai .	₹ 15,00,000.00
28	Balavidyalaya Trust - The School for Young Deaf Children	Chennai	Promoting Education including special education and enhancing skills for specially challenged children .	₹ 5,00,000.00
29	ZRII TRUST - Renovation & Maintanace of Public Toiltet	Chennai	Promoting Health Care & Sanitation	₹ 6,45,000.00
30	Sri Ramakrishna Kudil	Thirupparaithurai	Promoting Health care & preventive Health care	₹ 1,75,000.00
31	Blooms Academy	Chennai	Promoting Education & Enhance Skill Development	₹ 5,50,000.00
32	Yatra Art and Culture Foundation	Auroville	Promoting Awareness on Solid Waste Management	₹ 3,50,000.00
33	Tamil Nadu Gastroenterologist Trust	Chennai	Promoting Health Care & Preventive Health care	₹ 20,00,000.00
34	Indian Community Welfare Organisation (ICWO)	Chennai	Promoting Gender Equality & Empowering Women.	₹ 12,95,000.00
35	Medindia Caharitable Trust	Chennai	Promoting Health Care & Preventive Health care	₹ 5,00,000.00
36	Madurai Kamban Kazaga Arakatalai	Madurai	Promoting Education including Special education	₹ 7,00,000.00
37	Aravind Eye Hospital	Chennai	Promoting Health Care & Preventive Health care	₹ 20,00,000.00
38	Rotary Club of Thanjavur Kings Charitable Trust	Thanjavur	Construction of Toiltes in Govt shcools for Boys & Girls	₹ 6,49,000.00
39	Thalassemia Welfare Association	Chennai	Promoting Health Care & Preventive Health care	₹ 6,00,000.00
40	Sankara Nethralaya (Medical Research Foundtaion)	Chennai	Promoting Health Care & Preventive Health care	₹ 10,72,000.00
41	Sankara Eye Hospital - Pammal	Chennai	Promoting Health Care including Eye care & preventive health care	₹ 5,65,000.00
42	Clarke School	Chennai	Deaf blindness programme	₹ 5,00,000.00
43	Jan Jagran sansthan	Patna	Anti human trafficking, promoting health care and empowerment of women	₹ 10,05,000.00

Sl. No	Name of the Organization	Place	CSR Activity	Amt Spent (in Rs.)
44	Christ	Bangalore	Anti human trafficking, promoting health care and empowerment of women	₹ 7,53,500.00
45	MMC - Vasular Surgery **	Chennai	Promoting Health Care & Preventive Health care	₹ 13,88,472.00
46	Red Rope	Andra Pradesh	Promoting Gender Equality & Empowering Women.	₹ 4,26,000.00
47	Red Heart	Chennai	Promoting Health Care & Preventive Health care	₹ 30,00,000.00
48	Sumaithangi	Chennai	Promoting Gender Equality & Empowering Women.	₹ 2,00,000.00
49	Aathma Foundation	Chennai	Promoting health care and preventive health care	₹ 8,00,000.00
50	Peace Trust	Chennai	Preventive health care, providing masks and sanitisers to Frontline hospital staffs	₹ 6,00,000.00
51	Anandam	Chennai	Promoting health care and preventive health care	₹ 2,34,046.00
	Total Amount Spent			₹ 3,69,86,244.00

Note:

* An amount of Rs.15,19,712/- was spent in Financial Year 2019-20 but accounted in FY 2020-21 due to non- receipt of tax invoice.

** The entire amount was spent in Financial Year 2019-20 but accounted in FY 2020-21 due to non- receipt of tax invoice.

Form No. MGT-9

EXTRACT OF ANNUAL RETURNS ON THE FINANCIAL YEAR ENDED ON
31.03.2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U66010TN2005PLC056649
ii.	Registration Date	17/06/2005
iii.	Name of the Company	Star Health and Allied Insurance Company Limited
iv.	Category / Sub-Category of the Company	Company Limited by Shares/Indian Non Government Company
v.	Address of the Registered office and contact details	No.1, New Tank Street, Valluvarkottam High Road, Nugambakkam, Chennai 600034
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Contact Person: Mr. Hanumantha Rao Patri Email :hanumantha.patri@karvy.com Phone :040-6716 1602

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Non Life Insurance - Health Insurance Services	6512	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
-----Nil-----					

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/HUF	4,53,92,999	-	4,53,92,999	9.96	9,14,29,848	-	9,14,29,848	18.63	8.67
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	9,06,91,079	-	9,06,91,079	19.91	23,15,28,978	-	23,15,28,978	47.19	27.28
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	13,60,84,078	-	13,60,84,078	29.87	32,29,58,826	-	32,29,58,826	65.82	35.95
2) Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total Promoter Shareholding (A)=(A)(1)+(A)(2)	13,60,84,078	-	13,60,84,078	29.87	32,29,58,826	-	32,29,58,826	65.82	35.95
B. Public Shareholding									
I. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a) Bodies Corp. (i) Indian	17,09,24,907	-	17,09,24,907	37.52	92,66,854	-	92,66,854	1.89	35.63
(ii) Overseas	9,37,05,939	-	9,37,05,939	20.58	12,32,07,127	-	12,32,07,127	25.11	4.53
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	100	42,320	42,420	0.01	620	41,800	42,420	0.01	
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2,59,36,850	2,59,36,850	5,39,85,997	11.85	73,33,638	2,71,95,548	3,45,29,186	7.04	-4.81
c) Others (Specify)	8,32,765.00		8,32,765.00	0.19	6,33,600.00		6,33,600.00	0.13	-0.06
Sub-total (B)(2)	29,14,00,561	2,80,91,467	31,94,92,028	70.15	14,04,41,839	2,72,37,348	16,76,79,187	34.18	-35.97
Total Public Shareholding (B)=(B)(1)+ (B)(2)	29,14,00,561	2,80,91,467	31,94,92,028	70.15	14,04,41,839	2,72,37,348	16,76,79,187	34.18	-35.97
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	42,74,84,639	2,80,91,467	45,55,76,106	100	46,34,00,665	2,72,37,348	49,06,38,013	100	-0

ii.Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Safecrop Investments India LLP	9,06,91,079	19.91	-	23,15,28,978	47.19	-	27.28
2.	Mr. Rakesh Jhunjhunwala	4,53,92,999	9.96	-	7,35,58,871	14.99	-	5.03
3.	Mrs. Rekha Jhunjhunwala	-	-	-	1,78,70,977	3.64	-	3.64
	Total							

iii.Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Safecrop Investments India LLP				
	At the beginning of the year	9,06,91,079	19.91	9,06,91,079	19.91
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Add: Transfer of shares during the year	13,58,68,154		13,58,68,154	
	Rights issue of shares	49,69,745		49,69,745	
	At the End of the year	23,15,28,978	47.19	23,15,28,978	47.19

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	Rakesh Jhunjhunwala				
	At the beginning of the year	4,53,92,999	9.96%	4,53,92,999	9.96%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Add: Transfer of shares from April - June 2019	2,16,80,854		2,16,80,854	
	Preferential allotment of shares	49,06,084		49,06,084	
	Rights issue of shares	15,78,934		15,78,934	
	At the End of the year	7,35,58,871	14.99	7,35,58,871	14.99
3	Rekha Jhunjhunwala				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Add: Transfer of shares from April - June 2019	1,74,87,378		1,74,87,378	
	Rights issue of shares	3,83,599		3,83,599	
	At the End of the year	1,78,70,977	3.64	1,78,70,977	3.64

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No.	Name of Top 10 Shareholders	Date wise Increase /Decrease in Share holding during the year	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc) allotment /transfer / bonus/ sweat equity etc)
			No. of shares	% of total shares	No. of shares	% of total shares	
1	Star Health Investments Private Limited	01-04-2019	17,09,24,907	37.52			
		22-05-2019	7,71,10,421				Transfer of shares
		23-05-2019	5,66,35,367				Transfer of shares
		13-05-2019	1,14,94,908				Transfer of shares
		31-03-2020					
2	Apis Growth 6 Limited	01-04-2019	3,18,90,328	7.00			
		31-03-2020			3,18,90,328	6.50	
3	Oman Insurance Company And Various Purchasers - Shares Escrow Account	01-04-2019	2,25,36,655				
		01-04-2019	-2,25,36,655				Transfer of shares
		31-03-2020					
4	MIO Star	01-04-2019	1,51,10,681	3.32			
		01-04-2019	22,52,974				Transfer of shares
		04-04-2019	30,251				Transfer of shares
		11-06-2019	4,20,522				Transfer of shares
		01-01-2020	3,90,773				Allotment of Rights Shares
		31-03-2020			1,82,05,201	3.71	
5	Essa Abdulla Al Ghurair	01-04-2019	1,44,77,223	3.18			
		31-03-2020			1,44,77,223	2.95	
6	Syed M. Salahuddin	01-04-2019	1,35,71,924	2.98			
		31-03-2020			1,35,71,924	2.77	
7	University of Notre Dame Du Lac	01-04-2019	1,31,96,869	2.90			
		01-04-2019	13,80,387				Transfer of shares
		22-05-2019	58,82,664				Transfer of shares
		23-05-2019	30,13,439				Transfer of shares
		01-01-2020	5,14,905				Allotment of Rights Shares
		31-03-2020			2,39,88,264	4.89	

Sl No.	Name of Top 10 Shareholders	Date wise Increase /Decrease in Share holding during the year	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc)
8	Alpha FDI Holdings Pte Ltd	01-04-2019	60,60,606	1.33			
		26-09-2019	-60,60,606				Transfer of shares
		31-03-2020					
9	Massachusetts Institute of Technology	01-04-2019	39,60,147	0.87			
		01-04-2019	4,14,230				Transfer of shares
		22-05-2019	17,65,222				Transfer of shares
		23-05-2019	9,04,342				Transfer of shares
		01-01-2020	1,54,514				Allotment of Rights Shares
		31-03-2020			71,98,455	1.47	
10	Ahmed Najeema	01-04-2019	35,18,106	0.77			
		14-05-2019	-35,18,106				Transfer of shares
		31-03-2020					
11	Sai Satish	01-04-2019	25,30,251	0.56			
		04-04-2019	-30,251				Transfer of shares
		01-01-2020	6,26,985				Allotment of Rights Shares
		31-03-2020			31,26,985	0.64	
12	MIO IV Star	01-04-2019	-	-			
		07-06-2019	2,56,84,211				Transfer of shares
		01-01-2020	5,63,402				Allotment of Rights Shares
		31-03-2020			2,62,47,613	5.35	
13	Snowdrop Capital Pte.Ltd.	01-04-2019	-	-			
		31-03-2020			1,14,94,908	2.34	Transfer of shares
14	TATA Capital Growth Fund II	01-04-2019	-	-			
		26-09-2019	60,60,606				Transfer of shares
		01-01-2020	1,32,944				Allotment of Rights Shares
		31-03-2020			61,93,550	1.26	

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No	Name of Shareholders Who are also KMP/ Directors of the Company	Date wise Increase / Decrease in Promoters Share holding during the year	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for transfer / bonus/ sweat equity etc):
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Mr.V. Jagannathan	01.04.2019	1,26,30,459	2.77%			
		31.03.2020			28,51,050	0.58%	Transfer of Shares
2	Mr. Rakesh Jhunhunwala	01.04.2019	4,53,92,999	9.96%			Transfer & Allotment of Shares pertaining to preferential allotment and rights issue
		01.04.2019	52,61,264				
		22-05-2019	34,66,664				
		23-05-2019	11,51,072				
		23-05-2019	1,18,01,854				
		16-05-2019	49,06,084				
		01-01-2020	15,78,934				
	31.03.2020			7,35,58,871	14.99%		
3	Mr.Berjis Desai	01.04.2019	-	-			Transfer of shares and allotment of shares pertaining to Rights issue
		23-05-2019	2,10,527				
		01-01-2020	4,618				
		31.03.2020			2,15,145	0.04%	

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment
(Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	25,000	-	25,000
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	21.46	-	21.46
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	25,021.46	-	25,021.46
Change in Indebtedness during the financial year	-	-	-	-
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	25,000	-	25,000
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	21.47	-	21.47
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	25,021.47	-	25,021.47

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in

lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		V Jagannathan Chairman & CEO	S Prakash Managing Director	Anand Roy Managing Director	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	398.68	89.97	88.68	577.33
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	6.89	2.69	1.11	10.69
6.	Total (A)	405.57	92.66	89.79	588.02

B. Remuneration to other directors:

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Fee for attending Board committee meetings	Commission	Others	Total Amount
1	<u>Independent Directors</u>				
	Mr.D R Kaarthikeyan	2	10	-	12
	Mr.D C Gupta	1.5	10	-	11.5
	Mr.M Y Khan	1.5	10	-	11.5
	Mr.Berjis Desai	0.5	-	-	0.5
	Mr.Rohit Bhasin	0.5	-	-	0.5
	Ms.Anisha Motwani	1	-	-	1
	Total (1)	7	30	-	37
2	<u>Other Non-Executive Directors</u>				
	Ms.Justice KBK Vasuki	1.5	10	-	11.5
	Mr.V P Nagarajan	-	10	-	10
	Total (2)	1.5	20	-	21.5
	Total (B)=(1+2)	8.5	50	-	58.5
	Total Managerial Remuneration	8.5	50	-	58.5

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		Company Secretary	Chief Financial Officer	Chief Financial Officer (w.e.f 09-03-2020)	Other KMPs*	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6.69	35.18	7.48	677.50	726.85
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	1.01	-	2.47	3.48
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-				

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				
		Company Secretary	Chief Financial Officer	Chief Financial Officer (w.e.f 09-03-2020)	Other KMPs*	Total
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	0.57	3.26	-	870.40	874.23
6.	Total	7.26	39.44	7.48	1,550.38	1,604.56

* As per Corporate Governance Guidelines 2016 issued by IRDAI

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty			Nil		
Punishment					
Compounding					
B. Directors					
Penalty			Nil		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty			Nil		
Punishment					
Compounding					

For and on behalf of the Board


V. Jagannathan
Chairman & CEO

Place: Chennai
Date: 12th June 2020

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Independent Auditors' Report

To the Members of Star Health And Allied Insurance Company Limited

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of Star Health And Allied Insurance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Revenue accounts of miscellaneous insurance, the Profit and Loss account and the Receipts and Payments account for the year then ended, the schedules annexed there to, a summary of the significant accounting policies and other explanatory notes thereon (hereinafter referred to as "the financial statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Insurance Act, 1938, as amended by Insurance Laws(Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the IRDA Financial Statements Regulations"), Circulars / Orders / Directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI" / "Authority") in this regard, and the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "Act") read with Companies (Accounting Standards) Rules, 2006 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 Balance Sheet, of the state affairs of the Company as at March 31, 2020;
- b. in the case of Revenue Accounts, of the operating profit in Miscellaneous business for the year ended on that date;
- c. in the case of Profit and Loss Account, of the profit for the year ended on that date; and
- d. in case of Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 Insurance Act, the IRDA Act and the the IRDA Financial Statements Regulations, the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Other Matters

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2020 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms, if any, issued by the IRDAI and the Actuarial Society of India in



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concurrence with IRDAI. We have relied upon the Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

Our opinion is not modified in this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management Discussion and Analysis report and Corporate Governance Report but does not include the financial statements and our auditors' report thereon.

