



Relationship Beyond Insurance

Annual Report 2013-14



Bajaj Allianz General Insurance Company Limited

Board of Directors

Sanjiv Bajaj, Chairman
Also MD, Bajaj Finserv Ltd.
Bajaj Holdings & Investments Ltd.

Rahul Bajaj, Director
Also Chairman, Bajaj Auto Ltd.
Bajaj Finserv Ltd.
Bajaj Holdings & Investments Ltd.

Niraj Bajaj, Director
Also Chairman & MD,
Mukand Ltd.

Ranjit Gupta, Director
Also President (Insurance),
Bajaj Finserv Ltd.

Manuel Bauer, Director
Also member of the Board of
Management, Allianz SE

Kamesh Goyal, Director
Also Head of Group Planning & Controlling
Allianz SE

Dipak Poddar, Director
Also Executive Chairman,
Poddar Developers Ltd.

Sanjay Asher, Director
Also Partner,
Crawford Bayley & Co.

Suraj Mehta, Director
Also Former CEO,
Nabil Bank Ltd.

S H Khan, Director
Also Former Chairman,
IDBI Bank Ltd.

Manu Tandon, Director
Also Former MD,
Elantas Beck India Ltd.

Tapan Singhel
Managing Director & CEO

Milind Choudhari, Chief Financial Officer

Dr. (Mrs.) Asha Joshi, Appointed Actuary

Onkar Kothari, Company Secretary & Compliance Officer

Statutory Auditors, M/s. BSR & Co. LLP and M/s. Kirtane & Pandit

CEO's Message

The general insurance business may seem to be a paradox as most of the contracts are annual, but the business itself is long-term in nature. As the economy expands and penetration increases. This business grows year on year and if done sensibly, it is good for the customers, for the employees and for the shareholders. It can be said that as the business matures it gets better. On a lighter note it may be compared to a good wine which gets better with age. But if not handled properly it gets spoilt. To a large extent, a sensible maturing of the industry does make it good for all.

I emphasized on the word "sensible" because if an insurance company is not careful about protecting its bottom line or do not give the best of services to its customers or do not innovate or improve efficiency or do not expand its distribution or do not care about employee satisfaction, then it can be on the road to oblivion by each passing year.

If I look at Bajaj Allianz, it has had a consistent track record of high productivity and, has achieved one of the lowest ratios of cost to net written premium without giving up its focus on growth in number of customers as well as premiums written. Above all, Bajaj Allianz is also one of the most profitable insurers in the market. When we combine all these parameters, I feel, as of now, we are getting better with age.

This year has again been one of the years in which we have again grown higher than the market with a good bottom line while delivering significant increase in profits. Some of the highlights of the year gone by are –

- Gross Written Premium (GWP) grew by 13% to ₹ 4,580 crores as against ₹ 4,063 crores in the previous year.
- Profit Before Tax (PBT) grew by 39% at ₹ 587 crores as against ₹ 422 Crores crore in the previous year.
- The Combined Ratio which determines the profitability from insurance operations was 98.1% as against 99.5% in the previous year. If the amortization of the losses from the motor pool is excluded, the underlying combined ratio is 94.2%.
- During the year we paid claims worth ₹ 2,610 crores by settling over 8.24 lakh claims with a claim settlement ratio of 91%.
- The solvency ratio at 31st March 2014 was at 196% as against the normal regulatory requirement of 150%.

The performance has been reflected by the various awards that we have received like –

- Winner of 3 awards at the Indian Insurance Awards 2013 in the categories such as General Insurance Company of the Year, Claim Service Company of the Year and Personal Lines Growth Leadership conducted by Fintelekt.
- Bajaj Allianz has won the Claims Awards Asia 2013 in the category Claims Innovation of the Year in the Asia Pacific Region.



Tapan Singhel

- Bajaj Allianz General Insurance has won the award for "Best Insurance Company in the Private Sector – General" by ABP News - Banking; Financial Services & Insurance Awards.
- Winner in the category: Excellence in Digitalisation at the Allianz Global Innovation Awards 2014. This is second Allianz Global Innovation Award in a row as in the previous year the award was for Excellence in Employee Engagement.
- Gold Medal in the category – "Best Game-based Learning Programme" at the TISS-Leap Vault CLO Awards Summit 2013.
- Bajaj Allianz General Insurance has won 2 awards at the Mobile and Digital Marketing Summit for Best Mobile Applications in business for EEZEE TAB and Best Mobile Application of Customer engagement for the App – MobiFuel.
- Bajaj Allianz General Insurance has been conferred with the Skoch Order of Merit Medal for the 3 projects under the categories such as "EEZEE TAB" – Android App for Tablets in the category of Innovation, "Hunt for Shalimar" – the Leadership Game in the category of Human Resource Development and "Employee Social" – the Employee Engagement Platform in the category of Human Resource Development.

Our commitment to our customers and employees remains and we shall ensure that we keep on pushing our boundaries to take it to the next level. We also believe that feedback is important to improve our service and we will be happy to listen to you and you can suggest areas of improvement. You can send your feedback to me at feedback_to_tapan@bajajallianz.co.in.

Warm regards

Tapan Singhel

MD & CEO

Financials Highlights

₹ In Cr.

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Gross Written Premium	4,584	4,109	3,676	3,129	2,725	2,866	2,578	1,803
Net Written Premium	3,761	3,203	2,696	2,311	1,972	2,007	1,753	1,040
Net Earned Premium	3,493	2,924	2,475	2,150	1,884	1,891	1,415	839
Net Incurred Claims	-2,525	-2,118	-1,908	-1,701	-1,387	-1,360	-946	-556
Net Commissions	-135	-99	-75	-40	-32	-24	19	79
Management Expenses	-836	-769	-672	-646	-549	-599	-520	-345
Underwriting Results	-4	-62	-180	-238	-83	-91	-31	16
Income from Investments	570	472	366	278	219	204	140	77
Non-Recurring Investment Income	7	-4	-1	2	9	16	50	12
Others	14	16	9	20	34	20	9	12
Profit Before Tax	587	422	194	62	180	150	168	117
Provision for Tax	-178	-126	-70	-19	-59	-55	-62	-42
Profit After Tax	409	295	124	43	121	95	106	75
Shareholder's Equity	1,664	1,255	959	836	793	673	575	412
Investments including cash & bank balance	6,967	5,845	4,758	3,975	2,828	2,479	2,048	1,475
Employee Count (In Nos)	3,687	3,582	3,473	3,654	3,506	3,973	3,603	2,540

Key Ratios

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Growth in Gross Written Premium	11.5%	11.8%	17.5%	14.8%	-4.9%	11.2%	43.0%	40.4%
Growth in Net Earned Premium	19.4%	18.2%	15.1%	14.1%	-0.4%	33.6%	68.8%	43.0%
Growth Rate of Net Worth	32.6%	30.9%	14.7%	5.4%	17.9%	17.0%	39.7%	48.8%
Net Retention Ratio	82.0%	77.9%	73.3%	73.8%	72.4%	70.0%	68.0%	57.7%
Net Incurred Claims to Net Earned Premium	72.3%	72.4%	77.1%	79.1%	73.6%	71.9%	66.8%	66.3%
Net Commission Ratio	3.6%	3.1%	2.8%	1.7%	1.6%	1.2%	-1.1%	-7.6%
Expenses of Management to Net Written Premium Ratio	28.7%	30.8%	31.5%	33.9%	34.6%	37.5%	36.9%	43.9%
Combined Ratio	98.1%	99.5%	104.8%	108.9%	103.0%	102.9%	95.4%	91.9%
Technical Reserves to Net Premium Ratio	138.2%	141.0%	144.6%	138.4%	131.2%	108.4%	93.2%	93.8%
Operating Profit Ratio	13.2%	11.0%	4.4%	-0.8%	4.5%	3.7%	8.1%	10.6%
Liquid Assets to liabilities ratio	0.24	0.31	0.38	0.41	0.27	0.32	0.36	0.89
Return on Net worth	24.6%	23.5%	12.9%	5.2%	15.2%	14.2%	18.4%	18.3%
Available Solvency Margin (ASM) to Required Solvency Margin (RSM) Ratio	1.96	1.79	1.56	1.73	1.71	1.62	1.55	1.56

All the above ratios, including previous years, are according to the Master Circular on 'Preparation of Financial statements of General Insurance Business' issued by IRDA effective from 1st April 2013. As per this Circular, Combined ratio = (Net Claims Incurred/Net Earned premium) + (Net Commissions + Expenses)/Net Written Premium.

Directors' Report

Directors' Report for the Financial Year ended 31st March 2014



Your Directors have pleasure in presenting their Fourteenth annual report & audited financial statements for the financial year 2013-14.

General Insurance in India

Gross direct premium (GDP) of the industry, excluding the specialised insurers, has grown from ₹16,037 Cr in FY 2003-04 to ₹70,604 Cr in FY 2013-14 with a 10-year CAGR of around 16%. However, penetration of general insurance as a percentage of GDP remains small in relation to other emerging markets as well as developed markets. Based on the IRDA Annual Report 2012-13, the general insurance penetration was 0.78% of GDP which has increased only slightly from the figure of 0.64% recorded in 2004. The general Insurance Industry was significantly affected by decline in car sales during FY2014 which fell by 4.5%. The low penetration indicates long term potential for the industry as it seeks to make general insurance available to larger segments of the population. The challenge before insurers is to find ways of reaching out to the uninsured and under insured in a profitable manner.

The gross direct premium income of the industry, excluding specialized insurers, grew 12% in the year 2013-14 (PY: 19%), to ₹70,604 Cr for the year 2013-14 (PY ₹ 62,954 Cr). Table 1 gives a snapshot of industry growth during 2013-14.

Gross Direct Premium	₹ in Cr.		
	2012-13	2013-14	Growth
Bajaj Allianz	4,001	4,516	13%
Private sector	27,954	31,995	15%
Public sector	35,001	38,609	10%
Total market	62,954	70,604	12%

Source: IRDA Business Figures for March 2014 excluding Specialized Insurers. Gross Direct Premium excludes reinsurance accepted.