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

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

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

We have nothing to report in this regard.

Responsibilities of the Management and those charged with governance for the financial statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements to give a true and fair view of the financial position, financial performance and Receipts and Payments of the Company in accordance with and in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, read with Companies (Accounting Standards) Rules, 2006 to the extent applicable and in the manner so required.

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

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

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



Auditor's Responsibilities for the Audit of the financial statements

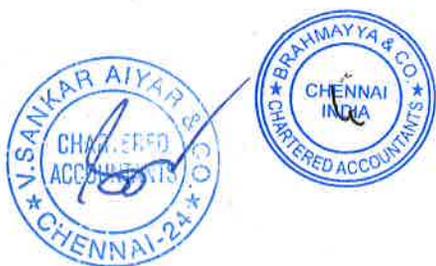
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but it not a guarantee that an audit conducted in accordance with Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of this report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Report on Other Legal and Regulatory Requirements

1. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated June 11, 2020 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDAI Financial Statement Regulations.
2. As required by the paragraph 2 of Schedule C to the IRDAI Financial Statement Regulations and the provisions of Section 143(3) of the Act, in our opinion and according to the information and explanations give to us, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) As the Company's accounts are centralized and maintained at the corporate office, no returns for the purposes of our audit are prepared at the branches and other offices of the Company as required under Section 143(8) of the Act;;
 - c) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - d) The Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account;
 - e) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act read with Companies (Accounting Standards) Rules, 2006, to the extent applicable and with the accounting principles prescribed by the Regulations and Orders/Directions prescribed by IRDAI in this regard;
 - f) Investments have been valued in accordance with the provisions of the Insurance Act, the Regulations and orders/directions issued by IRDAI in this regard.
 - g) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - 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 "Annexure A"; and
 - 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 Note no. 5.1.1 (A) & (B) to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts Refer Note 5.2.18 of Part C of Schedule 16.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.



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3. With respect to the other matters to be included in the Auditor's report, in terms of the requirements of Section 197(16) of the Act, we report that the managerial remuneration to the Company's Directors are governed by the provisions of Section 34A of the Insurance Act, 1938 and requires approval of IRDAI and it is in accordance with. The managerial remuneration limits specified under Section 197 of the Act do not apply.

For M/s. Brahmayya & Co.
Chartered Accountants
Firm Registration No: 0005116

K. Jitendra Kumar



K. Jitendra Kumar
Partner
Membership No: 201825
Date: June 12 2020
Place: Chennai
UDIN No: 20201825AAAACW5731

For M/s. V Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No: 109208W

S Venkataraman

S Venkataraman
Partner
Membership No: 023116
Date: June 12 2020
Place: Chennai
UDIN No: 20023116AAAIG4593



"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Star Health And Allied Insurance Company Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 and to the extent applicable with the accounting principles prescribed by the Regulations and Orders/Directions prescribed by 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)



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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Other Matters

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2020 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary, as mentioned in "Other Matter" paragraph of our audit report on the financial statements of the Company as at and for the year ended March 31, 2020. In view of this, we did not perform any procedures relating to internal financial controls over financial reporting in respect of the valuation and accuracy of the actuarial valuation of estimate of claims IBNR and claims IBNER.

For M/s. Brahmayya & Co.
Chartered Accountants
Firm Registration No: 00051115




K. Jitendra Kumar
Partner
Membership No: 201825
Date: June 12 2020
Place: Chennai
UDIN No: 20201825AAAAACW5731

For M/s. V Sankar, Aiyar & Co.
Chartered Accountants
Firm Registration No: 109208W




S Venkataraman
Partner
Membership No: 023116
Date: June 12 2020
Place: Chennai
UDIN No: 20023116AAAAAIG4593



INDEPENDENT AUDITORS' CERTIFICATE

To The Members Of Star Health And Allied Insurance Company Limited

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

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

Management Responsibility

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

Auditors' Responsibility

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

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

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

Opinion

Based on our audit of financial statements for the year ended March 31, 2020 and in accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by Star Health And Allied Insurance Company Limited ("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 are no apparent mistakes in or material inconsistencies with the financial statements;
2. Based on the management representation and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration stipulated by IRDA;



Brahmayya & Co.
Chartered Accountants
48, Masilamani Road ,
Balaji Nagar, Royapettah,
Chennai - 600014

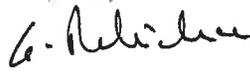
V. Sankar Aiyar & Co
Chartered Accountants
41, Circular Road , United India Colony
Kodambakkam
Chennai - 600024

3. On account of the COVID-19 related lock-down restrictions, management was able to perform year end physical verification of cash, subsequent to the year end. Also, we were not able to physically observe the verification of cash. We have performed alternate procedures to audit the existence of cash as per the guidance provided by in SA 501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence to issue the certificate.

We have verified the securities relating to the Company's investments as at March 31, 2020, by on the basis of certificates/ confirmations received from the Custodian and/or Depository Participants appointed by the Company, as the case may be;

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

For M/s. Brahmayya & Co.
Chartered Accountants
Firm Registration No: 0005118



K. Jitendra Kumar
Partner
Membership No: 201825
Date: June 12 2020
Place: Chennai
UDIN No: 20201825AAAACW5731



For M/s. V Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No: 109208W



S Venkataraman
Partner
Membership No: 023116
Date: June 12 2020
Place: Chennai
UDIN No: 20023116AAAIG4593



REVENUE ACCOUNT FOR THE YEAR ENDED 31st March 2020
FIRE BUSINESS

		(Rs.'000)		
	Particulars	Schedule	31st March 2020	31st Mar 2019
1	Premiums earned (Net)	1 A	-	-
2	Profit/ (Loss) on sale/redemption of Investments		-	-
3	Others (to be specified)		-	-
4	Interest, Dividend & Rent - (Gross)		-	-
	TOTAL (A)		-	-
1	Claims Incurred (Net)	2 A	-	-
2	Commission	3 A	-	-
3	Operating Expenses related to Insurance Business	4	-	-
4	Premium Deficiency		-	-
	TOTAL (B)		-	-
	Operating Profit/(Loss) from Fire Business C= (A - B)		-	-
APPROPRIATIONS				
	Transfer to Shareholders' Account		-	-
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves		-	-
	TOTAL (C)		-	-
	Significant accounting policies	16		
	Notes to financial statements	17		

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of Fire Business have been fully debited in the Fire Revenue Account as expenses.

For And On Behalf of Board of Directors


 Jayashree Sethuraman
 Company Secretary


 Nilesh Kambli
 Chief Financial Officer


 Dr. S. Prakash
 Managing Director
 DIN: 08602227


 Deepak Ramineedi
 Director
 DIN: 07631768


 V. Jagannathan
 Chairman & CEO
 DIN: 01196055

As Per Our Report of Even Date attached

For M/s. Brahmayya & Co.,
 Chartered Accountants
 Firm Reg No.: 000511S


 Jitendra Kumar K
 Partner
 M.No.: 201825



For M/s. V. Sankar Aiyar & Co.,
 Chartered Accountants
 Firm Reg No.: 109208W


 S. Venkataraman
 Partner
 M.No.: 023116



Place: Chennai - 600 034
 Date: 12th June 2020

Form B - RA
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
Registration No. and Date of Registration with the IRDAI : 129/16.03.2006

REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2020
MARINE BUSINESS

(Rs.'000)

Particulars	Schedule	31st March 2020	31st Mar 2019
1 Premiums earned (Net)	1 B	-	-
2 Profit/ (Loss) on sale/redemption of Investments		-	-
3 Others (to be specified)		-	-
4 Interest, Dividend & Rent -- (Gross)		-	-
TOTAL (A)		-	-
1 Claims Incurred (Net)	2 B	-	-
2 Commission	3 B	-	-
3 Operating Expenses related to Insurance Business	4	-	-
4 Premium Deficiency		-	-
TOTAL (B)		-	-
Operating Profit/(Loss) from Marine Business C= (A - B)		-	-
APPROPRIATIONS			
Transfer to Shareholders' Account		-	-
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		-	-
Significant accounting policies	16		
Notes to financial statements	17		

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of Marine Business have been fully debited in the Marine Revenue Account as expenses.

For And On Behalf of Board of Directors


Jayashree Sethuraman
Company Secretary


Nilesh Kambli
Chief Financial Officer

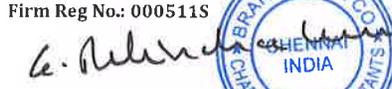

Dr. S. Prakash
Managing Director
DIN: 08602227


Deepak Ramineedi
Director
DIN: 07631768


V. Jagannathan
Chairman & CEO
DIN: 01196055

As Per Our Report of Even Date attached

For M/s. Brahmaya & Co.,
Chartered Accountants
Firm Reg No.: 000511S


Jitendra Kumar K
Partner
M.No.: 201825



Place: Chennai - 600 034
Date: 12th June 2020

For M/s. V. Sankar Aiyar & Co.,
Chartered Accountants
Firm Reg No.: 109208W


S. Venkataraman
Partner
M.No.: 023116



Form B - RA
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
Registration No. and Date of Registration with the IRDAI : 129/16.03.2006

REVENUE ACCOUNT FOR THE YEAR ENDED 31st March 2020

		(Rs.'000)	
Particulars	Schedule	31st March 2020	31st Mar 2019
1 Premiums earned (Net)	1 D	4,68,40,921	3,66,23,737
2 Profit/ (Loss) on sale/redemption of Investments		37,527	4,852
3 Others		-	-
4 Interest, Dividend & Rent – (Gross) (refer note 5.2.11 of Schedule 16)		16,58,627	11,48,201
TOTAL (A)		4,85,37,075	3,77,76,790
1 Claims Incurred (Net)	2 D	3,08,74,267	2,29,75,895
2 Commission	3 D	34,04,137	26,22,784
3 Operating Expenses related to Insurance Business	4	1,10,13,224	98,37,398
4 Premium Deficiency		-	-
5 Others			
Provision for Impairment of Investments		(57,525)	57,525
- Management Expenses allocated to Profit and Loss account (refer note 5.2.12 of Schedule 16)		-	(9,897)
TOTAL (B)		4,52,34,103	3,54,83,705
Operating Profit/(Loss) from Miscellaneous Business C= (A - B)		33,02,972	22,93,085

APPROPRIATIONS

Transfer to Shareholders' Account	33,02,972	22,93,085
Transfer to Catastrophe Reserve	-	-
Transfer to Other Reserves (to be specified)	-	-
TOTAL (C)	33,02,972	22,93,085

Significant accounting policies & Notes to financial statements

16

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of Miscellaneous Business have been fully debited in the Miscellaneous Revenue Account as expenses.

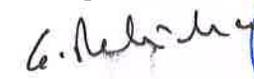
For And On Behalf of Board of Directors


Jayashree Sethuraman
Company Secretary


Dr. S. Prakash
Managing Director
DIN: 08602227

As Per Our Report of Even Date attached

For M/s. Brahmayya & Co.,
Chartered Accountants
Firm Reg No.: 000511S


Jitendra Kumar K
Partner
M.No.: 201825



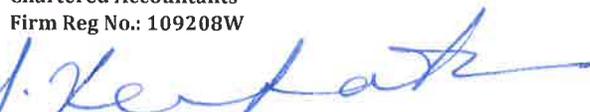
Place: Chennai – 600 034
Date: 12th June 2020


Nilesh Kambli
Chief Financial Officer


Deepak Rameedi
Director
DIN: 07631768


V. Jagannathan
Chairman & CEO
DIN: 01196055

For M/s. V. Sankar Aiyar & Co.,
Chartered Accountants
Firm Reg No.: 109208W


S. Venkataraman
Partner
M.No.: 023116



Form B - PL
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
Registration No. and Date of Registration with the IRDAI: 129/16.03.2006
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st March 2020

(Rs.'000)

Particulars	Schedule	31st March 2020	31st Mar 2019
1 OPERATING PROFIT/(LOSS)			
(a) Fire Insurance		-	-
(b) Marine Insurance		-	-
(c) Miscellaneous Insurance		33,02,972	22,93,085
2 INCOME FROM INVESTMENTS			
(a) Interest, Dividend & Rent - (Gross) (refer note 5.2.11 of Schedule 16)		12,11,759	7,97,902
(b) Profit on sale of investments Less: Loss on sale of investments		27,417	3,372
3 OTHER INCOME		1,640	1,161
TOTAL (A)		45,43,788	30,95,520
4 PROVISIONS (Other than taxation)			
(a) For diminution in the value of investments		-	-
(b) For doubtful debts		5,100	-
(c) Others - Provision for Impairment of Investments		(39,975)	39,975
5 OTHER EXPENSES			
(a) Expenses other than those related to Insurance Business		-	-
(b) Investments written off		1,95,214	-
(c) Others			
i) Key Management Personnel Remuneration (refer note 5.1.11 of Schedule 16)		25,701	25,662
ii) Management expenses allocated (refer note 5.2.12 of Schedule 16)		-	9,897
iii) Donation		600	28,100
iv) Interest on NCD		2,56,000	2,56,000
v) Remuneration To Non-Executive Directors - Profit Related Commission (refer note 5.2.17 of Schedule 16)		5,000	5,000
vi) NCD Related Expenses		-	-
vii) CSR Expenses		34,078	28,450
viii) Legal exp		-	31,580
TOTAL (B)		4,81,718	4,24,664
Profit/(Loss) Before Tax (A-B)		40,62,070	26,70,856
Provision for Taxation			
(a) Current Tax		9,95,352	5,75,541
Add: MAT Credit Utilized		4,80,357	2,55,542
Less: Reversal of MAT Credit relating to earlier years		(19,838)	-
Add: MAT Credit Entitlement		-	-
(b) Deferred Tax		(72,455)	2,441
(c) Tax relating to earlier years		5,929	3,158
Profit/(Loss) After Tax		26,33,049	18,34,174
APPROPRIATIONS			
(a) Interim dividends paid during the year		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution tax		-	-
(d) Transfer Contingency reserve for Unexpired Risk		-	-
(e) Debenture redemption reserve		(25,000)	(1,25,000)
Balance of profit/ (loss) brought forward from last year		10,03,726	(7,05,448)
Balance carried forward to Balance Sheet		36,11,775	10,03,726
Significant accounting policies & Notes to financial statements	16		
Earnings per share - Basic		5.49	4.03
- Diluted		5.38	3.97
(refer note 5.2.8 of Schedule 16)			

For And On Behalf of Board of Directors

Jayashree Sethuraman

Jayashree Sethuraman
Company Secretary

Dr. S. Prakash

Dr. S. Prakash
Managing Director
DIN: 08602227

As Per Our Report of Even Date attached

Nilesh Kambli

Nilesh Kambli
Chief Financial Officer

R. Deepak

Deepak Ramineedi
Director
DIN: 07631768

V. Jagannathan

V. Jagannathan
Chairman & CEO
DIN: 01196055

For M/s. Brahmayya & Co.,
Chartered Accountants
Firm Reg No.: 0005115



Jitendra Kumar K

Jitendra Kumar K
Partner
M.No.: 201825

Place: Chennai - 600 034
Date: 12th June 2020

For M/s. V. Sankar Aiyar & Co.,
Chartered Accountants
Firm Reg No.: 109208W

S. Venkataraman

S. Venkataraman
Partner
M.No.: 023116



Form B - BS
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
 Registration No. and Date of Registration with the IRDAI : 129/16.03.2006
BALANCE SHEET AS AT 31st March 2020

Particulars	Schedule	31st March 2020	31st Mar 2019
SOURCES OF FUNDS			
SHARE CAPITAL	5	49,06,380	45,55,761
SHARE APPLICATION MONEY		-	35,00,000
RESERVES AND SURPLUS	6	1,41,31,603	68,74,318
FAIR VALUE CHANGE ACCOUNT - POLICYHOLDER		17,846	-
FAIR VALUE CHANGE ACCOUNT - SHAREHOLDER		13,037	-
BORROWINGS	7	25,00,000	25,00,000
DEFERRED TAX LIABILITY (refer note 5.2.9 of Schedule 16)		-	2,441
TOTAL		2,15,68,866	1,74,32,520
APPLICATION OF FUNDS			
INVESTMENTS - SHAREHOLDERS	8	1,81,10,413	1,24,23,411
INVESTMENTS - POLICYHOLDERS	8A	2,47,89,099	1,78,77,591
LOANS	9	-	-
FIXED ASSETS	10	10,18,613	9,80,630
DEFERRED TAX ASSET (refer note 5.2.9 of Schedule 16)		70,014	-
CURRENT ASSETS			
Cash and Bank Balances	11	61,14,361	89,30,240
Advances and Other Assets	12	98,32,543	71,23,316
Sub-Total (A)		1,59,46,904	1,60,53,556
CURRENT LIABILITIES	13	1,21,63,704	91,41,789
PROVISIONS	14	2,62,02,473	2,07,60,879
Sub-Total (B)		3,83,66,177	2,99,02,668
NET CURRENT ASSETS (C) = (A - B)		(2,24,19,273)	(1,38,49,112)
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	15	-	-
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT		-	-
TOTAL		2,15,68,866	1,74,32,520
Significant accounting policies & Notes to financial statements	16		

For And On Behalf of Board of Directors


 Jayashree Sethuraman
 Company Secretary


 Nilesh Kambli
 Chief Financial Officer


 Dr. S. Prakash
 Managing Director
 DIN: 08602227


 Deepak Rameedi
 Director
 DIN: 07631768


 V. Jagannathan
 Chairman & CEO
 DIN: 01196055

As Per Our Report of Even Date attached

For M/s. Brahmayya & Co.,
 Chartered Accountants
 Firm Reg No.: 000511S


 Jitendra Kumar K
 Partner
 M.No.: 201825



For M/s. V. Sankar Aiyar & Co.,
 Chartered Accountants
 Firm Reg No.: 109208W


 S. Venkataraman
 Partner
 M.No.: 023116



Place: Chennai - 600 034
 Date: 12th June 2020

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**SCHEDULE - 1A
PREMIUM EARNED [NET]
FIRE BUSINESS ACCOUNT**

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Premium from direct business written	-	-
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	-	-
Net Premium	-	-
Adjustment for change in reserve for unexpired risks	-	-
Total Premium Earned (Net)	-	-

**SCHEDULE - 1B
PREMIUM EARNED [NET]
MARINE CARGO BUSINESS ACCOUNT**

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Premium from direct business written	-	-
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	-	-
Net Premium	-	-
Adjustment for change in reserve for unexpired risks	-	-
Total Premium Earned (Net)	-	-



12

SCHEDULE - 1C
PREMIUM EARNED [NET]
MARINE HULL BUSINESS ACCOUNT

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Premium from direct business written	-	-
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	-	-
Net Premium	-	-
Adjustment for change in reserve for unexpired risks	-	-
Total Premium Earned (Net)	-	-

SCHEDULE - 1D
PREMIUM EARNED [NET]
MISCELLANEOUS BUSINESS

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Premium from direct business written (refer note 5.1.5 of Schedule 16)	6,86,51,418	5,40,12,925
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	1,62,56,672	1,27,25,828
Net Premium	5,23,94,746	4,12,87,097
Adjustment for change in reserve for unexpired risks	55,53,824	46,63,359
Total Premium Earned (Net)	4,68,40,921	3,66,23,737

All premium written, less reinsurance, is from business in India.



18/2

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 2A

CLAIMS INCURRED [NET]

FIRE BUSINESS ACCOUNT

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Claims paid		
Direct	-	-
Add :Re-insurance accepted	-	-
Less :Re-insurance Ceded	-	-
Net Claims paid	-	-
Add Claims Outstanding at the end of the year	-	-
Less Claims Outstanding at the beginning	-	-
Total Claims Incurred	-	-

SCHEDULE - 2B

CLAIMS INCURRED [NET]

MARINE CARGO BUSINESS ACCOUNT

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Claims paid		
Direct	-	-
Add :Re-insurance accepted	-	-
Less :Re-insurance Ceded	-	-
Net Claims paid	-	-
Add Claims Outstanding at the end of the year	-	-
Less Claims Outstanding at the beginning	-	-
Total Claims Incurred	-	-



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SCHEDULE - 2C
CLAIMS INCURRED [NET]
MARINE HULL BUSINESS ACCOUNT

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Claims paid		
Direct	-	-
Add :Re-insurance accepted	-	-
Less :Re-insurance Ceded	-	-
Net Claims paid	-	-
Add Claims Outstanding at the end of the year	-	-
Less Claims Outstanding at the beginning	-	-
Total Claims Incurred	-	-

SCHEDULE - 2D
CLAIMS INCURRED [NET]
MISCELLANEOUS BUSINESS

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Claims paid		
Direct	3,88,78,782	2,82,74,152
(refer note 5.1.4 of Schedule 16)		
Add :Re-insurance accepted	-	81
Less :Re-insurance Ceded	94,26,237	68,77,143
Net Claims paid	2,94,52,545	2,13,97,090
Add Claims Outstanding at the end of the year	50,44,596	36,22,874
Less Claims Outstanding at the beginning	36,22,874	20,44,069
Total Claims Incurred	3,08,74,267	2,29,75,895



FAZ

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 3A

COMMISSION -

FIRE BUSINESS ACCOUNT

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Commission paid		
Direct	-	-
Add: Re-insurance Accepted	-	-
Less: Commission on Re-insurance Ceded	-	-
Net Commission	-	-
Break-up of the expenses (Gross) incurred to procure business :		
Agents	-	-
Brokers	-	-
Corporate Agency	-	-
Referral	-	-
Others	-	-
TOTAL	-	-

SCHEDULE- 3B

COMMISSION -

MARINE CARGO BUSINESS ACCOUNT

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Commission paid		
Direct	-	-
Add: Re-insurance Accepted	-	-
Less: Commission on Re-insurance Ceded	-	-
Net Commission	-	-
Break-up of the expenses (Gross) incurred to procure business :		
Agents	-	-
Brokers	-	-
Corporate Agency	-	-
Referral	-	-
Others	-	-
TOTAL	-	-



Handwritten initials/signature

SCHEDULE- 3C
COMMISSION -
MARINE HULL BUSINESS ACCOUNT

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
Commission paid		
Direct	-	-
Add: Re-insurance Accepted	-	-
Less: Commission on Re-insurance Ceded	-	-
Net Commission	-	-
Break-up of the expenses (Gross) incurred to procure business :		
Agents	-	-
Brokers	-	-
Corporate Agency	-	-
Referral	-	-
Others	-	-
TOTAL	-	-

SCHEDULE- 3D
COMMISSION -
MISCELLANEOUS BUSINESS

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
COMMISSION PAID		
Direct	91,72,514	74,40,876
Add :Re-insurance accepted	-	-
Less: Commission on Re-insurance Ceded	57,68,377	48,18,092
Net Commission	34,04,137	26,22,784
Break-up of the expenses (Gross) incurred to procure Business :		
Agents	83,60,194	69,14,619
Brokers	3,80,307	2,45,722
Corporate Agency	1,85,091	1,15,882
Referral	-	-
Others	2,46,922	1,64,652
TOTAL	91,72,514	74,40,876



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 4

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
1 Employees' remuneration & welfare benefits	85,26,457	71,98,281
2 Travel, conveyance and vehicle running expenses	2,84,429	2,71,205
3 Training expenses	54,828	53,261
4 Rents, rates & taxes	5,59,851	5,11,330
5 Repairs and Maintenance	2,27,114	1,99,624
6 Printing & Stationery	1,57,557	2,05,850
7 Communication	2,08,477	1,98,429
8 Legal & professional charges	2,15,379	1,71,165
9 Auditors' fees, expenses etc		
(a) as auditor	6,700	4,200
(b) as adviser or in any other capacity, in respect of		
(i) Taxation matters	2,000	2,000
(ii) Insurance matters	-	-
(iii) Management services; and	-	-
(c) in any other capacity	2,785	655
(d) Out of Pocket Expenses	659	818
10 Advertisement and publicity	12,98,401	13,35,830
11 Interest & Bank Charges	27,964	23,761
12 Others		-
- Director's Sitting Fees	850	1,550
- Software Expenses	3,73,515	2,73,077
- Outsourcing Expenses (refer note 5.1.13 of Schedule 16)	6,48,394	5,20,424
- Miscellaneous Expenses	1,32,268	1,72,234
- In House Claim Processing Cost (refer note 5.1.9 of Schedule 16)	(20,42,053)	(16,02,231)
- Managerial remuneration	33,245	15,000
13 Depreciation	2,94,404	2,80,933
TOTAL	1,10,13,224	98,37,398



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**SCHEDULE - 5
SHARE CAPITAL**

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
1 Authorised Capital 600,000,000 (Previous Period - 600,000,000) Equity Shares of Rs10/- each	60,00,000	60,00,000
2 Issued Capital 49,06,38,013 (Previous Period - 455,576,106) Equity Shares of Rs10/- each (refer note 5.1.12 of Schedule 16)	49,06,380	45,55,761
3 Subscribed Capital 49,06,38,013 (Previous Period - 455,576,106) Equity Shares of Rs10/- each	49,06,380	45,55,761
4 Called-up / paid up Capital 49,06,38,013 (Previous Period - 455,576,106) Equity Shares of Rs10/- each (Out of above 5,714,199 (previous period 5,714,199) equity shares of Rs.10/- each issued for consideration other than cash.)	49,06,380	45,55,761
Less : Calls unpaid	-	-
Add : Equity Shares forfeited (Amount originally paid up)	-	-
Less : Par Value of Equity Shares bought back	-	-
Less : Preliminary Expenses Expenses including commission or brokerage on Underwriting or subscription of shares	-	-
TOTAL	49,06,380	45,55,761

**SCHEDULE - 5A
SHARE CAPITAL
PATTERN OF SHAREHOLDING
[As certified by the Management]**

Shareholder	Current Period Number of Shares	% of Holding	Previous Period Number of Shares	% of Holding
Promoters				
Indian	32,29,58,826	65.82%	15,86,51,035	34.82%
Foreign	-	0.00%	10,15,82,673	22.30%
Others	16,76,79,187	34.18%	19,53,42,398	42.88%
TOTAL	49,06,38,013	100.00%	45,55,76,106	100.00%



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 6

RESERVES AND SURPLUS

Particulars	(Rs.'000)	
	31st March 2020	31st Mar 2019
1 Capital Reserve	-	-
2 Capital Redemption Reserve	-	-
3 Share Premium at the beginning of the year	57,45,592	57,45,592
Add: Share premium due to issue of share capital	46,49,381	-
Less: Utilized for share issue expenses	(25,145)	-
Share premium at the end of the year	<u>1,03,69,828</u>	<u>57,45,592</u>
4 General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilized for Buy-back	-	-
5 Catastrophe Reserve	-	-
6 Other Reserves		
Debenture Redemption Reserve at the beginning of the year	1,25,000	-
Add: Debenture redemption reserve created	25,000	1,25,000
Debenture redemption reserve at the end of the year	<u>1,50,000</u>	<u>1,25,000</u>
7 Balance of Profit in Profit & Loss Account	36,11,775	10,03,726
TOTAL	1,41,31,603	68,74,318



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**SCHEDULE - 7
BORROWINGS**

Particulars	(Rs.'000)	
	31st March 2020	31st Mar 2019
1 Debentures/ Bonds (refer note 5.2.10 of Schedule 16)	25,00,000	25,00,000
2 Banks	-	-
3 Financial Institutions	-	-
4 Others (to be specified)	-	-
TOTAL	25,00,000	25,00,000



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**Schedule -8 - SHAREHOLDERS
INVESTMENTS**

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	70,41,701	67,69,806
2 Other Approved Securities	32,63,239	13,74,434
3 Other Investments		
(a) Shares	-	-
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	-	-
(e) Other Securities (to be specified)	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	34,411	28,585
4 Investments in Infrastructure and Social Sector	57,97,328	40,91,700
5 Other than Approved Investments	21,372	80,056
		-
SHORT TERM INVESTMENTS		
6 Government securities and Government guaranteed bonds including Treasury Bills	-	-
7 Other Approved Securities	1,35,068	37,766
8 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	16,54,734	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	-	-
(e) Other Securities (to be specified)	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
9 Investments in Infrastructure and Social Sector	1,62,561	41,063
10 Other than Approved Investments	-	-
TOTAL	1,81,10,413	1,24,23,411
Aggregate Market Value of Quoted Investments other than equity shares.	1,86,32,553	1,22,77,657
Aggregate Book Value of Quoted Investments other than equity shares	1,80,97,375	1,23,94,826
Historical cost of Investment property valued on Fair Value basis	28,466	28,585
Historical cost of Mutual Funds valued on Fair Value basis	16,47,641	-



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**Schedule -8A - POLICYHOLDERS
INVESTMENTS**

[Rs.'000]

Particulars	31st March 2020	31st Mar 2019
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	96,38,512	97,41,916
2 Other Approved Securities	44,66,643	19,77,844
3 Other Investments		
(a) Shares	-	-
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	-	-
(e) Other Securities (to be specified)	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	47,101	41,135
4 Investments in Infrastructure and Social Sector	79,35,243	58,88,057
5 Other than Approved Investments	29,253	1,15,203
	-	-
SHORT TERM INVESTMENTS		
6 Government securities and Government guaranteed bonds including Treasury Bills	-	-
7 Other Approved Securities	1,84,877	54,347
8 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	22,64,960	-
(a) Derivative Instruments	-	-
(b) Debentures / Bonds	-	-
(c) Other Securities	-	-
(d) Subsidiaries	-	-
(e) Investment Properties-Real Estate	-	-
9 Investments in Infrastructure and Social Sector	2,22,510	59,091
10 Other than Approved Investments	-	-
TOTAL	2,47,89,099	1,78,77,591
Aggregate Market Value of Quoted Investments other than equity shares.	2,55,03,792	1,76,67,849
Aggregate Book Value of Quoted Investments other than equity shares	2,47,71,254	1,78,36,457
Historical cost of Investment property valued on Fair Value basis	38,963	41,135
Historical cost of Mutual Funds valued on Fair Value basis	22,55,252	-