The year was not a good one for the industry from a claims perspective, as catastrophes were witnessed in North India and typhoons hit the coastal regions of Andhra Pradesh, Orissa and West Bengal. Despite this, your Company has been able to remain profitable in its insurance operations and improve its combined ratio, after absorbing losses from the Motor pool. The underwriting profitability of the industry is summarized in Table 2 below:

Combined Ratios

	2008-09	2009-10	2010-11	2011-12	2012-13
Bajaj Allianz	102.9%	103.0%	108.9%	104.8%	99.5%
Private sector	111.4%	111.9%	117.0%	116.6%	107.1%
Public sector	116.9%	124.3%	135.6%	118.9%	116.9%
Market	115.0%	119.9%	128.6%	118.0%	112.9%

Source: IRDA website & IRDA Annual Report 2012-13 – excludes Specialized Insurers.

All the above ratios, including previous years, are according to the Master Circular on 'Preparation of Financial statements of General Insurance Business' issued by IRDA effective from 1st April 2013. As per this Circular, Combined ratio = (Net Claims Incurred/Net Earned premium) + (Net Commissions + Expenses)/Net Written Premium.

It may be recalled that, as approved by the IRDA, your Company had chosen to write - off the residual losses arising from the dismantling of the Indian Third Party Motor Insurance Pool (IMTPIP) in FY 2012, over three years. The last installment of these losses of ₹120 Cr has been provided for in 2013-14 and no further amounts would be required to be provided in 2014-15.

The Declined Insurance Pool

In replacement of the IMTPIP, the IRDA notified a new Indian Motor Third Party Declined Risk Insurance Pool (IMTPDRIP) for covering losses arising out of mandatory third party insurance of commercial vehicles, with effect from 1st April 2012.

As compared to the IMTPIP, the IMTPDRIP is much smaller in size. Only companies which do not meet their quota need to share the losses from the Declined Pool, compared to a situation under the IMTPIP where all companies had to bear losses in proportion to their market share.

BAGIC wrote ₹133 Cr of standalone commercial vehicles third party premiums as against approximately ₹148 Cr of such business it was estimated to write during FY 2014 as its quota.

IRDA has since indexed the annual increases in Motor third party premium. Effective from 1st April 2014, IRDA has increased the Motor third party premium rates by up to 20%.

Business performance during the year

The focus of your Company continued to be on growth with profitability during the year 2013-14 as well. Your Company's gross written premium, excluding premiums from the Declined Risk Pool/IMTPIP, grew from ₹4,063 Cr in 2012-13 to ₹4,580 Cr in 2013-14, which is an increase of 13%. The combined ratio, excluding losses from the motor pool, stood at 94.2% as against 89.4% recorded in 2012-13 and, including the pool losses, the ratio improved from 99.5% in 2012-13 to 98.1% in 2013-14. In a market that is highly competitive, this is one of the best combined ratios and a vindication of your Company's strong underwriting focus and cost management skills.

The net earned premium during the year excluding the inward premium from the motor pool was ₹3,489 Cr as against ₹2,709 Cr in the previous year, a growth of 29%.

Your Company continued to retain the second position in the private sector with a stable market share of 6.4%. Your Company continues to pursue efforts to retain renewal business, without compromising quality of risk and minimum profitability benchmarks, while reinforcing the customer's faith in your Company's service. During the year, your Company sold over 67 lakhs policies. The number of claims reported in 2013-14 was 824,455 as against 583,117 reported for the previous year.

Underwriting Results

Your Company recorded an underwriting profit before considering share of losses from the motor pool of ₹ 146 Cr (previous year profit ₹180 Cr). After considering the share of losses from the motor pool, your Company recorded an underwriting loss of ₹ 2 Cr as against a loss of ₹55 Cr in the previous year. The net underwriting loss after pool losses represents 0.06% of the Net Earned premium (PY: 2.03%).

Profit

The profit before tax (PBT) for the year was ₹ 587 Cr compared with ₹ 422 Cr in the previous year, an increase by 39.2%. The profit after tax (PAT) for the year was ₹ 409 Cr against ₹ 295 Cr in the previous year, an increase of 38.6%.

Capital, Solvency and Shareholders' Funds

The total capital infused in the Company including share premium as at 31st March 2014 remains at ₹277 Cr, and no additional capital was infused during the year. The shareholders' equity of your Company stood at ₹ 1,664 Cr as at 31st March 2014 as against ₹1,255 Cr as at 31st March 2013. Your Company continues to be one of the most efficient users of capital in the private sector as measured by the ratio of gross written premiums to capital infused and by gross written premiums to shareholders' equity.

Despite absorbing additional losses arising out of the IMTPIP and the declined risk pool, your Company has been able to maintain its solvency ratio at 196% for the year ended 31st March 2014, which is higher than the regulatory requirement of 150%.

Investments and Investment Income

The investment duration of the portfolio is actively monitored, keeping in mind the duration of liabilities, through an Asset Liability Management model as well as its solvency position. Your Company's investment philosophy is based on strong cash generation, backed by prudent investment of surpluses keeping in mind the obligation to pay claims when they arise.

The assets under management represented by cash and investments as at 31st March 2014 stood at ₹ 6,967 Cr as against ₹5,845 Cr as at 31st March 2013, an increase in investible surplus by ₹1,122 Cr or 19% over the previous year. The investment income for the year under review was ₹577 Cr as against ₹468 Cr generated in the previous year, an increase of 23.6%.

Return on Equity

The return on average equity for your Company during the year 2013-14 was 28.0% as against 26.7% in the previous year. Table 3 gives a summary of the return on average equity of your Company as compared to the industry for the previous five years.

Return on average equity

Insurer	2008-09	2009-10	2010-11	2011-12	2012-13
Bajaj Allianz	15.3%	16.5%	5.3%	13.8%	26.7%
Private sector	-2.3%	-1.5%	-14.3%	-12.0%	4.8%
Public sector	1.3%	3.1%	-0.3%	2.2%	5.0%
Total market	0.9%	2.6%	-1.7%	0.1%	5.0%

Source: IRDA website & IRDA handbook of insurance statistics 2012-13 – excludes Specialized Insurers

Recognition and Awards

Your Company won, amongst others, the award for "Best Insurance Company in the Private Sector – General" by ABP News - Banking; Financial Services & Insurance Awards. Your Company also won three awards at the Indian Insurance Awards 2013, organized and conducted by Fintelekt, in the following categories, namely "General Insurance Company of the Year", "Claim Service Company of the Year" and "Personal Lines Growth Leadership". For the technological innovations implemented in business, your Company won two awards at the Mobile and Digital Marketing Summit, namely "Best Mobile Applications in Business" for EEZEE TAB and "Best Mobile Application of Customer Engagement" for the App – Mobi Fuel. Your Company also won the Claims Awards Asia 2013 in the category "Claims Innovation of the Year 2013" for its Tablet based claims module, in the Allianz Asia Pacific Region. Recently your company has also been conferred with the "Excellence in Digitalization" award at the Allianz Global Innovation Awards 2014.

Credit Rating

Your Company maintained its credit rating of "iAAA" awarded by ICRA for the seventh consecutive year. This is the highest rating for claims paying ability awarded by ICRA.

Registration

IRDA has renewed the Certificate of Registration of the Company to carry on general insurance business for the year 2014-15.

Particulars regarding Conservation of Energy and Technology Absorption

The particulars in the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988, pertaining to conservation of energy does not apply to general insurance industry and hence are not applicable to your Company.

Information Technology

Your Company seeks to employ relevant technology with a view to improve productivity and efficiency while improving the overall customer experience. Platforms are designed to handle high customer and transaction volumes.

Foreign Exchange Earnings and Expenditure

Earnings in foreign currency	₹56 Cr.
Expenditure in foreign currency	₹302 Cr.

Particulars of Employees

As required under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, as amended, the names and other particulars of the employees are set out in the Annexure I to this report. This report and accounts are being sent to shareholders excluding the said information. Any shareholder interested in obtaining such information may write to the Company Secretary at the registered office of the Company for a copy thereof.

Directors

George Sartorel is appointed as Alternate Director to Kamesh Goyal w.e.f. 1st April 2014.

Rahul Bajaj and Niraj Bajaj, Directors, retire by rotation at the ensuing

Annual General Meeting and, being eligible, have offered themselves for reappointment.

Directors' Responsibility Statement

In accordance with the requirements of Sub-section 2AA of Section 217 of Companies Act, 1956, the Board of Directors confirms:

- i) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures (if any);
- ii) That such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give true & fair view of the state of affairs of the Company as on 31st March 2014 and of the profit and loss of the Company for the year ended on that date;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for prevention and early detection of fraud and other irregularities;
- iv) That the annual accounts have been prepared on a going concern basis.

Corporate Governance

A report on compliance with the Corporate Governance Guidelines for insurance companies issued by IRDA is contained in the Annexure along with a certificate from the Company Secretary & Compliance Officer.

Auditors

In accordance with the IRDA Regulations / Guidelines, M/s. BSR & Co. LLP, Chartered Accountants and M/s. Kirtane & Pandit, Chartered Accountants were appointed as Joint Statutory Auditors of the Company in the previous Annual General Meeting. They hold office up to the conclusion of the ensuing annual general meeting of the Company. The Board of Directors recommends re-appointment and fixing of remuneration of M/s. BSR & Co. LLP, Chartered Accountants and M/s. Kirtane & Pandit, Chartered Accountants as the joint statutory auditors of the Company from conclusion of the ensuing Annual General Meeting till conclusion of the next Annual General Meeting.

Auditors' Report

The observations made in the Auditor's Report, read with the relevant notes thereon, are self-explanatory and hence do not call for any comments under Section 217 of the Companies Act, 1956.

Appreciation & Acknowledgment

The Board is grateful to the IRDA and other regulatory authorities for their continued support.

Your Company's performance during the year would not have been possible without the commitment and hard work of the employees.

Your Directors take this opportunity to thank the promoters, Bajaj Finserv Limited and Allianz SE for providing strategic direction to and guidance in the working of the Company.