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**SCHEDULE - 9
LOANS**

Particulars	(Rs.'000)	
	31st March 2020	31st Mar 2019
1 SECURITY-WISE CLASSIFICATION		
Secured		
(a) On mortgage of property	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities	-	-
(c) Others (to be specified)	-	-
Unsecured	-	-
TOTAL	-	-
2 BORROWER-WISE CLASSIFICATION		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial Undertakings	-	-
(e) Others (Inter Corporate Deposit)	-	-
TOTAL	-	-
3 PERFORMANCE-WISE CLASSIFICATION		
(a) Loans classified as standard	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) Non-performing loans less provisions	-	-
(aa) In India	-	-
(bb) Outside India	-	-
TOTAL	-	-
4 MATURITY-WISE CLASSIFICATION		
(a) Short Term	-	-
(b) Long Term	-	-
TOTAL	-	-



**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 10
FIXED ASSETS**

	Particulars	Cost/ Gross Block				Depreciation				Net Assets As On 31.03.2020	Net Assets As On 31.03.2019	
		Opening As On 01.04.2019	Additions	Deductions	Closing As On 31.03.2020	Opening As On 01.04.2019	For The Period	On Sales/ Adjustments	Closing As On 31.03.2020			
1	Goodwill	-	-	-	-	-	-	-	-	-	-	-
2	Intangibles - IT Software	12,22,164	1,42,818	10,859	13,54,123	8,40,401	1,52,624	10,151	9,82,873	3,71,250	3,81,763	3,81,763
3	Land - Freehold	11,600	-	-	11,600	-	-	-	-	11,600	11,600	11,600
4	Leasehold Property	-	-	-	-	-	-	-	-	-	-	-
5	Buildings	14,878	50,293	-	65,170	52	1,010	0	1,062	64,109	14,826	14,826
6	Furniture & Fittings	3,02,880	23,026	32,364	2,93,541	1,52,113	28,900	31,078	1,49,935	1,43,606	1,50,767	1,50,767
7	Information Technology Equipment*	7,56,263	93,245	104	8,49,404	5,64,534	79,220	59	6,43,695	2,05,709	1,91,729	1,91,729
8	Vehicles	27,787	16,125	8,264	35,648	13,289	3,695	7,846	9,138	26,510	14,498	14,498
9	Office Equipment	2,54,701	30,248	45,619	2,39,330	1,74,171	28,955	42,209	1,60,917	78,413	80,530	80,530
10	Others	-	-	-	-	-	-	-	-	-	-	-
11	Temporary Construction	2,567	-	-	2,567	2,438	-	-	2,438	128	129	129
	Total	25,92,839	3,55,754	97,211	28,51,383	17,46,997	2,94,404	91,343	19,50,058	9,01,325	8,45,842	8,45,842
12	Capital work in progress	1,34,788	38,877	56,376	1,17,288	-	-	-	-	1,17,288	1,34,788	1,34,788
	Grand Total	27,27,627	3,94,631	1,53,587	29,68,671	17,46,997	2,94,404	91,343	19,50,058	10,18,613	9,80,630	9,80,630
	Previous Period	24,55,079	4,46,193	1,73,644	27,27,627	14,85,471	2,80,933	19,406	17,46,997	9,80,630	9,80,630	9,80,630

* Additions include, reduction of Rs.1,013 thousands, being physical verification variance.



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**SCHEDULE- 11
CASH AND BANK BALANCES**

Particulars	(Rs.'000)	
	31st March 2020	31st Mar 2019
1 Cash (including cheques, drafts and stamps)	8,66,498	24,86,003
2 Bank Balances		
(a) Deposit Accounts		
(aa) Short-term (due within 12 months)	4,00,000	14,28,700
(bb) Others	5,79,400	-
(b) Current Accounts	42,68,463	50,15,537
(c) Others (to be specified)	-	-
3 Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
4 Others	-	-
TOTAL	61,14,361	89,30,240



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 12

ADVANCES AND OTHER ASSETS

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
A ADVANCES		
1 Reserve deposits with ceding companies	-	-
2 Application money for investments	-	-
3 Prepayments	2,50,438	1,13,876
4 Advances to Directors/Officers	-	-
5 Advance tax paid and taxes deducted at source (net of provision for tax)	1,05,499	1,13,772
6 Others	-	-
Travel Advance	157	170
Rental Advance	2,73,940	2,34,882
Telephone Deposit	658	623
Staff Advance	1,77,051	1,62,231
(refer note 5.2.13 of Schedule 16)		
Other Advances	88,045	63,195
Security Deposits	18,002	10,450
Postal Deposits	4,453	2,473
Advances - Deposit with Statutory Authorities	17,473	11,849
(refer note 5.2.15 of Schedule 16)		
TOTAL (A)	9,35,716	7,13,523
B OTHER ASSETS		
1 Income accrued on investments	11,30,919	7,85,347
2 Outstanding Premiums	19,58,192	3,43,186
(refer note 5.2.16 of Schedule 16)		
3 Agents' Balances - recoverable	12,252	6,649
4 Foreign Agencies Balances	-	-
5 Due from other entities carrying on insurance business (including reinsurers)	51,32,599	41,90,567
6 Due from subsidiaries/ holding	-	-
7 Deposit with RBI	-	-
[Pursuant to section 7 of Insurance Act, 1938]		
8 Others		
Amounts Recoverable under Contractual Obligations	-	-
Service Tax Input Credit	-	-
GST Input Credit	5,12,478	4,27,679
Service Tax on Collection	65,209	65,209
(refer note 5.1.1(E) of Schedule 16)		
MAT Credit Entitlement	-	5,00,195
Fixed Deposit for Unclaimed amount of Policy Holders	76,949	89,300
Fixed Deposit Interest accrued on unclaimed amount of policyholders	2,897	1,661
Gratuity Balances	5,331	-
(refer note 5.1.10 of Schedule 16)		
TOTAL (B)	88,96,827	64,09,793
TOTAL (A+B)	98,32,543	71,23,316



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 13

CURRENT LIABILITIES

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
1 Agents' Balances	4,70,696	4,07,522
2 Balances due to other insurance companies	2,07,508	4,457
3 Deposits held on re-insurance ceded	-	-
4 Premiums received in advance	7,30,633	4,13,905
5 Unallocated Premium	93,989	76,236
6 Sundry creditors	21,66,053	16,40,620
7 Due to subsidiaries/ holding company	-	-
8 Claims Outstanding	50,44,596	36,22,874
9 Due to Officers/ Directors	-	-
10 Unclaimed Amount of policyholders (refer note 5.2.7 of Schedule 16)	78,498	67,637
11 Others		
- Premium Deposit on Corporate Accounts	4,10,976	2,86,204
- Interest on Non Convertible Debentures	2,14,732	2,14,171
- Statutory dues payable	24,19,057	22,39,985
- Payable to employees	3,20,339	1,36,640
- Risk based cancelled policies	3,985	31,188
- Other payables	2,641	350
TOTAL	1,21,63,704	91,41,789



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**SCHEDULE - 14
PROVISIONS**

Particulars	(Rs.'000)	
	31st March 2020	31st Mar 2019
1 Reserve for Unexpired Risk	2,61,97,373	2,06,43,548
2 For taxation	-	-
3 For proposed dividends	-	-
4 For dividend distribution tax	-	-
5 Others	-	-
- Provision for Gratuity	-	19,831
- Provision for Impairment of Investments	-	97,500
- Provision for Doubtful debts	5,100	-
TOTAL	2,62,02,473	2,07,60,879



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 15

MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

(Rs.'000)

Particulars	31st March 2020	31st Mar 2019
1 Discount Allowed in issue of shares/ debtentures	-	-
2 Others	-	-
TOTAL	-	-



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SCHEDULE 16

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2020

1. BACKGROUND

Star Health and Allied Insurance Co. Ltd ("The Company") was incorporated on 17th June, 2005.

The Company obtained Regulatory approval to undertake Health Insurance business on 16th March, 2006 from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration. The company commenced its operations in 16th March, 2006.

2. Basis of preparation of financial statements

The financial statements have been prepared and presented on a going concern basis in accordance with Generally Accepted Accounting Principles followed in India under the historical cost convention, unless otherwise specifically stated, on the accrual basis of accounting, and comply with the applicable accounting standards 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 management evaluates, all recently issued or revised accounting pronouncements, on an ongoing basis.

The Company follows the mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

3. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance sheet date, reported amount of revenues and expenses for the period ended and disclosure of contingent liabilities as of the balance sheet date. The estimates and assumptions used in these financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial



statements. Actual results may differ from those estimates. Any revision to accounting estimate is recognized prospectively in current and future periods.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1. Revenue

Premium

Premium (net of GST) is recognized as income over the contract period or period of risk, on the commencement of risk after adjusting for unearned premium (unexpired risk). Any subsequent revisions to or cancellations of premium as and when they occur are accounted for in the year in which they occur.

Income from reinsurance business

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

Profit commission under reinsurance treaties, wherever applicable, is recognized in the year of determination of the profits as per the terms of reinsurance treaty.

Investment Income

Interest income on investment is recognized on accrual basis. Accretion of discount and amortisation of premium relating to debt securities is recognised over the holding/maturity period on a straight line basis.

Dividend income is recognized when the right to receive dividend is established.

Realised gain/loss on securities, which is the difference between the sale consideration and the carrying value in the books of the Company, is recognised on the trade date. In determining the realised gain/loss, cost of securities is arrived at on 'Weighted average cost' basis. Further, in case of listed equity shares, Units of ReIT and mutual fund units, the profit or loss on sale also includes the accumulated changes in the fair value previously recognised in the fair value change account.

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

4.2 Unearned premium reserve

Unearned premium reserve (UPR) is created as the amount representing that part of the premium written (net of reinsurance ceded) which is attributable to, and is to be allocated to



the succeeding accounting periods. It has been calculated at 50% of the Net Written Premium of the preceding 12 months as per the IRDAI directives.

4.3 Premium received in advance

This represents premium received during the year, where the risk commences subsequent to the balance sheet date.

4.4. Reinsurance premium

Reinsurance premium on ceding of risk is accounted in the year in which risk commences and recognized over the contract period or the period of risk, whichever is appropriate as per the treaty arrangements. Any subsequent revision to or cancellation of premium is recognized in the year in which they occur. Unearned premium on reinsurance ceded is carried forward to the period of risk and set off against related unearned premium.

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

4.5. Acquisition cost

Acquisition costs are those costs that vary with, and are primarily related to acquisition of new and renewal contracts. Acquisition cost is charged off in the year of commencement of risk, except in respect of long-term insurance contracts, these costs are proportionately charged off in the period in which the premium is recognised.

4.6. Claims

Claims incurred represents 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). It also includes legal and investigation fees and In House claims processing expenditure calculated at the rate of 3% of Gross Premium pertaining to Health (Retail & Group) Segment.

Claims (net of amounts receivable from reinsurers/co-insurers) are recognised on the date of intimation based on internal management estimates or on estimates from insured/Third Party Administrator (TPA) in the revenue account.

Estimated liability for outstanding claims is provided net of claims recoverable from reinsurance/co-insurers on the basis of claims reported.

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 re-validated on availability of further information

IBNR and IBNER represent that amount of claims that may have been incurred during the accounting period but have not been reported / not enough reported. The provision for IBNR and IBNER is based on actuarial estimate duly certified by the Appointed Actuary of the Company.

4.7 Premium Deficiency

Premium deficiency is recognized whenever expected claims cost, related expenses and maintenance cost (related to claims handling) exceed related reserve for unexpired risks. The premium deficiency is calculated and duly certified by the Appointed Actuary.

4.8 Investments

Investments are made in accordance with the Insurance Act, 1938 and the Insurance Regulatory & Development Authority (Investment) (Amendment) Regulations, 2016.

Investments are recorded at cost on trade date including acquisition charges (such as brokerage, transfer stamps etc), if any, and exclude interest accrued upto the date of purchase.

(A) Classification

- Investments maturing within twelve months from balance sheet date and investments intended to be held for a period of less than twelve months from the balance sheet date are classified as 'Short term investments'
- Other investments are classified as 'Long term investments'.

Investments that are earmarked, are allocated separately to policyholder's or shareholder's, as applicable; balance investments are segregated at Shareholder's level and Policyholder's level notionally based on policyholder's funds and shareholder's funds at the end of period as prescribed by IRDAI.

(B) Valuation

Debt Securities

All debt securities, which include government securities are considered as 'held-to-maturity' and are measured at cost, adjusted for accretion of discount and amortization of premium relating to debt securities which is recognized on a straight line basis over the holding or maturity period.



Equity shares / ReIT

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

Investment in units of ReIT included under Investment Property are valued at market value as per the last quoted price in National stock exchange. Where the market quote is not available in the last 30 days, the units shall be valued as per the latest NAV of the units published by the trust.

Mutual Funds

All mutual fund investments are stated at fair value and valued at closing Net Asset Value at the balance sheet date.

Fair Value Change Account

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

Fair value of investments is computed for quoted investments on the basis of the last available market price/yield-to-maturity valuation.

Impairment of Investments

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

4.9 Fixed Assets, Intangibles and Impairments

Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes purchase price, taxes (other than those recoverable from tax authorities) and any cost directly attributable to bringing the asset to its working condition for its intended use.



Depreciation on fixed assets is provided on a straight-line method using the rates based on the economic useful life as prescribed in the Schedule II to the Companies Act, 2013/estimated by the management as below:

Nature of Fixed assets	Management estimate of Useful Life in years	Useful life as per the limits prescribed in Schedule II of the Companies Act, 2013 in Years
Land – Freehold	-	-
Buildings	60	60
Furniture & Fittings	10	10
Information Technology Equipment		
- Servers & Network	5	6
- Other	3	3
Vehicles	8	8
Office Equipment	5	5

In the case of Information Technology Equipment's (networking) the management estimate of the useful life is lower than that prescribed in Schedule II of the Companies Act, 2013. The useful life for Information technology equipment (networking) is estimated to be 5 years based on the internal technical evaluations.

Depreciation/Amortization on assets including Intangible assets purchased/disposed off during the year is provided on pro-rata basis with reference to the date of purchase/disposal.

All assets including intangibles individually costing less than Rs. 5000/- are fully depreciated/amortized in the year in which it is acquired.

Intangibles assets

Intangibles assets representing computer software are stated at cost less amortization. Computer software including improvements is amortized over a period of 5 years on pro-rata basis with reference to the date of purchase/disposal, being the management's estimate of the useful life of such intangibles.

Capital work in progress

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



Impairment of Assets

The company assess at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such asset is reduced to its recoverable amount and the impairment loss is recognized in the Profit & Loss Account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent. The recoverable amount is higher of the net selling price of the assets and their value in use.

4.10 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period available to equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

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 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.

4.11 Operating Lease

Payments made towards assets/premises taken on operating lease are recognised as an expense in the revenue account(s). Initial direct costs incurred specifically for an operating lease are charged to the revenue account(s) and profit and loss account.

4.12 Employee Benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service. These benefits include salaries, bonus, and compensated absences.

Long term employee benefits

Provident fund

This is a defined contribution scheme and contributions are made to the respective authorities at the prescribed rates and charged to Miscellaneous Revenue account and Profit & Loss account.



Gratuity

Defined Benefit Plan – Retirement gratuity liability is funded with an Insurance Company through contributions to an approved gratuity trust. Gratuity is provided on the basis of actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account. The actuarial valuation has been carried out using the Projected Unit Credit Method.

4.13 Foreign Currency transactions

Transactions in foreign currency are recorded at the rate of exchange on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the closing rate of exchange at the year-end.

The gains/losses on account of restatement and settlement are recognised in the revenue account(s) and profit and loss account.

4.14 Taxation

Current Tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income tax Act, 1961.

Deferred tax

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

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets against future taxable profits.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably certain to be realized.



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Minimum Alternate Tax (MAT)

MAT Credit Entitlement paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

4.15 Employee Stock Option Plan ("ESOP")

Measurement and disclosure of the employee share-based payment plan is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountant of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expenses are amortised over the vesting period of the option on a straight-line basis.

4.16 Share issue expenses

Share issue expenses are adjusted against share premium account.

4.17 Provisions and Contingencies

In accordance with Accounting Standard 29 – Provisions, Contingent Liabilities and Contingent Assets issued by ICAI, to the extent applicable to the company, provisions are created in respect of obligations as a result of past events and it is probable that an outflow of resources will be required to settle the obligations, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These will be reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

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



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

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

4.18 Borrowing Cost:

Borrowing costs are charged to Profit and Loss Account in the period in which they are incurred.



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5. NOTES TO ACCOUNTS:

5.1 Statutory disclosures as required by IRDAI

5.1.1 Contingent Liabilities

Particulars	At March 31, 2020	At March 31, 2019
Partly paid investments	NIL	NIL
Underwriting commitments outstanding	NIL	NIL
Claims, other than those under policies, not acknowledged as debt	NIL	NIL
Guarantees given by or on behalf of the Company	NIL	NIL
Statutory demands/liabilities in dispute, not provided for (Refer note - A & B below)	NIL	NIL
Reinsurance obligations to the extent not provided for in accounts	NIL	NIL
Others	NIL	NIL

A. The Company had received Income Tax Assessment Orders for various Assessment Years with demands aggregating to Rs. 626,758 thousands (PY: Rs. 626,758 thousands) as per the details given below, on account of applying the provisions of Sec 115 JB of Income Tax Act, 1961 and other disallowances under the Income Tax Act- 1961. The Company had filed individual writ petitions, for each of the Assessment years, disputing the assessment and demands before the Honorable High Court of Madras which has granted interim stay for all the 3 years, consequent to the amendments in the provision of section 115JB of the Income Tax Act 1961, confirming the applicability of provisions of the said section, with effect from AY 2014-15 onwards. The Honorable high Court of Madras has set aside the impugned orders and the cases are remitted back to the Income tax department to pass appropriate orders after the Honorable Supreme court gives its decision on the subject. In the opinion of the company, the said demands are not sustainable and hence no provision is considered necessary in the books.

Assessment Year	(Rs.'000)
2009-10	245,820
2010-11	133,724
2011-12	247,214
Total	626,758



B. During the Financial year 2019-20, the Company has received an order dated December 27th, 2019 from the Office of Assistant Commissioner of Income tax raising a demand of Rs. 424,355 thousands towards Income tax and Interest payable towards amount of unexpired risk reserve not being appropriated in the Profit and Loss account. The Company has challenged the order before Commissioner of income tax (A), while having taken a stay for the demand from Honorable High Court of Madras subject to payment of 10% tax amounting to Rs. 25,110 thousands. In the opinion of the company, both on law and facts, the said demands are not sustainable and hence no provision is considered necessary in the books.

C. The Company is of the view that retrospective payment of Bonus is not appropriate and accordingly for bonus computation such retrospective amendment has not been taken in consideration. The additional liability on account of retrospective amendment is Rs. 14,831 thousands (PY: Rs.14,831 thousands). The retrospective amendment is being challenged by various parties in the High Court and based on the final outcome on determination of the court cases would be accounted for on that date.

D. During the Financial year 2017-18, the Company had received an order dated March 26th, 2018 from the principal Commissioner of GST & Central Excise imposing a demand of Rs. 55,362 thousands towards Service tax and penalty payable for the alleged non-payment of Service tax on the Reinsurance premium of RSBY premium received by the company during the period 2013-14. The company had filed an appeal against the said order with the appropriate appellate forums and also deposited an amount of Rs. 2,076 thousands. During the Financial year, the Company has settled the order under Sabka Vishwas (Legacy Dispute resolution) scheme 2019 (SVLDR). The total amount due under the Scheme of Rs 13,840 thousands was paid after adjusting the deposit amount of Rs 2,076 thousands.

E. As at March 31, 2020, the Company has Rs. 65,209 thousands in the books, as receivable from the GST & Central Excise department (being excess payment of Service tax made during the period April 2016 to June 2017), for which the application for refund was made. However, the same was rejected by the authorities vide order dated 31st March, 2019. The Company has filed an appeal against the said order with the appropriate appellate authority and the same has been accepted vide order dated 30th August 2019. The Company is confident of recovering the amounts held by the Department based on the legal opinion and accordingly, the same is considered as good and recoverable.



5.1.2 The assets of the Company, other than deposits of Rs 17,473 thousands (previous year Rs. 11,849 thousands) made for disputed claims, are free from all encumbrances.

5.1.3 **Commitment made for Investment, Loans and Fixed Asset**

Particulars	Amount (Rs ' 000)	
	31st March 2020	31st March 2019
Commitments made and outstanding for loans and investments	NIL	NIL
Estimated Amount of contracts remaining to be executed on capital account and not provided for (net of advances)	36,391	130,480

5.1.4 **Claims**

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
In India	3,68,08,085	2,66,36,784
Outside India	28,645	34,974

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

Pending for	FY 2019-20		FY 2018 - 19	
	No. of Claims	Amount (Rs.'000)	No. of Claims	Amount (Rs.'000)
Less than or equal to 6 months	61,683	37,22,630	41,466	2,688,678
More than 6 months Less than or equal to 1 year	2,096	2,34,481	1481	157,083
More than 1 year Less than or equal to 2 year	345	76,662	400	30,408
More than 2 years	98	45,151	77	41,857
Total	64,222	40,78,924	43,404	2,918,026

The given claims outstanding data is excluding IBNR. The claims were outstanding predominantly due to non-submission of essential documents by the insured. The Claims outstanding does not include RSBY Chattisgarh, Punjab and Goa's outstanding for FY 2018-19.



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

Claims where the claim payment period exceeds four years:

As per circular F&A/CIR/017/May-04, the claims made in respect of contracts where claims payment period exceeds four years, are required to be recognised on actuarial basis. Accordingly, the Appointed Actuary has certified the fairness of the liability assessment, assuming 'NIL' discount rate.

5.1.5 Premium

The Company has been underwriting group insurance policies on instalment basis. During the year, based on the correspondence with IRDA, the premium receivable during the tenure of the policy is accrued at the time of commencement of the risk. In the previous year, such premium was accounted on receipt basis. Consequently, the gross premium income for the year is higher by Rs. 561,909 thousands

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

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

5.1.6 Sector wise gross written premium is as follows:

Sector	For the year ended 31 st March 2020				For the year ended 31 st March 2019			
	No. of policies	No. of Lives	GWP Rs. '000	%	No. of policies	No. of Lives	GWP Rs. '000	%
Rural	10,51,392	28,22,068	1,11,11,825	16.19	806,343	21,64,371	8,140,945	15.07
Social	5,27,945	16,81,716	73,62,654	10.72	529,255	1,574,945	6,580,747	12.18
Others	34,79,307	1,11,54,467	5,01,76,939	73.09	2,959,235	9,766,890	39,291,233	72.74
Total	50,58,644	1,56,58,251	6,86,51,418	100	4,294,833	13,506,206	54,012,925	100

5.1.7 Extent of Risk retained and Re-insured

Particulars	31st March 2020			31st March 2019		
	Health	PA	OMP	Health	PA	OMP
Risk Retained (%)	76.50%	71.31%	30.40%	76.66%	71.58%	32.03%
Risk Re-insured (%)	23.50%	28.69%	69.60%	23.34%	28.42%	67.97%



5.1.8 Investments

A) Value of contracts in relation to investments for:

Particulars	Amount (Rs ' 000)	
	31st March 2020	31st March 2019
Contracts for sale where payments are overdue	NIL	NIL
Contracts for purchases due for delivery on the balance sheet date. (since received)	NIL	NIL
Non-Performing Investment	NIL	NIL

B) Historical cost of investments that are valued on fair value basis is Rs 39,02,894 thousand and Rs. 67,429 thousand respectively (Mutual fund & REiT) (previous year: Nil).

Fair value of Investments

(Rs in 000's)

Particulars	As at 31st March 2020	As at 31st March 2019
REiT	81,512	NIL
Mutual Funds	39,19,693	NIL
Total	40,01,205	NIL

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

D) Investment of Rs. 1,95,214 Thousands in Infrastructure Leasing and Financial Services Ltd., being non-performing assets, written off during the year .

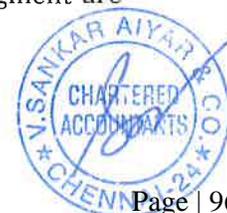
E) Allocation of investment income:

Investment income has been allocated on the basis of the ratio of average policyholder's investments to average shareholder's investments, average being the balance at the beginning of the year and at the end of the reporting year.

5.1.9 Allocation of expenses

The company has allocated expenses of management as per the policy approved by the Board of Directors.

Expenses such as Commission payable to Agents, Brokerage, etc. which are based on premium procurement for different segments are directly allocated to each segment on actual incurred basis. Other Administrative expenses, net of transfer to claims cost and incentive payable to field staff which cannot be directly attributed and allocated to any segment are apportioned on the basis of Gross Premium written for each segment.



During the year Company has transferred from Operating Expenses (Ref: Schedule 4 of the Financial Statements under "Others - In House Claims Processing Cost") to Claims cost an amount of Rs. 2,042,053 thousands (PY: Rs. 1,602,231 thousands) being 3% of the gross premium (excluding co-insurance inward) pertaining to Health & PA segment towards In House Claims processing expenditure based on the Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016.

5.1.10 Employee benefit plan

Gratuity

The Company has a defined gratuity benefit plan payable to every employee on separation from employment. The Company makes the contribution to an approved gratuity fund which is maintained and managed by Life Insurance Corporation of India.

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

Particulars	Amount (Rs'000)	
	31-03-2020	31-03-2019
Discount Rate	6.50%	7.76%
Salary Escalation	3.00% (for first 5 yrs) 1.50% (thereafter)	3.00% (for first 5 yrs) 1.50% (thereafter)
Attrition rate	2.00%	2.00%
Expected Return on Plan Assets	6.50%	7.73%
Mortality Rate Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Table showing changes in present value of obligations- LIC Fund		
Present value of obligations as at beginning of year	243,364	173,251
Interest cost	18,885	12,624
Current Service Cost	34,071	36,319
Prior service cost	-	7,415
Benefits Paid	(17,252)	(19,889)
Actuarial (gain) / loss on obligation	(9,598)	33,644
Present value of obligations as at end of year	269,469	243,364
Table showing changes in the fair value of plan assets- LIC Fund		
Fair value of plan assets at beginning of year	223,533	152,579
Expected return on plan assets	17,279	13,996
Contributions	68,669	76,847



Benefits paid	(17,252)	(19,889)
Actuarial gain / (loss) on plan assets	(17,429)	-
Fair value of plan assets at the end of year	274,800	223,533
Actuarial (Gain)/Loss recognized		
Actuarial (gain) /loss on obligation	(9,598)	33,644
Actuarial (gain) / loss on plan assets	17,429	
Actuarial (gain) / loss recognized in the year	7,831	33,644
Reconciliation of Present Value of the obligation and the Fair Value of the Plan Assets		
Present value of obligations as at the end of year	269,469	243,364
Fair value of plan assets as at the end of the year	274,800	223,533
Funded status	5,331	(19,831)
Net (Liability) Recognized in the Balance Sheet	5,331	(19,831)
Investment details of plan assets		
100% Insurer Managed Funds	274,800	223,533
Expenses Recognized in statement of Profit & loss		
Current Service cost	34,071	36,319
Past service cost	-	7,415
Interest Cost	18,885	12,624
Expected return on plan assets	(17,279)	(13,996)
Net Actuarial (gain) / loss recognized in the year	7,831	33,644
Expenses to be recognized in the profit & loss	43,508	76,005

Amounts for the current and previous four periods are as follows:

Name of shareholders	2019-20	2018-19	2017-18	2016-17	2015-16
Defined Benefit Obligations	269,469	243,364	173,251	124,500	85,092
Plan Assets	274,800	223,533	152,579	107,130	71,536
Surplus/(Deficit)	5,331	(19,831)	(20,672)	(17,370)	(13,556)
Experience adjustments on Plan assets	-	-	125	-	-
Experience adjustments on Plan Liabilities	-	17,373	67,598	-	-

Employee Stock Option plan

The Company has introduced Employee Stock Option plan (ESOP 2019) in the financial year 2019-20 effective from 06th August 2019 (date of grant). Under the ESOP 2019, the company has given options to eligible employees to acquire equity share in the Company. The options have been granted under various tranches.



During the Financial year 2019-20, the company had granted 1,71,31,339 options in three tranches which will vest over a period of 5 years in the ratio 20:20:20:20:20 starting at the end of one 1 year from the date of grant.

The Company has adopted intrinsic value method for computing the compensation cost of options granted. As the exercise price is equal to the fair value of share on the date of grant, the value of options is Nil and hence no compensation cost is recognized in the books

Had the Company followed fair value method (Black Scholes method) for valuing the stock options, the compensation cost and charges to the profit and loss account for the year ended 31st March 2020 would have been higher by Rs 1,757,161 thousands (previous year Nil). Consequently the basic earning per share would have been Rs 1.83 per share and diluted earnings per share would have been Rs 1.79 per share

The Key assumption used to estimate the fair value of options granted during the year ended 31st March 2020 are as under:

1. Risk free rates are 10-Year G-Sec Par Yield
2. Volatility is based on average of last 6 years data of NSE indices Ltd
3. Dividend yield is assumed to be Zero

Movement in the Options under ESOP

(Nos)

Particulars	As at 31 March, 2020	As at 31 March, 2019
Outstanding at the beginning of the year	Nil	Nil
Add : Granted during the year	1,71,31,339	Nil
Less : Forfeited / Lapsed during the year	Nil	Nil
Less : Exercised during the year	Nil	Nil
Outstanding at the end of the year	1,71,31,339	Nil
Exercisable at the end of the year	1,71,31,339	Nil

5.1.11 Remuneration to Managerial and Key Management Persons

A) The details of remuneration of CEO & 2 MD's as per the terms of appointment are as under:

(Rs '000)

Remuneration paid to	Designation	31st March 2020	31st March 2019
Mr. V.Jagannathan	Chairman & CEO	40,701	40,662
Dr. S.Prakash	MD (w.e.f 16 th Dec 2019)	9,266	-
Mr. Anand Roy	MD (w.e.f 16 th Dec 2019)	8,979	-
Total		58,946	40,662



i. **Fellow Subsidiaries/Associates/Other related entities:**

Nil

ii. **Key Management Personnel (KMP):**

Mr. V Jagannathan, Chairman & Chief Executive Officer

Dr S Prakash, Managing Director (W.e.f. 16th Dec 2019)

Mr. Anand Roy, Managing Director (W.e.f. 16th Dec 2019)

iii. **Relatives of KMP with whom transactions have taken place during the year:**

Dr Sai Satish (S/o Mr. V Jagannathan)

B. Transactions with Related Parties

(Rs ' 000)				
Name of the related party	Description / designation	Transactions	For the year ended 31.03.2020	For the year ended 31.03.2019
Westbridge AIF I	Promoter	Allotment of Shares	22,15,000	-
		Share application money	-	22,15,000
Mr.Rakesh Jhunjunwala	Promoter	Allotment of Shares	7,00,000	-
		Share application money	-	70,00,00
Safecrop Investments India LLP	Promoter	Rights Issue	7,07,841	-
Mr.Rakesh Jhunjunwala	Promoter	Rights Issue	2,24,888	-
Mrs. Rekha Jhunjunwala	Promoter	Rights Issue	54,636	-
Mr. V Jagannathan	Chairman & CEO	Rights Issue	50,000	-
Dr Sai Satish	Relative of KMP	Rights Issue	89,301	-
Mr. V Jagannathan	Chairman & CEO	Remuneration	40,557	40,662
Dr S Prakash	Managing Director	Remuneration	9,266	-
Mr. Anand Roy	Managing Director	Remuneration	8,979	-



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

(Rs '000)		
Particulars	31 st March 2020	31 st March 2019
Salary - Disclosed in P&L	25,701	25,662
Salary - Disclosed in Sch:4	32,544	14,338
Allowances and Perquisites - Disclosed in Sch:4	701	662
Total	58,946	40,662

Note: Provision towards gratuity are determined actuarially on an overall basis and accordingly have not been considered for the above disclosures.