On behalf of the Board of Directors, we thank your Company's policyholders, intermediaries and reinsurers for reposing their unstinted faith in your Company and we are confident of continuing to deliver value to all our stakeholders.

For and on behalf of the Board of Directors of

Bajaj Allianz General Insurance Company Limited

Sanjiv Bajaj
Chairman

Place : Pune
Date : 10th May 2014

Annexure to the Directors Report for the year ended 31st March 2014

Corporate Governance

The Corporate Governance Guidelines dated 5th August 2009 (the Guidelines) for the insurance companies issued by Insurance Regulatory and Development Authority (IRDA) outlines the framework of corporate governance policies and practices followed at the Company.

Board of Directors

The Board of Directors consists of 12 Directors, which includes 5 Independent Directors. The CEO of the Company, as the Managing Director, is executive member of the Board of Directors. The Chairman of the Company and all other Directors are Non-executive Directors and none of the Independent Directors are close relatives of any other Director. The list of Directors as on 31st March 2014 and other major offices held by them is mentioned elsewhere in this Annual Report.

1. Sanjiv Bajaj, Chairman, is a mechanical engineer, has done M Sc from University of Warwick, UK and MBA from Harvard Business School, USA. He is currently the Managing Director of Bajaj Finserv Limited.

2. Rahul Bajaj, Director, is a Honors graduate in Economics and Law and MBA from Harvard Business School. He is considered as one of the most successful business leaders of India and heads the Bajaj Group of Companies.

3. Manuel Bauer, Director has done Mechanical Engineering from Technical Engineering College in Viennav. He is a Board member of Allianz SE, Munich since 2011.

4. Sanjay Asher is an Independent Director. He is a Commerce and Law Graduate from Mumbai University and a fellow member of the Institute of Chartered accountants of India. Mr. Sanjay Asher is a Partner of M/s. Crawford Bayley & Co. and was an invitee to the Department of Disinvestment's Committee for standardizing the transaction documents in relation to privatization of the public sector enterprises.

5. Niraj Bajaj, Director, has done his B Com from Sydenham College of Commerce & Economics, Mumbai and Masters in Business Administration from Harvard Business School, USA. He has been Co-Chairman of Mukand Ltd since July 14, 2007 and serves as its Managing Director. Mr. Niraj Bajaj is one of the Promoters of the Bajaj Group.

6. Kamesh Goyal, Head of Group Planning and Controlling, Allianz SE. He is a science and law graduate and has also done MBA from Faculty of Management Studies, Delhi University. Earlier, he has been a CEO of Bajaj Allianz General Insurance Company Limited and Bajaj Allianz Life Insurance Company Limited.

7. Ranjit Gupta, Director, who is currently working as President – Insurance, at Bajaj Finserv Limited, has Masters Degree in Mechanical & Electrical Engineering from the Indian Railway Institute of Mechanical & Electrical Engineers.

8. S H Khan, Independent Director, has Masters Degree in Commerce and is the former Chairman and Managing Director of IDBI Bank Ltd. and by virtue of his long association with IDBI Bank Ltd., possesses deep knowledge of Indian Industry and Finance. During his tenure as Chairman of IDBI Bank Ltd., he was responsible for promotion of capital market institutions such as the National Stock Exchange, National Securities Depository and the rating Company CARE. He is also on the Board of Bajaj Finserv Limited as an Independent Director.

9. Suraj Mehta, Independent Director, who has honors in Economics, also serves as Non-Executive Independent Director of BPL Limited. Mr. Mehta has held key management positions in India and abroad with ANZ Grindlays Bank till the year 1994. He was the Chief Executive Officer of Dresdner Bank AG in India and was the Geographic Head for the group's four businesses which included Investment, Banking, Securities Broking and Software Development. He has also worked as the Chief Executive Officer of NABIL Bank Limited, the private sector bank in Nepal.

10. Dipak Poddar, Independent Director, serves as an Executive Chairman of Wearology Ltd. (also known as Poddar Developers Ltd). He is also the Chairman of Monotona Securities Limited and Monotona Tyres Ltd. He is an engineering graduate from Massachusetts Institute of Technology, USA.

11. Manu Tandon, Independent Director, is a Commerce graduate and Chartered Accountant, England & Wales. He retired in 2008 as Managing Director Elantas Beck India Ltd Pune, subsidiary of Altana AG, Germany. He was Director, Finance & Corporate Affairs, BASF India Ltd, Mumbai from 1983 till 1996. He was the Chairman of Pune Zonal Council, Confederation of Indian Industry (CII) and also the Chairman of CII National Council for Chemicals Fertilizers & Petrochemicals.

12. Tapan Singhel CEO and Managing Director. He has been with Bajaj Allianz since its inception in 2001 and a part of the core team formed to plan the retail market strategy. Mr. Tapan Singhel, a BHU alumnus, started his career with a prominent PSU insurer as a direct Officer in 1991.

Meetings of the Board of Directors

During the year 2013-14, the Board of Directors met four times on 10th May 2013, 12th July 2013, 11th October 2013 and 11th January 2014. Following table sets out the details of attendance of Directors at the Board meetings.

Name of Director	Category	Meeting Attended	Sitting Fees (Amt in ₹)
Sanjiv Bajaj	Chairman	4/4	NIL
Manuel Bauer	Director	3/4	NIL
Sanjay Asher	Independent Director	3/4	60,000
Niraj Bajaj	Director	4/4	NIL
Rahul Bajaj	Director	4/4	NIL
Heinz Dollberg#	Director	1/1	NIL
Kamesh Goyal	Director	3/4	NIL
Ranjit Gupta	Director	4/4	NIL
S H Khan	Independent Director	4/4	80,000
Suraj Mehta	Independent Director	3/4	60,000
Dipak Poddar	Independent Director	3/4	60,000
Manu Tandon	Independent Director	4/4	80,000
Tapan Singhel	MD & CEO	4/4	NIL

*Heinz Dollberg was appointed as an Alternate Director to Manuel Bauer w.e.f. 12th July 2013. Heinz Dollberg vacated his office as an Alternate Director on 10th October 2013.

Committees of the Board of Directors: Constitution & Composition

Audit Committee, Investment Committee, Risk Management Committee and Policyholders' Protection Committee, which are mandatorily required under the Guidelines, have been constituted in accordance with the requirements set out therein.

Audit Committee

The Audit Committee of the Board of Directors oversees the periodic financial reporting before submission to the Board and disclosure processes, functioning of the Internal Audit Department and reviews its plans and reports on a quarterly basis. The Audit Committee is directly responsible for the recommendation of the appointment, remuneration, performance and oversight of the work of the Internal, Statutory and Concurrent Auditors. The senior management personnel are invited to the meetings of the Audit Committee, along with the Head of Internal Audit, who presents his report to the Committee at every meeting thereof.

S H Khan, an Independent Director, is the Chairman of the Audit Committee, with Sanjay Asher, Independent Director, Sanjiv Bajaj, Manuel Bauer, Kamesh Goyal and Ranjit Gupta being other members thereof. All the members of the Audit Committee are Non-executive Directors.

The Audit Committee met four times during the year on 10th May 2013, 12th July 2013, 11th October 2013 and 11th January 2014. Following table sets out the particulars of attendance of members of the Committee at various meetings:

Name of Member	Meetings Attended	Sitting Fees (Amt in ₹)
S H Khan	4/4	80,000/-
Sanjay Asher	3/4	60,000/-
Sanjiv Bajaj	4/4	-
Ranjit Gupta	4/4	-
Manuel Bauer	3/4	-
Kamesh Goyal	3/4	-

Investment Committee

The Investment Committee establishes the Investment Policy and operational framework for the investment operations of the Company. It periodically reviews the Investment policy based on the investment performance and the evaluation of dynamic market conditions and places it before the Board of Directors for approval.

Manuel Bauer is the Chairman of the Investment Committee, with Sanjiv Bajaj, Ranjit Gupta and Tapan Singhel, MD & CEO, being the other Director members thereof. Milind Choudhari, Chief Financial Officer, Ashish Goyal, Chief Investments Officer and Dr. (Mrs.) Asha Joshi, Appointed Actuary, are also members of the Investment Committee. The Chief Risk Officer is also invited to the Investment Committee meetings.

The Investment Committee met four times during the year on 9th May 2013, 11th July 2013, 8th October 2013 and 10th January 2014. Following table sets out the particulars of attendance of members of the Investment Committee at various meetings:

Name of Director	Meetings Attended
Manuel Bauer	1/4
Sanjiv Bajaj	3/4
Ranjit Gupta	4/4
Kamesh Goyal#	1/1
Tapan Singhel	4/4
Ashish Goyal	4/4
Milind Choudhari	4/4
Dr. (Mrs.) Asha Joshi	4/4

Kamesh Goyal participated as an alternate member to Manuel Bauer.

Risk Management Committee

The Risk Management Committee oversees the functioning of the overall risk management framework of the Company and implementation of the risk management strategy. It assists the Board in effective operation of the risk management system by performing analyses and quality reviews and reports details on the risk exposures and the actions taken to manage the exposures.

Risk Management Framework of the Company:

The Company perceives risk management as a means of value optimization. The Company also recognizes the importance of internal controls and risk management in sustaining the business continuity and endeavors to make risk management and control an essential component of the business culture. This is achieved through better understanding of the balance between risk and return in the implementation and achievement of entity objectives. The overall risks are divided into several categories, which are further subdivided into major sub-categories. While the risk categories remain clearly distinct from each other, at the time of assessment their interdependencies are taken in to account. Covering major categories of assessable risks, independent of the assessment methodology, and quantifiability, the risk management framework encompasses practices relating to identification, assessment, monitoring and mitigation of these risks.

a) Risk Management Policy: We are committed to manage risks in

line with the Company's stated risk appetite through a systematic framework which identifies, evaluates, mitigates and monitors risks that potentially have a material impact on the value of the organization or potentially hinder the organization in achieving its stated business objectives and goals.

- b) Risk Management Overview Structure: A proactive risk management structure is core to the Company's overall strategic management. The supervisory level Risk Committee, convened by the Chief Risk Officer (CRO), comprises of various Heads of Departments / functions, which have been identified as the owners of respective risks. They are responsible for the implementation of risk management activities including risk mitigation plan within their respective vertical / departments or projects. This supervisory level committee establishes centralized risk monitoring and management. Through this structured process, the risk management team undertakes to provide reasonable assurance to top management on the state of risks and controls. The risk owners are responsible to review the Top Risk Assessment (TRA) during the Risk Committee Meeting. The CRO is ultimately responsible for fostering the enterprise-wide risk management function including provision of the TRA to the Risk Committee and the Risk Management Committee.
- c) Risk Management Procedures: To ensure an effective integrated risk management process, the Risk Management Cycle is used as the base for identification and solution tool. Typically a Risk Management Cycle entails Operations & Monitoring risks (Risk Identification, Assessment & Control, Treatment & Management Action Plan, followed by Monitoring & Reviewing) and Controls & Compliance (Standard Operating Procedures, Internal and External Audit and Quarterly Risk Review)

Manuel Bauer is the Chairman of the Risk Management Committee, with Sanjiv Bajaj, Ranjit Gupta and Tapan Singhel, MD & CEO, being the other members thereof.

The Risk Management Committee has also been vested with responsibilities to formulate, implement, monitor and periodically revise the Asset Liability Management strategies of the Company. The Chief Investment Officer, the Chief Financial Officer and the Appointed Actuary are permanent invitees to all meetings of the Risk Management Committee. The Risk Management Committee met four times during the year on 9th May 2013, 11th July 2013, 8th October 2013 and 10th January 2014. Following table sets out the particulars of attendance of members of the Risk Management Committee at various meetings:

Name of Director	Meetings Attended
Manuel Bauer	1/4
Sanjiv Bajaj	3/4
Ranjit Gupta	4/4
Kamesh Goyal#	1/1
Tapan Singhel	4/4

Kamesh Goyal participated as an alternate member to Manuel Bauer.

Policyholders' Protection Committee

As required by the IRDA Guidelines, the Company has formed a Policyholders' Protection Committee of the Board of Directors, with responsibility to put in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries and to ensure compliance with the statutory requirements. The Policyholders' Protection Committee reviews the Grievance Redressal Mechanism and the status of complaints at periodic intervals.

Sanjiv Bajaj is the Chairman of the Policyholders' Protection Committee, with Manuel Bauer, Ranjit Gupta and Tapan Singhel, MD & CEO, being the other members thereof. Milind Choudhari, Chief Financial Officer, is also invited to the Policyholders' Protection Committee meetings.

The Policyholders' Protection Committee met four times during the year on 9th May 2013, 11th July 2013, 8th October 2013 and 10th January 2014. Following table sets out the particulars of attendance of members of the Policyholders' Protection Committee at various meetings:

Name of Director	Meetings Attended
Sanjiv Bajaj	3/4
Manuel Bauer	1/4
Ranjit Gupta	4/4
Kamesh Goyal#	1/1
Tapan Singhel	4/4

Kamesh Goyal participated as an alternate member to Manuel Bauer.

Certification for compliance of the Corporate Governance Guidelines

I, Onkar Kothari, Company Secretary & Compliance Officer, hereby certify that the Company has complied with the Corporate Governance Guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Place : Pune
 Date : 10th May 2014

Onkar Kothari
 Company Secretary &
 Compliance Officer

Management Report for the Financial Year ended 31st March 2014

With respect to the operations of Bajaj Allianz General Insurance Company Limited ("the Company") for the year ended 31st March 2014 and results thereof, the management of the Company confirms and declares that:

1. The registration certificate granted by Insurance Regulatory and Development Authority (IRDA) is valid and the same has been renewed for the year 2014-15.
2. We certify that all dues payable to the statutory authorities have been duly paid except where the Company has preferred appeals.
3. The shareholding pattern is in accordance with the statutory and regulatory requirements. No shares have been transferred during the year.
4. The Management has not invested any funds of holders of policies in India, directly or indirectly outside India.
5. The required solvency margins under the Insurance Act, 1938 have been maintained.
6. We certify that the values of all the assets have been reviewed on the date of Balance Sheet and in management's belief, the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value.
7. As a general insurer, the Company is exposed to a variety of risks. The primary risks are that of frequency of claims as measured by the number of claims in relation to number of policies outstanding and severity of claims as measured by the average amount per claim. The frequency and severity risks vary according to the lines of business.

The Company has a multi layer reinsurance program which seeks to optimize the retention of risk at each policy level as well as at the level of lines of business. The Company's retention of risks varies according to lines of business and is decided after considering relevant factors such as capital and solvency position, available reinsurance capacity and adequacy of reinsurance terms. The automatic reinsurance program of the Company is designed as multi-layer treaties combining proportional reinsurance (where the Company and the reinsurer share the premiums and claims in an agreed proportion) and non-proportional reinsurance. The limits under the treaties are set based on accumulation of risks by location and category, after considering the exposure based on Probable Maximum Loss, where applicable, and the expected frequency of claim events. The Company is exposed to catastrophe risk, which is mitigated by a separate non-proportional reinsurance treaty, which limits the Company's exposure to any single covered event. In addition to treaties, the Company also purchases, where required, on a case-to-case basis, facultative reinsurance for specific policies, where either treaty limits are inadequate or the risk is not covered by the terms of the reinsurance treaties.

The reinsurance program of the Company is filed with the IRDA.

The Company has an offsite disaster recovery center for its data backups.

The Company has in place a risk management process which,

inter alia, identifies major risks that the Company is exposed to and sets out action plans for mitigation of such risks.

The Company has a separate Internal Audit Department which audits the operations of its offices. Key operational risks and compliances are audited according to an audit plan approved by the Audit Committee of the Board of Directors.

The Company has an Anti Money Laundering Policy and a Whistle Blower mechanism in place, duly approved by the Board of Directors. The investment portfolio is also diversified within limits set under the IRDA Regulations. The Company has appointed an independent firm of Chartered Accountants to undertake the concurrent audit of Company's investment transactions and related processes, report of which is submitted to the Audit Committee on a quarterly basis.

The Company has a Risk Management Committee of the Board of Directors which advises the Board on the risk exposures and the actions taken to manage the same. In addition, the Company also has an internal Risk Committee consisting of various departmental representatives, chaired by the Chief Risk Officer, which reviews the risks as well as the risk processes and compliance with the Risk Management Policy of the Company. The Company also has a Policyholders' Protection Committee of the Board of Directors.

8. The Company does not have insurance operations in any other country.
9. The settlement time for claims depends on various factors pertinent to various lines of business, such as cause of loss, the nature of claim, etc. Typically, claims which result in total or partial destruction of assets or records (such as those caused by Acts of God), those where adequate documentation to assess the claims are awaited and those which are the subject matter of judicial processes (such as Motor Third Party claims) tend to have longer settlement times, which are beyond the control of the Company. The Company has internal processes for regular review of such claims paid and outstanding. Ageing of claims indicating the trends in average claim settlement time during the preceding five years is given in Annexure I and ageing analysis of claims registered and not settled (excluding provision for IBNR / IBNER and claims relating to inward reinsurance from terrorism pool and the Indian Motor Third Party Insurance Pool) is given in Annexure II to this Report.
10. We certify that the values, as shown in the Balance Sheet, of the investments which consists of fixed income securities, equity shares and mutual fund units have been valued as per accounting policies prescribed by IRDA. For fixed income securities, the market value is based on procedure issued by Fixed Income and Money Market and Derivative Dealers Association (FIMMDA). The investment in equity shares is valued at market value. The investments in the Mutual Funds are valued at the Net Asset Values (NAV) of these Mutual Funds as on the Balance Sheet date, if any.
11. Most of the Company's investments are in fixed income securities and deposits. The fixed income securities are mainly approved Government securities and bonds rated AA and

above. The primary aim while investing is to generate adequate return while minimizing risk. The emphasis is also on the liquidity of investments to ensure that the Company meets all its obligations related to Claims and other operations. The Company monitors the cash position daily and seasonal liquidity needs are considered while planning maturities of investments. None of the fixed income investments have had any delays in servicing of interest or principal amounts. Based on the past track record, the Management has reasonable confidence in the quality and expected performance of the investments, in line with the objectives.

12. The management of the Company certifies that:

- a) The financial statements of the Company have been prepared in accordance with the applicable Accounting Standards and principles and policies with no material departures;
- b) 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 the affairs of the Company at the end of the financial year and of the operating profit and of the profit of the Company for the year;

- c) The management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (4 of 1938) and Companies Act, 1956 (1 of 1956), for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The financial statements have been prepared on a going concern basis;
- e) The management has set up an internal audit system commensurate with the size and nature of the business and the same was operational throughout the year.

13. The schedule of payments which have been made to individuals, firms, companies and organizations in which the Directors of the Company are interested is given as Annexure III.

For and on behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Manuel Bauer
Director

Rahul Bajaj
Director

Kamesh Goyal
Director

Ranjit Gupta
Director

S H Khan
Director

Suraj Mehta
Director

Dipak Poddar
Director

Manu Tandon
Director

Tapan Singhel
Managing Director &
Chief Executive Officer

Milind Choudhari
Chief Financial Officer

Onkar Kothari
Company Secretary &
Compliance Officer

Place : Pune

Date : 10th May 2014

Annexure I: Average Claims Settlement Time during preceding 5 years

Fire

Amt in Rs. Lacs

Period	2009-10		2010-11		2011-12		2012-13		2013-14	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
30 days	1,135	559.61	1,009	306.23	912	612.84	799	242.84	920	296.92
30 days to 6 months	1,276	4,183.42	1,183	3,824.69	1,247	3,586.24	944	2,817.02	1,079	3,983.46
6 months to 1 year	475	9,507.77	327	5,220.38	315	3,465.98	258	3,048.68	248	2,395.53
1 year to 5 years	266	3,170.78	207	2,363.95	232	5,821.57	213	9,599.43	166	2,023.45
5 years and above	2	20.09	3	31.79	15	48.88	31	148.18	39	283.19

Marine

Period	2009-10		2010-11		2011-12		2012-13		2013-14	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
30 days	5,166	1,062.38	5,678	842.81	5,217	785.71	5,867	0.01	5,693	1,092.91
30 days to 6 months	3,249	1,872.91	4,367	2,349.39	4,089	2,256.58	3,518	2,403.06	3,718	2,198.36
6 months to 1 year	820	1,302.59	619	765.13	684	1,398.69	494	784.99	432	1,894.69
1 year to 5 years	422	1,014.40	343	562.39	410	1,530.31	339	1,504.26	338	1,516.16
5 years and above	6	0.86	7	3.11	18	(32.16)	11	8.03	8	20.05

Motor O. D.