5.1.12 Share Capital and Share Application

The share application money pending allotment as at 31st of March, 2019 amounting to Rs. 3,500,000 thousands, has been allotted to the Investors in the current year.

The company received share application money on rights issue from existing shareholders of Rs. 1,500,000 thousands during the current year, which was fully allotted at a value of Rs. 142.43/- per share for 1,05,31,489 shares.

5.1.13 Outsourcing, business development and marketing support expenses.

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

(Rs '000)		
Nature of Outsourcing Expenses	31st March 2020	31st March 2019
Manpower Expenses	2,59,770	188,983
Online & Tele Marketing Expenses	3,88,624	331,440
Claims Investigation & Related Expenses (included in Sch-2)	5,290	15,060
Other Outsourcing Expenses	-	-
Total	6,53,684	535,484

Outsourcing expenses has been calculated based on the Outsourcing guidelines issued by IRDAI.



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

(Rs '000)

S.No	Authority	Non-Compliance/ Violation	For the year ended 31.03.2020			For the year ended 31.03.2019		
			Penalty Awarded	Penalty Paid	Penalty Waived / Reduced	Penalty Awarded	Penalty Paid	Penalty Waived / Reduced
1	Insurance Regulatory and Development Authority of India		NIL		NIL			NIL
2	Service Tax Authorities		NIL		NIL			NIL
3	Income Tax Authorities		NIL		NIL			NIL
4	Any other Tax Authorities		NIL		NIL			NIL
5	Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA	Delay in allotment of Shares, under FEMA	1,575	1,575	NIL			NIL
6	Registrar of Companies / NCLT / CLB / Department of Corporate Affairs or any Authority under Companies Act, 1956		NIL		NIL			NIL
7	Penalty awarded by any Court / Tribunal for any matter including claim settlement but excluding compensation		NIL		NIL			NIL
8	Securities and Exchange Board of India		NIL		NIL			NIL
9	Competition Commission of India		NIL		NIL			NIL
10	Any other Central / State / Local Government / Statutory Authority		NIL		NIL			NIL



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5.1.15 Summary of Financial Statements for five years & Ratio Analysis:

A) A summary of financial statements and Accounting Ratios as per the formats prescribed by the IRDAI in its circular dated 29th April, 2003 is provided in Annexure 2 and Annexure 3.

B) Solvency Margin

Rs in 000s

Solvency Margin	At March 31, 2020	At March 31, 2019
Required solvency margin under IRDAI Regulations (A)	1,04,78,949	82,57,419
Available solvency margin (B)	1,97,43,466	1,65,59,308
Solvency ratio actual (times) (B/A)	1.88	2.01
Solvency ratio prescribed by Regulation	1.50	1.50

5.2 Other disclosures:

5.2.1 Basis used by the Actuary for determining provision required for IBNR/IBNER liability as at March 31, 2020 for all lines of business has been estimated by the Appointed Actuary in compliance with the guidelines issued by IRDAI from time to time and the applicable provisions of the Guidance Note 21 issued by the Institute of Actuaries of India.

Pursuant to IRDAI regulation of Asset, Liabilities, and Solvency margin of General Insurance Business Regulations 2016 (IRDAI/Reg/7/119/2016 dated April 7, 2016); claim reserves are determined as the aggregate amount of Outstanding Claim Reserve and Incurred but Not Reported (IBNR) claim reserve for 28 stipulated lines of business.

5.2.2 Provision for Free Look period

The provision for Free Look period Rs. 1500 thousands (previous year: Rs. NIL) is duly certified by the Appointed Actuary.

5.2.3 Operating Lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments for the non-cancellable period of the operating leases are recognized as an expense over the lease term. Lease payments debited to the profit and loss account during the year amounts to Rs. 4,48,906 thousands (PY: 389,811 thousands).



Minimum Lease Payments	Amount (Rs ' 000)	
	31 st March 2020	31 st March 2019
Not later than one year	55,416	44,702
Later than 1 year but not later than 5 years	96,251	19,181
Later than 5 years	-	-

5.2.4 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 (previous year: ` NIL). This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

5.2.5 Segmental reporting

Primary reportable segments

The Company carries on non-life insurance business in India. The Company has provided primary segmental information, in Annexure 1, as required by Accounting Standard 17 – 'Segment Reporting' issued by ICAI, read with Accounting Regulations.

Secondary reportable segments

There are no reportable geographical segments since the Company provides services only to customers in the Indian market or Indian interests abroad and does not distinguish any reportable regions within India.

5.2.6 Related party

A. List of Related Parties and nature of relationship

Entities & Individuals with their relatives, having significant influence:

- Safecrop Investments India LLP
- Westbridge AIF I
- Mr.Rakesh Jhunjunwala
- Mrs.Rekha Jhunjunwala.



5.2.7 (a) Details of age-wise analysis of the unclaimed amount of the policyholders (excluding Income from Investment) for the year ended March 31, 2020.

(For the Year ended 31st March 2020)

(Rs '000)

Particulars	Total Amount	AGE-WISE ANALYSIS						
		1-6 months	7-12 months	13-18 months	19- 24 months	25 - 30 months	31 - 36 months	Beyond 36 Months
Claims settled but not paid to the policyholders	-	-	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise	-	-	-	-	-	-	-	-
Excess Premium / Refunds (Due to the Insured)	16,281	16,281	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder/ insured	54,263	10,352	4,290	27,017	12,604	-	-	-
Total	70,544	26,633	4,290	27,017	12,604			

(For the Year ended 31st March 2019)

(Rs '000)

Particulars	Total Amount	AGE-WISE ANALYSIS						
		1-6 months	7-12 months	13-18 months	19- 24 months	25 - 30 months	31 - 36 months	Beyond 36 Months
Claims settled but not paid to the policyholders	-	-	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise	-	-	-	-	-	-	-	-
Excess Premium / Refunds (Due to the Insured)	22,076	21,779	298	-	-	-	-	-
Cheques issued but not encashed by the policyholder/ insured	43,975	30,885	13,089	-	-	-	-	-
Total	66,051	52,664	13,387					



Details of Unclaimed Amount and Investment Income

(Rs. In 000s)

Particulars	Financial year 2019-20	Financial year 2018-19
Opening Balance	67,637	3,512
Add: Amount transferred to Unclaimed Fund	15,925	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the Cheques are stale)	12,762	73,324
Add: Investment Income on Unclaimed Fund	6,293	1,661
Less: Amount of claims paid during the year	24,119	10,860
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	-	-
Closing Balance of Unclaimed Amount Fund	78,498	67,637

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

S.No.	Particulars	31 st March 2020	31 st March 2019
1	Net Profit / (Loss) Attributable to Shareholders (Rs.in thousands)	26,33,049	18,34,174
2	Weighted Average No. of Equity Shares Issued for Basic EPS (in numbers)	47,93,86,971	455,576,106
3	Weighted Average No. of Equity Shares Issued for Diluted EPS (in numbers)	48,94,62,708	461,776,973
4	Basic Earnings Per Share (in Rs.)	5.49	4.03
5	Diluted Earnings Per Share (in Rs.)	5.38	3.97
6	Nominal Value Per Share (in Rs.)	10.00	10.00

5.2.9 Deferred taxes

In accordance with the Company's Accounting policy for Deferred Taxation, the net deferred tax Asset of Rs. 70,014 thousands has been recognized (PY: Deferred tax liability: Rs. 2,441 thousands).



(Rs.'000)

Timing Difference on Account of	As At 31st March 2020		As At 31st March 2019	
	Deferred Tax Asset	Deferred Tax Liability	Deferred Tax Asset	Deferred Tax Liability
Carried Forward Loss	-	-	-	-
On Depreciation Loss	-	-	-	-
On Business Loss	-	-	-	-
URR Differences	-	-	-	-
Depreciation differences	-	5,081	-	(37,385)
Provision for Bonus - Sec. 43B of IT Act,1961 Disallowance	55,910	-	34,944	-
Provision for doubtful debts	1,782	-	-	-
Provision for Stamps affixable- Sec. 43B of IT Act,1961 Disallowance	9,681	-	-	-
Total	67,374	5,081	34,944	(37,385)
Net Deferred Tax Asset / (Liability)		70,014		(2,441)
Deferred Tax Expense / (Income) recognized in Profit & Loss A/c		(72,455)		2,441

5.2.10 Terms of Borrowings

Non- Convertible debentures

The Company had issued Non-convertible debentures for Rs. 2,500,000 thousands on private placement basis during the financial year 2017-18 in two tranches of Rs. 2000,000 thousands and Rs.500,000 thousands at an interest rate of 10.25% and 10.20% respectively redeemable in 7 years.

During the year ended March 31, 2020 the Company has incurred interest on non-convertible debentures to the extent of Rs. 256,000 thousands (PY: 256,000 thousands).

Pursuant to IRDAI circular no. IRDA/F&A/OFC/01/2014-15/115 dated August 4, 2017, and as required by Companies (Share Capital and Debentures) Rules, 2014, read with Notification F.No. 01/04/2013-CL-V-Prt-III dated 16th August,2019 issued by the Ministry of Corporate Affairs, Company has created Debenture Redemption Reserve (DRR) of Rs. 25,000 thousands (PY - Rs. 1,25,000 thousands) upto date.



5.2.11 Amortization of premium / (Accretion of discount) on investments details are as follows:

(Rs '000)

Particulars	31 st March 2020	31 st March 2019
Revenue Account		
Fire	NIL	NIL
Marine	NIL	NIL
Miscellaneous	63,349	44,632
Profit & Loss Account		
Share Holders	46,281	31,015
Total	1,09,630	75,647

Amortization of premium pertaining to revenue a/c and the profit & loss a/c have been adjusted against Interest, Dividend & Rent credited to the respective accounts.

5.2.12 During the financial year under review, the company has not exceeded the sub segment limits prescribed under section 40C of The Insurance Act 1938, read with Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016.

5.2.13 Staff advances includes Rs. 38,027 thousands (PY: Rs. 31,012 thousands) adjustable from the marketing employees based on the performance analysis as per the Terms of their employment.

5.2.14 Certain Balances included under Advances and Other Assets are subject to year end confirmation. In this regard, confirmations are not received due to lockdown arising out of COVID-19 outbreak. However, in the opinion of the management, all the balances are good and recoverable.

5.2.15 Advances - deposits with statutory authorities includes Rs. 17,473 thousands (PY 11,849 thousands) being amount deposited by the company with the courts against disputed claims. Pending disposal of the case, in the opinion of the company the said amount is considered good and recoverable.

5.2.16 An amount of Rs. 309,435 thousands (PY Rs. 343,186 thousands) is outstanding premiums recoverable towards RSBY Scheme from the Government of Jharkhand. In the opinion of the company the due is considered recoverable.



5.2.17 Profit related remuneration paid to following directors:

(Rs ' 000)

Designation	Name of the Director	31 st March 2020	31 st March 2019
Non-Executive Director (Resigned w.e.f. 25-04-2019)	Mr. V. P. Nagarajan	1,000	1,000
Non-Executive Director	Ms. Justice (Retd.) K B K Vasuki	1,000	1,000
Independent Director	Mr. D R Kaarthikeyan	1,000	1,000
Independent Director	Dr. M Y Khan	1,000	1,000
Independent Director	Mr. D C Gupta	1,000	1,000

5.2.18 The company does not have any long term contracts including derivative contracts wherein the company is required to make provision towards any foreseeable losses, other than long term insurance contracts. In respect of long-term insurance contracts actuarial valuation of the liability as at March 31, 2020 is considered for provisioning in the actuarial valuation of the Company.

5.2.19 Foreign currency exposure

The company does not have any long term contracts including derivative contracts wherein the company is required to make provision towards any foreseeable losses. Foreign currency exposure as at March 31, 2020 and March 31, 2019 that has not been hedged by any derivative instrument or otherwise is estimated as follows:

Rs. (000's)

Particulars	March 31, 2020	March 31, 2019
Foreign Currency Exposure on outstanding claims	1,02,926	73,335

5.2.20 Extension of Premium

IRDAI vide circular no. : IRDAI/HLT/CIR/MISC/078/04/2020 dated April 02, 2020 and : IRDAI/HLT/ CIR/MISC/091 /04/2020 dated April 16, 2020 has stipulated that, the Policyholders whose Health insurance policies fell due for renewal during the period on and from March 25, 2020 up to May 03, 2020 and who are unable to make payment of their renewal premium on time in view of the prevailing situation in the country as a result of COVID-19 are allowed to make premium payment for renewal of policies to their insurers on or before May 15, 2020 to ensure continuity of the Health insurance cover from the date on which the policy fell due for renewal.



When the policy is issued after receipt of premium due on or before the last date indicated above, it shall be ensured that the period of cover commences from the date the renewal was due without there being any break in the policy period provided such renewal fell due within the lockdown period (25th March, 2020 to 3rd May, 2020).

Further, in accordance with Circular IRDAI/HLT/CIR/MISC/082/04/2020 dated April 3, 2020 and subsequent intimation following details are disclosed;

(a) Number of Health insurance policies due for renewal between March 25, 2020 to March 31, 2020 was 3,13,428 policies and related premium of Rs. 58,20,961 thousands;

(b) Out of (a) above, number of Health policies which were renewed before April 16, 2020 and already accounted in the financial statement was 1,36,010 and related premium of Rs. 31,81,296 thousands; and

(c) Out of (a) above, number of Health policies which were renewed between April 16, 2020 till May 15, 2020 was 11,412 and related premium of Rs. 1,49,312 thousands. Impact on profits, for the year ended March 31, 2020 is not material.

5.2.21 COVID 19 - Pandemic

The COVID-19 has been declared a pandemic by the World Health Organization on March 11, 2020. The pandemic has led to a significant impact on the Indian Financial markets and an overall decline in the economic activities all across the world. On March 24, 2020, the Union Government of India has announced a lockdown, which was further extended, across the country for containment of the pandemic.