Period	2009-10		2010-11		2011-12		2012-13		2013-14	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
30 days	294,324	28,036.10	351,876	36,963.59	334,750	37,407.23	340,280	41,737.71	371,797	48,723.43
30 days to 6 months	76,637	27,838.17	62,803	29,634.17	69,152	32,220.37	65,878	33,666.35	65,563	40,352.05
6 months to 1 year	10,377	5,516.59	3,405	2,849.21	3,723	3,718.53	4,239	3,604.18	3,467	4,032.19
1 year to 5 years	1,858	1,102.70	2,136	919.90	1,738	665.76	1,756	845.88	1,774	1,054.71
5 years and above	18	3.18	39	7.06	76	21.34	124	26.72	182	92.63

Motor T. P.

Period	2009-10		2010-11		2011-12		2012-13		2013-14	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
30 days	14,216	259.70	10,554	365.43	9,677	274.44	7,374	385.18	6,482	395.79
30 days to 6 months	11,439	2,710.23	8,334	2,235.08	8,236	2,443.11	7,492	2,789.58	6,713	2,773.19
6 months to 1 year	7,898	4,877.34	9,076	4,652.91	8,206	4,814.31	6,499	5,274.28	5,405	4,684.61
1 year to 5 years	11,918	9,360.33	25,459	18,076.95	26,586	24,997.78	24,876	28,576.12	21,836	27,591.41
5 years and above	241	154.09	512	357.18	1,136	697.18	2,174	1,722.06	3,677	3,913.08

Health

Period	2009-10		2010-11		2011-12		2012-13		2013-14	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
30 days	71,638	12,254.86	67,642	12,934.29	75,158	17,469.82	99,100	24,608.60	229,877	37,829.42
30 days to 6 months	21,752	5,544.52	26,350	8,542.43	26,771	8,609.62	28,842	11,663.97	111,686	19,266.94
6 months to 1 year	1,821	834.33	2,054	698.04	1,520	593.03	1,515	784.85	3,397	1,583.15
1 year to 5 years	546	470.74	666	101.74	524	150.93	467	216.10	937	379.73
5 years and above	4	3.57	8	2.60	16	3.89	24	47.71	31	13.15

Others

Amt in Rs. Lacs

Period	2009-10		2010-11		2011-12		2012-13		2013-14	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
30 days	14,381	3,808.71	18,252	1,788.18	13,681	2,878.70	15,774	4,364.63	16,216	4,253.07
30 days to 6 months	11,144	8,378.49	9,532	6,133.65	8,824	5,777.02	7,646	5,183.54	7,969	5,719.53
6 months to 1 year	2,484	3,531.45	1,874	3,233.97	1,661	2,120.76	1,277	2,358.44	1,029	2,778.32
1 year to 5 years	2,177	16,456.37	2,216	10,014.64	2,109	11,511.96	1,730	3,367.97	1,341	2,444.33
5 years and above	10	0.06	18	7.42	71	55.02	312	190.39	400	333.85

Note:- The above includes partially settled claims and on-account payments made

Annexure II: Ageing analysis of Claims registered and not settled

As at 31st March 2014

Line of Business	FIRE		MARINE		MOTOR OD		MOTOR TP		HEALTH		OTHER		Total	
	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt
Period														
0 - 30 Days	127	362.19	294	551.06	3,991	3,356.44	1,242	3,174.00	5,906	2,044.71	719	1,079.23	12,279	10,567.63
31 days-6 months	227	2,051.52	259	714.54	2,986	4,777.35	4,686	12,100.32	13,272	1,239.39	777	1,709.09	22,207	22,592.20
6 months to 1 Year	143	1,058.61	76	247.52	647	828.69	4,934	11,288.01	6,772	801.14	498	1,225.09	13,070	15,449.06
1 year to 5 Years	308	1,954.67	242	1,326.56	1,374	2,015.27	28,286	29,385.08	614	561.06	2,077	2,850.77	32,901	38,093.43
> 5 year	91	807.38	52	225.42	328	344.11	8,984	11,236.20	62	85.46	999	1,354.67	10,516	14,053.24
Grand Total	896	6,234.38	923	3,065.10	9,326	11,321.86	48,132	67,183.62	26,626	4,731.75	5,070	8,218.85	90,973	100,755.56

As at 31st March 2013

Line of Business	FIRE		MARINE		MOTOR OD		MOTOR TP		HEALTH		OTHER		Total	
	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt
Period														
0-30 days	99	635.00	319	566.00	3,371	2,962.00	1,315	1,818.00	5,040	1,851.00	583	895.00	10,727	8,726.00
31 days-6 months	149	1,673.00	355	1,115.00	2,474	3,957.00	4,808	6,726.00	1,152	701.00	792	1,635.00	9,730	15,806.00
6 months to 1 year	117	635.00	108	491.00	556	791.00	5,395	5,782.00	67	81.00	548	871.00	6,791	8,650.00
1 year to 5 years	244	2,414.00	160	1,262.00	1,400	2,130.00	33,242	28,721.00	250	342.00	2,099	2,616.00	37,395	37,486.00
> 5 years	81	439.00	38	252.00	223	215.00	5,092	7,516.00	38	80.00	805	1,239.00	6,277	9,740.00

As at 31st March 2012

Line of Business	FIRE		MARINE		MOTOR OD		MOTOR TP		HEALTH		OTHER		Total	
	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt
Period														
0-30 days	116	900.00	380	733.00	4,250	2,766.00	1,689	1,379.00	1,852	1,056.00	699	851.00	8,986	7,685.00
31 days-6 months	211	2,295.00	362	852.00	3,884	4,131.00	6,988	6,392.00	447	221.00	1,043	2,028.00	12,935	15,919.00
6 months to 1 year	90	1,803.00	101	318.00	400	601.00	6,905	5,972.00	68	61.00	622	1,063.00	8,186	9,817.00
1 year to 5 years	226	1,974.00	153	1,368.00	1,217	1,719.00	33,676	28,297.00	196	226.00	2,457	3,466.00	37,925	37,050.00
> 5 years	48	317.00	27	126.00	116	110.00	2,590	4,039.00	31	73.00	208	331.00	3,020	4,996.00

As at 31st March 2011

Line of Business	FIRE		MARINE		MOTOR OD		MOTOR TP		HEALTH		OTHER		Total	
	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt
Period														
0 - 30 Days	139	742.00	353	480.00	4,254	2,670.00	1,811	1,073.00	2,052	1,110.00	952	1,019.00	9,561	7,094.00
31 days-6 months	172	2,020.00	490	1,380.00	2,575	3,706.00	7,214	4,891.00	685	258.00	1,239	1,764.00	12,375	14,020.00
6 months to 1 Year	85	2,476.00	147	707.00	329	547.00	8,175	5,239.00	100	50.00	575	676.00	9,411	9,695.00
1 year to 5 Years	235	1,620.00	155	1,423.00	1,080	1,603.00	31,011	25,354.00	211	260.00	2,354	3,585.00	35,046	33,845.00
> 5 year	29	284.00	25	119.00	56	41.00	1,228	1,606.00	12	14.00	62	144.00	1,412	2,208.00

As at 31st March 2010

Amt in Rs. Lacs

Line of Business	FIRE		MARINE		MOTOR OD		MOTOR TP		HEALTH		OTHER		Total	
	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt	Nos	Amt
0 - 30 Days	142	811.00	358	502.00	4,357	2,593.00	1,834	976.00	2,026	824.00	1,008	1,176.00	9,725	6,882.00
31 days-6 months	233	2,596.00	392	1,556.00	2,194	3,138.00	9,072	4,350.00	943	454.00	1,347	1,960.00	14,181	14,054.00
6 months to 1Year	99	1,128.00	119	1,607.00	350	878.00	9,634	4,911.00	234	118.00	761	1,019.00	11,197	9,661.00
1 year to 5 Years	190	1,876.00	101	880.00	854	971.00	22,317	21,316.00	173	248.00	2,212	3,579.00	25,847	28,871.00
> 5 year	8	114.00	21	40.00	22	17.00	567	825.00	6	2.00	23	57.00	647	1,054.00

Annexure III to the Management Report:

Particulars of Payments made to entities where Directors are interested:

Sr No	Entity in which Director is interested	Name of the Director	Interested as	Payment during the year in Rs. In Lakhs	
1	Bajaj Finserv Ltd	Rahul Bajaj Sanjiv Bajaj S H Khan	Director Director Director	Rent for premises hired Insurance premium received Insurance claims paid Billable expenses	187 33 1 4
2	Bajaj Auto Limited	Rahul Bajaj Niraj Bajaj Sanjiv Bajaj S H Khan	Director Director Director Director	Insurance premium received Insurance claims paid Purchase of Bike	1,061 563 1
3	Bajaj Holdings & Investments Ltd	Rahul Bajaj Sanjiv Bajaj S H Khan	Director Director Director	Insurance premium received Purchase or Sale of investments	1 518
4	Bajaj Electricals Ltd	Rahul Bajaj Niraj Bajaj	Shareholding exceeds 2% Shareholding exceeds 2% Shareholding exceeds 2%	Insurance premium received Insurance claims paid Purchase of Access Card	526 387 2
5	Bajaj Finance Ltd	Rahul Bajaj Dipak Poddar Sanjiv Bajaj	Director Director Director	Insurance premium received Insurance claims paid Billable expenses Premium Received as an Agent Insurance commission paid/payable Income on investment	83 60 3 3,357 453 729
6	Bajaj Allianz Life Insurance Company Limited	Rahul Bajaj Kamesh Goyal Sanjiv Bajaj Niraj Bajaj Sanjay Asher Suraj Mehta S H Khan Ranjit Gupta Manuel Bauer Manu Tandon	Director Director Director Director Director Director Director Director Director Director	Expenditure incurred by BALIC on behalf of BAGIC Expenditure incurred by BAGIC on behalf of BALIC Insurance premium received from BALIC Insurance Claims paid to BALIC Insurance premium Paid to BALIC Insurance claims Received from BALIC Payment against Gratuity Fund Purchase of Investments	1,064 331 116 11 35 8 354 263
7	Bajaj Financial Solutions Limited	Rahul Bajaj Sanjiv Bajaj	Director Director	Insurance Premium received	0
8	Mukand Engineers Ltd	Niraj Bajaj	Director	Insurance premium received Insurance claims paid	35 24
9	Mukand Ltd	Rahul Bajaj Sanjiv Bajaj Niraj Bajaj	Director Relative is a Director Director	Insurance premium received Insurance claims paid	359 313
10	Hind Musafir Agency Limited	Rahul Bajaj Niraj Bajaj Sanjiv Bajaj	Shareholding exceeds 2% Shareholding exceeds 2% Relative is a Director	Travel Agency services Insurance premium received Other expenses Paid/Payable	533 1 7