The Company has used the principles of prudence in applying judgments, estimates and assumptions to assess and provide for the impact of the pandemic on the Financial Statements. However, due to the uncertainties associated with the pandemic, the actual impact may not be in line with current estimates. The company has been collecting premium and settled claims with limited operations, being an essential service, even during the lockdown period. The company is confident of resuming its full operations and providing service to policy holders, post lockdown. The Company will continue to closely monitor any changes to the estimates based on future economic conditions.



The Company has considered the possible effects of COVID 19 on the carrying amounts of Fixed Assets, Investments, Advances & Other Assets, policy liabilities and solvency. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of the financial results, has used external and internal sources of information/indicators to estimate the future performance of the Company. Based on current estimates the Company expects the carrying amount of these assets to be recovered. Further the impact assessment does not indicate any adverse impact on the ability of the company to continue as a going concern, as on the date of the balance sheet. The impact of the COVID 19 on the Company's financial results may differ from that estimated as at the date of approval of these results."

5.2.22 Previous year figures have been regrouped in the respective schedule and notes wherever necessary, to conform to current year groupings. The change has no effect on the statement of financial position. The details of changes are as under:

Particulars	31 st March 2020	31 st March 2019	Amount (Rs. '000)	Reason
	Grouping	Grouping		
Recruitment Expenses	Employees' remuneration & welfare benefits	Training expenses	4,500	Presentation reclass based on nature of expenditure
Merchant Charges for Online business	Legal & professional charges	Interest & Bank Charges	67,409	Presentation reclass based on nature of expenditure
NCD Related Expenses	Legal & professional charges	NCD Issue Expenses	851	Presentation reclass based on nature of expenditure
Managerial Remuneration	Employees' remuneration & welfare benefits	Managerial Remuneration	15,000	Presentation reclass based on nature of expenditure
Miscellaneous Income	Other Income	Miscellaneous Expenses	1,076	Presentation reclass based on nature of receipt
Profit on Sale of Fixed Assets	Other Income	Miscellaneous Expenses	85	Presentation reclass based on nature of receipt
Security Deposits with authorities	Deposit with Statutory Authorities	Security Deposits	11,849	Presentation reclass based on nature of payments
Agent Club expenses	Direct commission paid	Advertisement & publicity	53,669	Presentation reclass based on nature of payments
Advance receipt refund	Other payables	Sundry creditors	350	Presentation reclass based on nature of balance



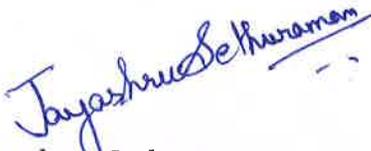
Investment in Housing securities	Other approved securities	Debentures & bonds	24,92,977	Presentation reclass based on nature of balance
Other Approved Bonds/ Debentures	Other approved securities	Debentures & bonds	6,04,467	Presentation reclass based on nature of balance
Other than Approved Investments	Other approved securities	Debentures & bonds	3,46,947	Presentation reclass based on nature of balance
Salary Payable	Payable to employees	Sundry Creditors	1,36,639	Presentation reclass based on nature of balance
Sales manager negative incentives	Staff advances	Prepayments	31,012	Presentation reclass based on nature of balance
Risk based notional entry	Risk based cancelled policies	Sundry Creditors	31,188	Presentation reclass based on nature of balance

Particulars	31st March 2020	31st March 2019	Amount (Rs. '000)	Reason
	Grouping	Grouping		
Cash Flow from Operating Activities	Premium received from policyholders, including advance receipts & payables to policyholders	Premium received from policyholders, including advance receipts	96,85,348	Presentation changes for Grossing up with GST
	Receipts/(Payments) from other entities carrying on insurance business (including reinsurers)	Receipts/(Payments) to the re-insurers, net of commissions and claims	(22,19,221)	
	Payments of commission and brokerage	Payments of commission and brokerage	(71,849)	
	Payments of other operating expenses	Payments of other operating expenses	(8,48,939)	
	GST	GST	(65,45,339)	
Cash Flow from Operating Activities	Premium received from policyholders, including advance receipts & payables to policy holders	Payments of other operating expenses	(1,794)	Presentation reclass in Cashflows within operating activities based on nature of expenditure
	Receipts/(Payments) from other entities carrying on insurance business (including reinsurers)	Payments of other operating expenses	(81)	
	Payments of claims	Payments of other operating expenses	(15,133)	
	Payments of commission and brokerage	Payments of other operating expenses	5,60,104	
	Payments of other operating expenses	Payments of other operating expenses	(5,43,096)	
	Deposits, advances and staff loans	Deposits, advances and staff loans	1,63,787	



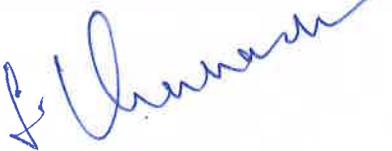
	GST	Deposits, advances and staff loans	(1,63,787)	
Cash Flow from Operating Activities	Receipts/(Payments) from other entities carrying on insurance business (including reinsurers)	Receipts/(Payments) to the re-insurers, net of commissions and claims	(43,55,217)	Change of heading based on the entities involved in transactions
	Premium received from policyholders, including advance receipts & payables to policyholders	Premium received from policyholders, including advance receipts	6,41,01,073	

For And On Behalf of Board of Directors


Jayashree Sethuraman
 Company Secretary


Nileshe Kambli
 Chief Financial Officer


V. Jagannathan
 Chairman & CEO
 DIN: 01196055


Dr. S. Prakash
 Managing Director
 DIN: 08602227


Deepak Raminedi
 Director
 DIN: 07631768

As Per Our Report of Even Date attached

For M/s. Brahmayya & Co.,
 Chartered Accountants
 Firm Reg No.: 0005118




Jitendra Kumar K
 Partner
 M.No.: 201825

For M/s. V. Sankar Aiyar & Co.,
 Chartered Accountants
 Firm Reg No.: 109208W



S. Venkataraman
 Partner
 M.No.: 023116

Date: 12th June 2020
 Place: Chennai



20. Segment reporting

Annexure 1

The Company's business is organised on a National basis and caters to the non-life insurance business. Accordingly, the Company has provided primary segmental information as per Accounting Standard 17 - 'Segment Reporting' issued by ICAI read with Accounting Regulations.

Segment Revenues are either directly attributed to or, in the case of bundled products, allocated to individual segments. There are no inter-segment revenues.

Operating Expenses are attributed to the business segments in line with Accounting Policy 12 in Schedule 16.

Investments, Other Assets and Liabilities are identified with the respective segments in the ratio of Share Holders and Policy Holders Funds as defined in Accounting Policy 9 in Schedule 16.

Since the business operations of the Company are entirely in India, the same is considered as one geographical segment.

(For The Year Ended 31st March 2020)

Particulars	Fire	Marine Cargo	Marine Hull	Aviation	Motor	Workmen's Compensation / Employers Liability	Public / Product Liability	Engineering	Personal Accident	Health Insurance	Others	Income Credited / Exp Debited to P & L Account	Total
Gross Direct Premium	-	-	-	-	-	-	-	-	13,37,277	6,73,14,141	-	-	6,86,51,418
Premium Inward	-	-	-	-	-	-	-	-	13,37,277	6,73,14,141	-	-	6,86,51,418
Net Written Premium	-	-	-	-	-	-	-	-	13,37,277	6,73,14,141	-	-	6,86,51,418
Premium Earned (net)	-	-	-	-	-	-	-	-	8,92,747	4,59,48,175	-	-	4,68,40,921
Profit on Sale / Redemption of Investments	-	-	-	-	-	-	-	-	731	36,796	-	27,417	64,944
Others - provision for impairment of investments	-	-	-	-	-	-	-	-	1,899	95,601	-	-	97,500
Interest (Net of Amortisation)	-	-	-	-	-	-	-	-	32,309	16,26,318	-	12,11,759	28,70,386
Total Segmental Revenue	-	-	-	-	-	-	-	-	9,27,686	4,77,06,890	-	12,39,176	4,98,73,751
Claims Incurred (Net)	-	-	-	-	-	-	-	-	5,04,274	3,03,69,992	-	-	3,08,74,267
Commission Received/(Paid), Net	-	-	-	-	-	-	-	-	40,022	33,64,115	-	-	34,04,137
Operating Expenses Related To Insurance Business	-	-	-	-	-	-	-	-	2,14,529	1,07,98,695	-	5,20,053	1,15,33,278
Total Segmental Expenses	-	-	-	-	-	-	-	-	7,58,826	4,45,32,803	-	5,20,053	4,58,11,682
Segmental (Loss)/Profit	-	-	-	-	-	-	-	-	1,68,860	31,74,087	-	7,19,122	40,62,070
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated Corporate Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision For Income Tax, FBT, Deferred Tax Asset And Wealth Tax, MAT	-	-	-	-	-	-	-	-	-	-	-	-	-
Add: Reversal of MAT Credit Entitlement of Previous Years	-	-	-	-	-	-	-	-	-	-	-	14,09,182	14,09,182
Less: MAT Credit	-	-	-	-	-	-	-	-	-	-	-	(19,838)	(19,838)
Net Profit For The Year	-	-	-	-	-	-	-	-	1,68,860	31,74,087	-	7,09,898	26,33,049
Segment Assets	-	-	-	-	-	-	-	-	6,74,623	3,39,58,306	-	2,53,02,115	5,99,35,043
Segment Liabilities	-	-	-	-	-	-	-	-	6,88,759	3,46,69,870	-	30,07,548	3,83,66,177
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization Of Premium And Discount	-	-	-	-	-	-	-	-	1,287	64,768	-	48,258	1,14,313
Depreciation	-	-	-	-	-	-	-	-	3,314	1,66,805	-	1,24,285	2,94,404
Non - Cash Expenditure Other Than Depreciation And Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-



(For The Year Ended 31st March 2019)

Particulars	Fire	Marine Cargo	Marine Hull	Aviation	Motor	Workmens Compensation / Employers Liability	Public / Product Liability	Engineering	Personal Accident	Health Insurance	Others	Income Credited / Exp Debited to P & L Account	Total
Gross Direct Premium	-	-	-	-	-	-	-	-	11,62,046	5,28,50,879	-	-	5,40,12,925
Premium Inward	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Written Premium	-	-	-	-	-	-	-	-	8,31,838	4,04,55,259	-	-	4,12,87,097
Premium Earned (net)	-	-	-	-	-	-	-	-	8,50,255	3,57,73,482.71	-	-	3,66,23,737
Profit on Sale / Redemption of Investments	-	-	-	-	-	-	-	-	104	4,748	-	3,372	8,225
Others - provision for impairment of investments	-	-	-	-	-	-	-	-	(1,238)	(56,287)	-	(39,975)	(97,500)
Interest (Net of Amortisation)	-	-	-	-	-	-	-	-	24,703	11,23,498	-	7,97,902	19,46,103
Total Segmental Revenue	-	-	-	-	-	-	-	-	8,73,824	3,68,45,441	-	7,61,299	3,84,80,565
Claims Incurred (Net)	-	-	-	-	-	-	-	-	4,49,745	2,25,26,150	-	-	2,29,75,895
Commission Received/(Paid), Net	-	-	-	-	-	-	-	-	1,02,778	24,66,337	-	-	25,69,115
Operating Expenses Related To Insurance Business	-	-	-	-	-	-	-	-	1,99,042	96,80,118	-	3,85,540	1,02,64,699
Total Segmental Expenses	-	-	-	-	-	-	-	-	7,51,564	3,46,72,605	-	3,85,540	3,58,09,709
Segmental (Loss)/Profit	-	-	-	-	-	-	-	-	1,22,260	21,72,837	-	3,75,760	26,70,856
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated Corporate Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision For Income Tax, FBT, Deferred Tax Asset And Wealth Tax, MAT	-	-	-	-	-	-	-	-	-	-	-	-	-
Add: Reversal of MAT Credit Entitlement of Previous Years	-	-	-	-	-	-	-	-	-	-	-	8,36,682	8,36,682
Less: MAT Credit Entitlement	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit For The Year	-	-	-	-	-	-	-	-	1,22,260	21,72,837	-	(4,60,922)	18,34,174
Segment Assets	-	-	-	-	-	-	-	-	6,00,755	2,73,22,857	-	1,94,04,543	4,73,28,154
Segment Liabilities	-	-	-	-	-	-	-	-	8,20,979	2,67,66,679	-	23,07,977	2,98,95,635
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization Of Premium	-	-	-	-	-	-	-	-	-	-	-	-	-
And Discount	-	-	-	-	-	-	-	-	960	43,672	-	31,015	75,647
Depreciation	-	-	-	-	-	-	-	-	6,044	2,74,889	-	-	2,80,933
Non - Cash Expenditure Other Than Depreciation And Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-



Summary of Financial Statements		Rs. in Lakhs				
Sl No	Particulars	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
OPERATING RESULTS						
1	Gross Premiums Written	6,86,514	5,40,129	4,16,111	2,96,005	2,00,734
2	Net Premium Income#	5,23,947	4,12,871	3,19,604	2,28,316	1,53,975
3	Income from investments (net)@	16,962	11,531	8,876	6,240	6,334
4	Other income - Transfer fee etc	-	-	-	-	-
5	Total Income	5,40,909	4,24,401	3,28,480	2,34,556	1,60,308
6	Commissions (Net)	34,041	25,691	13,658	9,529	6,106
7	Brokerage	-	-	-	-	-
8	Operating Expenses	1,09,557	98,792	86,135	62,535	45,307
9	Claims, increase in Unexpired Risk Reserve and Other outgoes	3,64,281	2,76,968	2,14,845	1,52,842	84,043
10	Operating Profit/loss	33,030	22,951	13,841	9,650	24,853
NON OPERATING RESULTS						
11	Total income shareholders' account	12,408	8,013	5,917	3,824	1,786
12	Expenses charged to Profit and Loss A/c	4,817	4,255	2,639	1,680	12,982
13	Profit/(loss) before tax	40,621	26,709	17,120	11,794	13,658
14	Provision for tax	14,290	8,367	105	-	-
15	Profit/(loss) after tax	26,330	18,342	17,015	11,794	13,658

MISCELLANEOUS						
16	Policyholders' Account					
	Total funds	2,05,213	1,78,092	1,31,124	94,410	90,695
	Total investments	2,47,891	1,78,776	1,29,883	88,566	62,924
	Yield on investments	7.55%	7.54%	8.36%	8.68%	8.48%
17	Shareholders' Account					
	Total funds	1,48,051	1,22,005	87,451	57,477	25,098
	Total investments	1,81,104	1,24,234	86,589	54,282	17,748
	Yield on investments	7.55%	7.54%	8.36%	8.68%	8.48%
18	Paid up equity capital	49,064	45,558	45,558	45,558	38,699
19	Net worth	1,88,880	1,48,051	95,959	78,944	36,010
20	Total assets	5,99,350	4,73,282	3,34,717	2,21,261	1,37,211
21	Yield on total investments	7.55%	7.54%	8.36%	8.68%	8.48%
22	Basic Earnings per share (Rs.)*	5.49	3.75	3.73	2.77	3.68
23	Diluted Earnings per share (Rs.)*	5.38	3.70	3.73	2.77	3.68
24	Book Value per share (Rs.)	38.50	24.81	21.06	17.33	9.31
25	Total Dividend	-	-	-	-	-
26	Dividend per share (Rs.)	-	-	-	-	-

Net of reinsurance

@ Net of losses

* EPS has been calculated in accordance with AS-20 Basic & Diluted (Face Value Rs.10/- each)

Profit / (Loss) for the year	26,330	18,342	17,015	11,794	13,658
Share capital & Reserves	1,88,880	1,48,051	95,959	78,944	36,010
Weighted Average Number of Shares at the end of the year	47,93,86,971	46,17,76,973	45,55,76,106	42,59,91,214	37,07,24,596



Ratios for Non-life Insurance Companies

SI No	Performance Ratio	UPTO Q4 FY20	UPTO Q4 FY19
1	Gross premium growth rate (segment wise) (Increase in Gross premium for the current year when compared to last year divided by gross premium for the previous year)	Schedule 1	Schedule 1
2	Gross premium to shareholders' fund ratio: (Gross premium for the current year divided by the paid up capital plus free reserves)	3.63	3.65
3	Growth rate of shareholders' funds: (Increase in Shareholders' funds as at the current balance sheet date compared to previous year divided by the shareholders' funds at the previous balance sheet date)	27.58%	54.29%
4	Net retention ratio (segment wise) (Net premium divided by gross premium)	Schedule 2	Schedule 2
5	Net commission ratio (segment wise) (Commission net of reinsurance for a class of business divided by net premium)	Schedule 3	Schedule 3
6	Expenses of Management to gross direct premium ratio (Expenses of Management divided by the total gross direct premium)	29.40%	31.99%
7	Expenses of Management to net written premium ratio (Expenses of Management divided by the net written premium)	27.52%	30.20%
8	Net Incurred Claims to Net Earned Premium	65.91%	62.73%
9	Combined ratio: (Net Incurred Claims divided by net earned premium + Expenses of Management divided by Net written premium)	93.43%	92.94%
10	Technical reserves to net premium ratio (Reserve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims divided by net premium)	59.63%	58.77%
11	Underwriting balance ratio (segment wise) (Underwriting profit divided by net earned premium for the respective class of business)	Schedule 4	Schedule 4
12	Operating profit ratio (Underwriting profit plus investment income divided by net earned premium)	7.05%	6.26%
13	Liquid assets to liabilities ratio (Liquid assets of the insurer divided by the policy holders' liabilities)	34.37%	37.59%
14	Net earnings ratio (Profit after tax divided by net premium)	5.03%	4.44%
15	Return on networth (Profit after tax divided by net worth)	13.94%	12.39%
16	Reinsurance ratio (Risk reinsured divided by gross premium)	23.68%	23.56%



Accounting Ratios - Schedule 1

Gross premium growth rate

Segment	Growth (%)	
	FY 2019-20	FY 2018-19
Fire	-	-
Marine	-	-
Motor	-	-
Workmen's Compensation/ Employers Liability	-	-
Public/Product Liability	-	-
Engineering	-	-
Personal Accident	15.08%	-0.22%
Health Insurance	27.37%	30.67%
Others	-	-
Total	27.10%	29.80%

Accounting Ratios - Schedule 2

Net retention ratio

Segment	% to GP	
	FY 2019-20	FY 2018-19
Fire	-	-
Marine	-	-
Motor	-	-
Workmen's Compensation/ Employers Liability	-	-
Public/Product Liability	-	-
Engineering	-	-
Personal Accident	71.31%	71.58%
Health Insurance	76.42%	76.55%
Others	-	-
Total	76.32%	76.44%

Accounting Ratios - Schedule 3

Net commission ratio

Segment	% to NP	
	FY 2019-20	FY 2018-19
Fire	-	-
Marine	-	-
Motor	-	-
Workmen's Compensation/ Employers Liability	-	-
Public/Product Liability	-	-
Engineering	-	-
Personal Accident	4.20%	12.36%
Health Insurance	6.54%	6.10%
Others	-	-
Total	6.50%	6.22%

Accounting Ratios - Schedule 4

Underwriting balance ratio

Segment	% to NP	
	FY 2019-20	FY 2018-19
Fire	-	-
Marine	-	-
Motor	-	-
Workmen's Compensation/ Employers Liability	-	-
Public/Product Liability	-	-
Engineering	-	-
Personal Accident	15.00%	10.02%
Health Insurance	3.08%	3.12%
Others	-	-
Total	3.31%	3.28%



MANAGEMENT REPORT

In accordance with part IV Schedule B of the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations, 2002, the following Management Report is submitted:

1. The Company received the Certificate of Registration under the provisions of sub-section (2A) of section 3 of the Insurance Act, 1938 from the Insurance Regulatory and Development Authority of India, to transact the business of general insurance, from 16th March 2006 and continues to be valid.
2. To the best of our knowledge and belief, all material sums payable to the statutory authorities, other than contested claims, have been duly paid.
3. The shareholding pattern and the transfer of shares during the period ended 31st March 2020 are in accordance with the statutory or regulatory requirements.
4. No funds of the policyholders have been invested directly or indirectly outside India.
5. The Company has maintained the required solvency margins laid down by Insurance Regulatory and Development Authority of India.
6. The values of all the assets have been reviewed on the date of the Balance Sheet and that in our 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", "Interest, "Dividends and Rents accruing but not due", "Outstanding premiums", "Interest, Dividends and Rents outstanding", "Amounts due from other persons or Bodies carrying on insurance business", "Advances", "Cash" and the several items specified under "Other Accounts".
7. Company is exposed to a variety of risks, such as quality of risks underwritten, fluctuations in the value of assets and etc. The Company monitors these risks closely and takes effective remedial steps to address these risks. The Company, through an appropriate reinsurance program has kept its risk exposure at a level commensurate with its capacity.
8. The COVID-19 has been declared a pandemic by the World Health Organization on March 11, 2020. The pandemic has led to a significant impact on the Indian Financial markets and an overall decline in the economic activities all across the world. On March 24, 2020, the Union Government of India has announced a lockdown, which was further extended, across the country for containment of the pandemic.

The company has been collecting premium and settled claims with limited operations, being an essential service, even during the lockdown period. The company is confident of resuming its full operations and providing service to policy holders, post lockdown.

9. The Company does not have operations outside India and therefore does not have any material country/currency fluctuation risks.



10.

I. The ageing of outstanding claims for the preceding 5 years is as follows:

Health (Including Travel)

(Rs in 000s)

PARTICULARS	2019-20		2018-19		2017-18		2016-17		2015-16	
	No of claims	Amount	No of claims	Amount	No of claims	Amount	No of claims	Amount	No of claims	Amount
CLAIM OUTSTANDING WITHIN 30 DAYS	47,241	23,33,707	31,821	19,45,352	23,410	8,57,132	23,425	10,50,535	17,702	7,85,732
CLAIM OUTSTANDING WITHIN 31 TO 90 DAYS	11,546	9,73,388	7,139	4,59,635	4,687	3,71,842	4,266	1,81,589	4,660	2,03,415
CLAIM OUTSTANDING WITHIN 91 TO 180 DAYS	2,196	1,78,677	1,832	1,11,295	1,562	76,524	863	46,564	903	41,741
CLAIM OUTSTANDING WITHIN 181 TO 365 DAYS	1,982	1,29,268	1,408	99,318	1,263	48,734	475	21,048	375	46,329
CLAIM OUTSTANDING AFTER ONE YEAR	402	89,921	468	68,103	132	55,270	131	39,077	133	48,289

Personal Accident

PARTICULARS	2019-20		2018-19		2017-18		2016-17		2015-16	
	No of claims	Amount	No of claims	Amount	No of claims	Amount	No of claims	Amount	No of claims	Amount
CLAIM OUTSTANDING WITHIN 30 DAYS	284	40,539	273	39,481	424	1,01,898	416	64,277	317	42,609
CLAIM OUTSTANDING WITHIN 31 TO 90 DAYS	276	1,13,520	267	70,182	126	24,126	139	15,884	94	16,454
CLAIM OUTSTANDING WITHIN 91 TO 180 DAYS	140	82,798	114	62,733	8	96	2	22	1	8
CLAIM OUTSTANDING WITHIN 181 TO 365 DAYS	114	1,05,213	73	57,765	6	97	2	2,000	-	-
CLAIM OUTSTANDING AFTER ONE YEAR	41	31,892	9	4,161	-	-	1	8	-	-

Note: The Claims outstanding does not include RSBY Chattisgarh, Punjab and Goa's claims outstanding.

II. The number of claims settled & average claims settlement time for the preceding 5 years is as follows:

PRODUCT	2019-20		2018-19		2017-18		2016-17		2015-16		2014-15	
	No of claims settled	Average Settlement time (Days)	No of claims settled	Average Settlement time (Days)	No of claims settled	Average Settlement time (Days)	No of claims settled	Average Settlement time (Days)	No of claims settled	Average Settlement time (Days)	No of claims settled	Average Settlement time (Days)
Health (including Travel)	8,92,520	6	6,35,044	6	5,51,117	7	3,79,140	11	3,17,526	13	2,58,008	
Personal Accident	2,376	11	2,343	9	2,240	8	1,943	10	1,749	12	1,559	

Note: Average settlement time is taken from the date of last document receipt till date of settlement of claims



III. Details of claims intimated is given below:

(Rs. 000s)

PRODUCT	2019-20		2018-19	
	No of claims Intimated	Amount	No of claims Intimated	Amount
Health (including Travel)	1093317	4,16,43,898	778475	4,38,20,387
Personal Accident	6540	10,89,880	5491	10,71,768

Note: Claims intimated inclusive for reported claims and reopened claims

11. As at March 31, 2020, the investments of the Company comprise of investments in Government securities (both Central & State Govt. securities), housing, infrastructure and other corporate bonds, mutual funds and fixed deposits with banks.

The investments in Government securities are considered as "Held to Maturity (HTM)" and are measured at historical cost subject to amortization and investments in fixed deposits of banks are measured at face value. Similarly, Investments in mutual funds are measured at Net Asset Value and investment in REIT is reported at Market Value as on March 31, 2020 and the unrealized gain / loss is debited / credited to Fair Value Change Account.

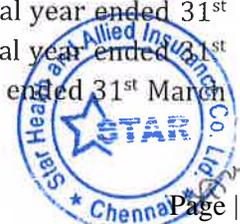
The market value of investments in Debt Securities including Government Securities have been ascertained by reference to the quotations published on the last working day of the financial year by FIMMDA. The market value of Debt Securities including Government Securities which were not quoted on the last working day of the Financial year have been ascertained on the basis of prevailing Yield to Maturity provided by FIMMDA. The aggregate market value of investments as per Schedule 8 & 8A annexed to the Balance Sheet stood at Rs. 4,41,36,345 thousands as at 31st March 2020 as against the book value of Rs 4,28,68,629 thousands . The investment income, net of amortization including profit on sale of investments was Rs. 29,35,330 thousands for the year ended 31st March 2020. The weighted average yield on all the Fixed Income bearing Investments (Including Profit on sale) was 7.55%.

12. The Company has adopted a prudent investment policy with emphasis on optimizing return with minimum risk. Significant weighing of the assets has been made towards low risk investments such as Government Securities, Treasury bills and other good quality Debt instruments.

All the investments have been duly serviced except investment in Infrastructure Leasing and Financial Services Ltd (Non performing assets) which is written off as on the Balance sheet date.

13. Director's Responsibility Statements:

- I. In the preparation of financial statements, the applicable Accounting Standards, principles and policies have been followed along with proper explanations relating to material departures, if any.
- II. The management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2020 and of the Operating Profit of the Company for the financial year ended 31st March 2020 and of the Net Profit of the Company for the financial year ended 31st March 2020.



- III. 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 and Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The Management has prepared the financial statements on a going concern basis.
- V. The Management has put in place an internal audit system commensurate with the size and nature of the business and it is operating efficiently. The observations of the internal auditors are being addressed by the Company and the Company will ensure that all the requirements will be fully complied with.
14. There are no payments other than those arising in the normal course of the Company's Insurance business, made to individuals, firms, companies and organizations in whom / which the directors of the company are interested.

For And On Behalf of Management

N Kambli

Nilesh Kambli
Chief Financial Officer



V. Jagannathan
V. Jagannathan
Chairman & CEO

Place : Chennai
Date : 12th Jun 2020

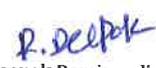
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED		
Registration No. and Date of Registration with the IRDAI: 129/16.03.2006		
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2020		
Particulars	31st March 2020	31st Mar 2019
Premium received from policyholders, including advance receipts & payables to policy holders	7,97,91,456	6,41,01,074
Other receipts	-	-
Receipts/(Payments) from other entities carrying on insurance business (including reinsurers)	(47,50,116)	(43,55,217)
Payments of claims	(3,88,52,517)	(2,82,63,731)
Payments of commission and brokerage	(89,26,082)	(67,85,865)
Payments of other operating expenses**	(1,10,83,009)	(99,90,293)
GST paid (Net off GST-ITC)	(86,30,026)	(62,46,738)
Income taxes refund/(paid)	(9,67,897)	(5,82,695)
Deposits, advances and staff loans	(1,07,591)	(1,12,473)
Cash flows from Operating Activities	64,74,218	77,64,063
Purchase of fixed assets	(3,37,242)	(3,85,453)
Proceeds from sale of fixed assets	1,373	78,133
Purchases of investments	(7,58,65,591)	(3,03,55,531)
Sales of investments	6,35,36,311	2,15,49,959
Rents/Interests/Dividends received	26,10,180	18,01,141
Expenses related to investments	(4,684)	(1,562)
Loans disbursed	-	-
Repayments received	-	-
Cash flows from Investment Activities	(1,00,59,651)	(73,13,312)
Proceeds from issuance of share capital	14,74,855	35,00,000
Proceeds from borrowing	-	-
Repayments of borrowing	-	-
Interest/dividends paid	(2,56,000)	(1,65,578)
Cash flows from Financing Activities	12,18,854	33,34,422
Effect of Foreign exchange rates on Cash and Cash Equivalents, net	-	-
Net increase/ (decrease) in cash and cash equivalents	(23,66,579)	37,85,173
Cash and Cash equivalents at the beginning of the year	75,01,540	37,16,367
Cash and cash equivalents at the end of the year *	51,34,961	75,01,540
*Fixed Deposit of Rs.9,79,400 thousands (Previous year- Rs. 14,28,700 thousands) shown under schedule 11 of financial statements is not considered as a part of Cash and Cash Equivalent but under Investing Activities.		
**Payments of other operating expenses includes payment towards Corporate Social Responsibility of Rs. 34,078 thousands (Previous period: Rs.28,450 thousands)		
Receipt and Payment Account is prepared under 'Direct Method'		

For And On Behalf of Board of Directors


Jayashree Sethuraman
Company Secretary


Nilesh Kambli
Chief Financial Officer


Dr. S. Prakash
Managing Director
DIN: 08602227


Deepak Rameedi
Director
DIN: 07631768


V. Jagannathan
Chairman & CEO
DIN: 01196055

As Per Our Report of Even Date attached

For M/s. Brahmaya & Co.,
Chartered Accountants
Firm Reg No.: 0005114


Jitendra Kumar K
Partner
M.No.: 201825



For M/s. V. Sankar Aiyar & Co.,
Chartered Accountants
Firm Reg No.: 109208W


S. Venkataraman
Partner
M.No.: 023116



Place: Chennai - 600 034
Date: 12th June 2020