Independent Auditors' Report

To the Members of

Bajaj Allianz General Insurance Company Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Bajaj Allianz General Insurance Company Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014, Profit and Loss Account, its related Revenue Account and the Receipts and Payments Account for the year then ended and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the requirements of Insurance Act, 1938, Insurance Regulatory and Development Act, 1999, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002 ('the Regulations') and in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 (which has superseded section 211(3C) of the Companies Act, 1956 w.e.f. 12 September 2013) to the extent applicable and in the manner so required. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements together with the notes thereon and attached thereto are prepared in accordance with the requirements of the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999, the Regulations and the Companies Act, 1956, read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 to the extent applicable and in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India as applicable to insurance companies:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - (b) in the case of the Revenue Account, of the surplus for the year ended on that date;
 - (c) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (d) in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2.18 (ii) in Schedule 16 to the financial statements, relating to the dismantling of the Indian Motor Third Party Insurance Pool, wherein the Company has opted to amortize the transitional liability on straight line basis over three years beginning with financial year 31 March 2012. Accordingly, Rs 1,198,872 thousands (Previous year Rs 1,198,872 thousands) has been charged to Revenue Account and the unamortized transitional liability amounting to Rs Nil (Previous year Rs 1,198,872 thousands) has been carried forward pursuant to the exercise of option for accounting treatment for the same prescribed under paragraph 3(b) of the Insurance Regulatory and Development Authority Order No. IRDA/F&F/ORD/MTAP/070/03/2012 dated 22 March 2012.

Report on Other Legal and Regulatory Requirements

7. As required by the Regulations, we give in the Annexure, a statement certifying the matters specified in paragraph 4 of Schedule C to the Regulations.
8. Further to our comments in the Annexure referred to in paragraph 7 above, we report that:
 - (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- (c) as the Company's financial accounting system is centralized at Head Office, no returns for the purposes of our audit are prepared at the branches and other offices of the Company;
- (d) the Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this Report are in agreement with the books of account;
- (e) the actuarial valuation of liabilities for Incurred But Not Reported (IBNR) and Incurred But Not Enough Reported (IBNER) claims is the responsibility of the Appointed Actuary. The actuarial valuation of these liabilities as at 31 March 2014 has been duly certified by the Appointed Actuary. The Appointed Actuary has also certified that in her opinion, the assumptions for such valuation are in accordance with the guidelines and norms, if any, issued by the Insurance Regulatory Development Authority ('IRDA') and the Actuarial Society of India in concurrence with the Authority. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.
- (f) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (g) the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular dated 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 (which has superseded section 211(3C) of the Companies Act, 1956 w.e.f. 12 September 2013) to the extent applicable and the Rules framed there under and with the accounting principles as prescribed in the Regulations and Orders / directions issued by IRDA in this behalf;
- (h) the Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report comply with the applicable Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular dated 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 (which has superseded section 211(3C) of the Companies Act, 1956 w.e.f. 12 September 2013) and the Rules framed there under to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by IRDA in this regard; and
- (i) the Investments have been valued in accordance with the provisions of the Insurance Act, 1938, the Regulations and /or orders/directions issued by IRDA in this regard.
9. Further, on the basis of our examination of the books of account and other records of the Company and according to the information and explanations given to us, we certify to the best of our knowledge and belief that:
- (a) we have reviewed the Management Report attached to the financial statements for the year ended March 31, 2014 and have found no apparent mistake or material inconsistencies with the financial statements; and
- (b) based on information and explanations received during the normal course of our audit, management representations and the compliance certificate submitted to the Board by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of registration as per sub-section 4 of section 3 of the Insurance Act, 1938.

For M/s. B S R & Co. LLP
Chartered Accountants
Firm's Registration Number 101248W

Juzer Miyajiwala
Partner
Membership No. 047483

Place : Pune
Dated : 10th May 2014

For M/s. Kirtane & Pandit
Chartered Accountants
Firm's Registration Number 105215W

Suhas Deshpande
Partner
Membership No. 031787

Place : Pune
Dated : 10th May 2014

Annexure to the Independent Auditors' Report

(Referred to in the Independent Auditors' Report to the members of Bajaj Allianz General Insurance Company Limited on the accounts for the year ended March 31, 2014)

Independent Auditors' Certificate

To the members of

Bajaj Allianz General Insurance Company Limited

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 Bajaj Allianz General Insurance Company Limited ('the Company') for the year ended March 31, 2014, we certify that:

1. We have verified the cash balances and securities relating to the Company's investments as at March 31, 2014, by actual inspection or on the basis of certificates/confirmations received from the custodian and / or Depository Participants appointed by the Company, as the case may be.
2. The Company is not the trustee of any trust; and

3. 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.

This certificate is issued to comply with the Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002 ('the Accounting Regulations') read with Regulation 3 of the Accounting Regulations and may not be suitable for any other purpose.

For M/s. B S R & Co. LLP

Chartered Accountants

Firm's Registration Number 101248W

Juzer Miyajiwala

Partner

Membership No. 047483

Place : Pune

Dated : 10th May 2014

For M/s. Kirtane & Pandit

Chartered Accountants

Firm's Registration Number 105215W

Suhas Deshpande

Partner

Membership No. 031787

Place : Pune

Dated : 10th May 2014

Revenue Accounts

Revenue Accounts for the year ended 31st March, 2014

Rupees ('000)

Particulars	Schedule	For the year ended 31st March, 2014				For the year ended 31st March, 2013			
		Fire	Marine	Miscellaneous	Total	Fire	Marine	Miscellaneous	Total
Premiums earned - (Net)	1	1,446,481	798,898	32,685,188	34,930,567	1,334,994	608,032	27,300,297	29,243,323
Profit/(Loss) on sale/redemption of Investments		4,941	1,554	50,969	57,464	(3,265)	(892)	(32,525)	(36,682)
Other Income - Miscellaneous Income		83,148	721	21,897	105,766	64,299	683	43,805	108,787
Amortisation of Discount/ (Premium)		6,581	2,069	67,890	76,540	8,870	2,423	88,365	99,658
Interest, Dividend and Rent-Gross		386,887	121,650	3,991,118	4,499,655	335,085	91,521	3,338,383	3,764,989
Sub Total		481,557	125,994	4,131,874	4,739,425	404,989	93,735	3,438,028	3,936,752
Total (A)		1,928,038	924,892	36,817,062	39,669,992	1,739,983	701,767	30,738,325	33,180,075
Claims incurred (Net)	2	450,603	299,124	24,503,047	25,252,774	332,863	309,157	20,539,416	21,181,436
Commission	3	(148,515)	51,419	1,449,103	1,352,007	(87,653)	47,645	1,031,076	991,068
Contribution to Solatium Fund		-	-	8,386	8,386	-	-	(20,416)	(20,416)
Change in Premium Deficiency		-	-	(26,363)	(26,363)	-	-	20,030	20,030
Operating Expenses related to Insurance Business	4	379,284	155,736	7,827,733	8,362,753	362,761	139,327	7,185,337	7,687,425
Total (B)		681,372	506,279	33,761,906	34,949,557	607,971	496,129	28,755,443	29,859,543
OPERATING PROFIT/(LOSS) (C)=(A)-(B)		1,246,666	418,613	3,055,156	4,720,435	1,132,012	205,638	1,982,882	3,320,532
Appropriations									
Transfer to Shareholders' Account		1,246,666	418,613	3,055,156	4,720,435	1,132,012	205,638	1,982,882	3,320,532
Transfer to Catastrophe Reserve		-	-	-	-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-	-	-	-
Total (c)		1,246,666	418,613	3,055,156	4,720,435	1,132,012	205,638	1,982,882	3,320,532

Significant Accounting Policies 16 and Notes to Financial Statements

The Schedules referred to above form an integral part of the Financial Statements

As required by Section 40C of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of General Insurance business transactions in India by the Company have been fully recognised in the revenue account as expenses.

As per our report of even date attached

For M/s. B S R & Co. LLP
Chartered Accountants
Firm's Registration Number
101248W

For M/s. Kirtane & Pandit
Chartered Accountants
Firm's Registration Number
105215W

Juzer Miyajiwala
Partner
Membership No. 047483
Pune

Suhas Deshpande
Partner
Membership No. 031787
Pune

Place : Pune
Date : 10th May 2014

For and on behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Manuel Bauer
Director

Rahul Bajaj
Director

Kamesh Goyal
Director

Ranjit Gupta
Director

S H Khan
Director

Suraj Mehta
Director

Dipak Poddar
Director

Manu Tandon
Director

Tapan Singhel
Managing Director &
Chief Executive Officer

Milind Choudhari
Chief Financial Officer

Onkar Kothari
Company Secretary &
Compliance Officer

Place : Pune
Date : 10th May 2014

Profit and Loss Account for the year ended 31st March, 2014

Rupees ('000)

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Operating Profit/(Loss), as per Revenue Accounts of		
(a) Fire Insurance	1,246,666	1,132,012
(b) Marine Insurance	418,613	205,638
(c) Miscellaneous Insurance	3,055,156	1,982,882
	4,720,435	3,320,532
Income From Investments		
(a) Interest, Dividends and Rent -Gross	1,104,712	831,906
(b) Amortization of Discount/(Premium)	18,791	22,020
(c) Profit on sale/redemption of investments	26,766	18,851
Less:- Loss on sale/redemption of investments	(12,658)	(26,956)
	1,137,611	845,821
Other Income -Miscellaneous Income	29,909	61,345
Total(A)	5,887,955	4,227,698
Provisions (Other than taxation)		
(a) For diminution in the value of investments	-	-
(b) For doubtful debts	(1,598)	1,478
(c) Others	-	-
Other Expenses		
(a) Expenses other than those related to the insurance business	19,689	10,804
(b) Bad debts written off	-	-
(c) Others	-	-
	18,091	12,282
Total (B)	18,091	12,282
Profit before tax	5,869,864	4,215,416
Provision for taxation		
Current Tax	1,690,652	1,295,674
Deferred Tax Expense /(Income) (Refer Schedule 16 Note 18)	89,320	(31,060)
	1,779,972	1,264,614
Profit after tax	4,089,892	2,950,802
Profit available for appropriation	4,089,892	2,950,802
Appropriations		
(a) Interim dividends paid during the year	-	-
(b) Proposed final dividend	-	-
(c) Dividend distribution on tax	-	-
(d) Transfer to reserve/other accounts	-	-
Balance of Profit brought forward last year	9,784,593	6,833,791
Balance carried forward to Balance Sheet	13,874,485	9,784,593
Significant Accounting Policies and Notes to Financial Statements	Schedule 16	
Earning per Share: Basic and Diluted (Refer Schedule 16 Note 17)	37.10	26.77
The Schedules referred to above form an integral part of the Financial Statements		

As per our report of even date attached

For M/s. B S R & Co. LLP
Chartered Accountants
Firm's Registration Number
101248W

For M/s. Kirtane & Pandit
Chartered Accountants
Firm's Registration Number
105215W

Juzer Miyajiwala
Partner
Membership No. 047483
Pune

Suhas Deshpande
Partner
Membership No. 031787
Pune

Place : Pune
Date : 10th May 2014

For and on behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Kamesh Goyal
Director

Suraj Mehta
Director

Tapan Singhel
Managing Director &
Chief Executive Officer

Place : Pune
Date : 10th May 2014

Manuel Bauer
Director

Ranjit Gupta
Director

Dipak Poddar
Director

Milind Choudhari
Chief Financial Officer

Place : Pune
Date : 10th May 2014

Rahul Bajaj
Director

S H Khan
Director

Manu Tandon
Director

Onkar Kothari
Company Secretary
& Compliance Officer

Balance Sheet as at 31st March, 2014

Rupees ('000)

Particulars	Schedule	As at 31 st March, 2014	As at 31 st March, 2013
SOURCES OF FUNDS			
Shareholders' funds :			
Share Capital	5	1,102,273	1,102,273
Reserves and Surplus	6	15,540,682	11,450,790
Fair Value Change Account		-	-
Borrowings	7	-	-
	Total	16,642,955	12,553,063
APPLICATION OF FUNDS			
Investments	8	60,178,539	47,130,849
Loans	9	-	-
Fixed Assets	10		
Gross Block (Refer Schedule 16 Note 2.14)		4,618,419	4,395,789
Less:- Accumulated Depreciation		1,741,788	1,589,530
Net Block		2,876,631	2,806,259
Capital Work In Progress including Capital advances		10,382	35,076
		2,887,013	2,841,335
Deferred Tax Asset (Refer schedule 16 Note 18)		317,750	407,070
Current Assets			
Cash and Bank Balances	11	9,490,606	11,316,053
Advances and Other Assets	12	4,863,698	3,677,160
	Sub-Total (A)	14,354,304	14,993,213
Current Liabilities	13	40,241,772	34,755,494
Provisions	14	20,852,879	18,063,910
	Sub-Total (B)	61,094,651	52,819,404
Net Current Assets (C) = (A - B)		(46,740,347)	(37,826,191)
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit and Loss Account		-	-
	Total	16,642,955	12,553,063

Significant Accounting Policies and Notes to Financial Statements

16

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

As per our report of even date attached

For M/s. B S R & Co. LLP
Chartered Accountants
Firm's Registration Number
101248W

For M/s. Kirtane & Pandit
Chartered Accountants
Firm's Registration Number
105215W

Juzer Miyajiwala
Partner
Membership No. 047483
Pune

Suhas Deshpande
Partner
Membership No. 031787
Pune

Place : Pune
Date : 10th May 2014

For and on behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Manuel Bauer
Director

Rahul Bajaj
Director

Kamesh Goyal
Director

Ranjit Gupta
Director

S H Khan
Director

Suraj Mehta
Director

Dipak Poddar
Director

Manu Tandon
Director

Tapan Singhel
Managing Director &
Chief Executive Officer

Milind Choudhari
Chief Financial Officer

Onkar Kothari
Company Secretary &
Compliance Officer

Place : Pune
Date : 10th May 2014

Schedules to and forming part of Financial Statements

SCHEDULE - 1 Premium Earned (Net)

Rupees ('000)

Particulars	For the year ended 31 st March, 2014					For the year ended 31 st March, 2013				
	Fire	Marine		Miscellaneous*	Total	Fire	Marine		Miscellaneous*	Total
		Cargo	Others				Cargo	Others		
Premium from Direct Business written:	3,883,305	1,123,007	98,032	40,060,146	45,164,490	3,561,259	957,902	14,774	35,480,100	40,014,035
Add: Premium on Reinsurance Accepted	488,291	15,052	14,616	156,417	674,376	446,010	3,527	19,270	611,096	1,079,903
Less: Premium on Reinsurance Ceded	2,673,921	438,960	107,027	5,010,878	8,230,786	2,516,907	375,182	33,096	6,137,257	9,062,442
Net Premium	1,697,675	699,099	5,621	35,205,685	37,608,080	1,490,362	586,247	948	29,953,939	32,031,496
Adjustment for Change in Reserve for Unexpired Risk										
Reserve created during the year	1,557,404	197,765	2,128	18,711,611	20,468,908	1,306,210	293,123	948	16,191,114	17,791,395
Less: Reserve created during the previous year Written Back	1,306,210	293,123	948	16,191,114	17,791,395	1,150,842	312,401	2,507	13,537,472	15,003,222
Change in the Unexpired Risk Reserve	251,194	(95,358)	1,180	2,520,497	2,677,513	155,368	(19,278)	(1,559)	2,653,642	2,788,173
Total Premium Earned (Net)	1,446,481	794,457	4,441	32,685,188	34,930,567	1,334,994	605,525	2,507	27,300,297	29,243,323
Note :										
Premium Income earned from business concluded:										
In India	1,446,481	794,457	4,441	32,685,188	34,930,567	1,334,994	605,525	2,507	27,300,297	29,243,323
Outside India	-	-	-	-	-	-	-	-	-	-
Total Premium Earned (Net)	1,446,481	794,457	4,441	32,685,188	34,930,567	1,334,994	605,525	2,507	27,300,297	29,243,323

*Refer Schedule 1(A)

Schedules to and forming part of Financial Statements

SCHEDULE - 1 (A) Premium Earned (Net)

Rupees ('000)

Particulars	For the year ended 31st March, 2014												
	Motor OD	Motor TP	Motor Pool*	Motor Total	Workmens' Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total
Premium from Direct Business:	18,622,090	8,376,386	-	26,998,476	354,065	301,966	1,289,316	73,596	540,345	7,438,000	98,221	2,966,161	40,060,146
Add: Premium on Reinsurance Accepted	-	-	36,871	36,871	-	1,473	84,790	-	8,485	-	-	24,798	156,417
Less: Premium on Reinsurance Ceded	982,875	419,350	-	1,402,225	19,188	206,841	1,126,391	70,169	97,949	564,182	97,610	1,426,323	5,010,878
Net Premium	17,639,215	7,957,036	36,871	25,633,122	334,877	96,598	247,715	3,427	450,881	6,873,818	611	1,564,636	35,205,685
Adjustment for Change in Reserve for Unexpired Risk													
Reserve created during the year	9,254,217	4,195,064	-	13,449,281	139,421	58,550	146,448	879	409,507	2,598,779	346	1,908,400	18,711,611
Less: Reserve created during the previous year Written Back	8,083,877	3,294,973	-	11,378,850	119,420	48,090	149,754	4,625	466,649	2,276,225	709	1,746,792	16,191,114
Change in the Unexpired Risk Reserve	1,170,340	900,091	-	2,070,431	20,001	10,460	(3,306)	(3,746)	(57,142)	322,554	(363)	161,608	2,520,497
Total Premium Earned (Net)	16,468,875	7,056,945	36,871	23,562,691	314,876	86,138	251,021	7,173	508,023	6,551,264	974	1,403,028	32,685,188
Note :													
Premium Income earned from business concluded:													
In India	16,468,875	7,056,945	36,871	23,562,691	314,876	86,138	251,021	7,173	508,023	6,551,264	974	1,403,028	32,685,188
Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Premium Earned (Net)	16,468,875	7,056,945	36,871	23,562,691	314,876	86,138	251,021	7,173	508,023	6,551,264	974	1,403,028	32,685,188

Rupees ('000)

Particulars	For the year ended 31st March, 2013												
	Motor OD	Motor TP	Motor Pool*	Motor Total	Workmens' Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total
Premium from Direct Business:	17,073,864	6,918,482	-	23,992,346	323,018	251,365	1,338,856	71,513	565,238	5,950,452	74,436	2,912,876	35,480,100
Add: Premium on Reinsurance Accepted	-	-	468,325	468,325	-	1,378	118,389	-	2,757	9,182	-	11,065	611,096
Less: Premium on Reinsurance Ceded	1,746,014	691,903	-	2,437,917	33,237	180,368	1,204,936	70,234	116,108	687,394	73,320	1,333,743	6,137,257
Net Premium	15,327,850	6,226,579	468,325	22,022,754	289,781	72,375	252,309	1,279	451,887	5,272,240	1,116	1,590,198	29,953,939
Adjustment for Change in Reserve for Unexpired Risk													
Reserve created during the year	8,083,877	3,294,973	-	11,378,850	119,420	48,090	149,754	4,625	466,649	2,276,225	709	1,746,792	16,191,114
Less: Reserve created during the previous year Written Back	6,620,673	1,106,503	1,689,910	9,417,086	109,906	45,100	155,187	3,553	506,541	1,730,371	361	1,569,367	13,537,472
Change in the Unexpired Risk Reserve	1,463,204	2,188,470	(1,689,910)	1,961,764	9,514	2,990	(5,433)	1,072	(39,892)	545,854	348	177,425	2,653,642
Total Premium Earned (Net)	13,864,646	4,038,109	2,158,235	20,060,990	280,267	69,385	257,742	207	491,779	4,726,386	768	1,412,773	27,300,297
Note :													
Premium Income earned from business concluded:													
In India	13,864,646	4,038,109	2,158,235	20,060,990	280,267	69,385	257,742	207	491,779	4,726,386	768	1,412,773	27,300,297
Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Premium Earned (Net)	13,864,646	4,038,109	2,158,235	20,060,990	280,267	69,385	257,742	207	491,779	4,726,386	768	1,412,773	27,300,297

*Motor Pool consists of IMTPIP (Indian Motor Third Party Insurance Pool) & DRTPIP (Declined Risk Third Party Insurance Pool) (Also refer Schedule 16 Note 2.18 (ii) & (iii))

Schedules to and forming part of Financial Statements

SCHEDULE - 2 Claims Incurred (Net)

Rupees ('000)

Particulars	For the year ended 31 st March, 2014					For the year ended 31 st March, 2013				
	Fire	Marine		Miscellaneous*	Total	Fire	Marine		Miscellaneous*	Total
		Cargo	Others				Cargo	Others		
Claims Paid										
Direct	867,002	669,469	2,691	21,017,891	22,557,053	997,818	510,519	76,715	17,060,481	18,645,533
Add: Re-insurance Accepted	31,419	143	-	3,513,055	3,544,617	590,991	730	1,846	4,216,296	4,809,863
Less: Re-insurance Ceded	444,947	288,859	310	4,268,825	5,002,941	1,119,585	200,197	72,116	4,255,370	5,647,268
Net Claims paid	453,474	380,753	2,381	20,262,121	21,098,729	469,224	311,052	6,445	17,021,407	17,808,128
Claims Outstanding (including IBNR and IBNER)										
Add : Claims Outstanding at the close of the year (net of Re-insurance)	635,084	327,618	20,924	30,508,113	31,491,739	637,955	412,056	20,496	26,267,187	27,337,694
Less: Claims Outstanding at the beginning of the year (net of Re-insurance)	637,955	412,056	20,496	26,267,187	27,337,694	774,316	387,147	53,745	22,749,178	23,964,386
Change in Claims Outstanding	(2,871)	(84,438)	428	4,240,926	4,154,045	(136,361)	24,909	(33,249)	3,518,009	3,373,308
Total Claims Incurred (Net)	450,603	296,315	2,809	24,503,047	25,252,774	332,863	335,961	(26,804)	20,539,416	21,181,436
Claims incurred										
In India	450,603	296,315	2,809	24,503,047	25,252,774	332,863	335,961	(26,804)	20,539,416	21,181,436
Outside India	-	-	-	-	-	-	-	-	-	-
Total Claims Incurred (Net)	450,603	296,315	2,809	24,503,047	25,252,774	332,863	335,961	(26,804)	20,539,416	21,181,436

Schedules to and forming part of Financial Statements

SCHEDULE - 2 (A) Claims incurred (Net)

Rupees ('000)

Particulars	For the year ended 31st March, 2014												
	Motor OD	Motor TP	Motor Pool*	Motor Total	Workmens' Compensation /Employers' Liability	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total
Claims Paid													
Direct	9,558,074	3,981,574	-	13,539,648	72,719	6,813	364,239	17,780	274,690	5,930,993	3,536	807,473	21,017,891
Add: Re-insurance Accepted	-	-	3,504,331	3,504,331	-	-	5,466	-	-	1,301	-	1,957	3,513,055
Less: Re-insurance Ceded	754,496	2,338,317	81	3,092,894	6,507	3,237	275,112	17,243	25,148	704,207	5,289	139,188	4,268,825
Net Claims paid	8,803,578	1,643,257	3,504,250	13,951,085	66,212	3,576	94,593	537	249,542	5,228,087	(1,753)	670,242	20,262,121
Claims Outstanding (including IBNR and IBNER)													
Add : Claims Outstanding at the close of the year (net of Re-insurance)	1,517,459	16,144,166	10,391,013	28,052,638	109,599	86,426	194,503	13,889	164,043	1,081,022	257	805,737	30,508,114
Less: Claims Outstanding at the beginning of the year (net of Re-insurance)	1,425,212	10,274,514	12,489,026	24,188,752	110,308	91,853	156,178	13,730	295,017	635,806	1,454	774,090	26,267,188
Change in Claims Outstanding	92,247	5,869,652	(2,098,013)	3,863,886	(709)	(5,427)	38,325	159	(130,974)	445,216	(1,197)	31,647	4,240,926
Total Claims Incurred (Net)	8,895,825	7,512,909	1,406,237	17,814,971	65,503	(1,851)	132,918	696	118,568	5,673,303	(2,950)	701,889	24,503,047
In India	8,895,826	7,512,909	1,406,237	17,814,971	65,503	(1,851)	132,918	696	118,568	5,673,303	(2,950)	701,889	24,503,047
Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Claims Incurred (Net)	8,895,826	7,512,909	1,406,237	17,814,971	65,503	(1,851)	132,918	696	118,568	5,673,303	(2,950)	701,889	24,503,047

Rupees ('000)

Particulars	For the year ended 31st March, 2013												
	Motor OD	Motor TP	Motor Pool*	Motor Total	Workmens' Compensation /Employers' Liability	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total
Claims Paid													
Direct	7,977,978	3,885,376	-	11,863,354	81,259	360	306,994	23,465	298,365	3,677,958	39,060	769,666	17,060,481
Add: Re-insurance Accepted	-	-	4,135,067	4,135,067	-	-	23,356	-	-	54,310	-	3,563	4,216,296
Less: Re-insurance Ceded	799,240	2,552,668	-	3,351,908	8,503	103	233,823	18,185	30,618	387,509	34,231	190,490	4,255,370
Net Claims paid	7,178,738	1,332,708	4,135,067	12,646,513	72,756	257	96,527	5,280	267,747	3,344,759	4,829	582,739	17,021,407
Claims Outstanding (including IBNR and IBNER)													
Add : Claims Outstanding at the close of the year (net of Re-insurance)	1,425,212	10,274,514	12,489,026	24,188,752	110,308	91,853	156,178	13,730	295,017	635,806	1,454	774,090	26,267,188
Less: Claims Outstanding at the beginning of the year (net of Re-insurance)	1,422,312	7,295,349	12,225,096	20,942,757	104,865	78,591	189,157	12,182	339,141	428,526	6,135	647,825	22,749,179
Change in Claims Outstanding	2,900	2,979,165	263,930	3,245,995	5,443	13,262	(32,979)	1,548	(44,124)	207,280	(4,681)	126,265	3,518,009
Total Claims Incurred (Net)	7,181,638	4,311,873	4,398,997	15,892,508	78,199	13,519	63,548	6,828	223,623	3,552,039	148	709,004	20,539,416
In India	7,181,638	4,311,873	4,398,997	15,892,508	78,199	13,519	63,548	6,828	223,623	3,552,039	148	709,004	20,539,416
Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Claims Incurred (Net)	7,181,638	4,311,873	4,398,997	15,892,508	78,199	13,519	63,548	6,828	223,623	3,552,039	148	709,004	20,539,416

*Motor Pool consists of IMTPIP (Indian Motor Third Party Insurance Pool) & DRTPIP (Declined Risk Third Party Insurance Pool)

Schedules to and forming part of Financial Statements

SCHEDULE - 3 Commission

Rupees ('000)

Particulars	For the year ended 31 st March, 2014					For the year ended 31 st March, 2013				
	Fire	Marine		Miscellaneous*	Total	Fire	Marine		Miscellaneous*	Total
		Cargo	Others				Cargo	Others		
Commission Paid direct	223,905	91,550	789	2,120,111	2,436,355	204,516	79,641	33	1,895,867	2,180,057
Add: Re-insurance Accepted	37,548	1,572	146	13,522	52,788	32,747	64	193	15,162	48,166
Less: Commission on Re-insurance Ceded	409,968	41,740	898	684,530	1,137,136	324,916	32,345	(59)	879,953	1,237,155
Net Commission	(148,515)	51,382	37	1,449,103	1,352,007	(87,653)	47,360	285	1,031,076	991,068
Break-up of commission paid direct business furnished as per details below										
Agents	54,546	52,866	28	882,580	990,020	52,093	46,174	20	850,989	949,276
Brokers	58,169	34,875	748	643,744	737,536	55,149	30,630	1	484,795	570,575
Corporate Agency	111,190	3,809	13	593,787	708,799	97,274	2,837	12	560,083	660,206
Referral	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	223,905	91,550	789	2,120,111	2,436,355	204,516	79,641	33	1,895,867	2,180,057
Commission Paid										
In India	(148,515)	51,382	37	1,449,103	1,352,007	(87,653)	47,360	285	1,031,076	991,068
Outside India	-	-	-	-	-	-	-	-	-	-
Net Commission	(148,515)	51,382	37	1,449,103	1,352,007	(87,653)	47,360	285	1,031,076	991,068

* Refer Schedule 3(A)

Schedules to and forming part of Financial Statements

SCHEDULE - 3 (A) Commission

Rupees ('000)

Particulars	For the year ended 31st March, 2014												
	Motor OD	Motor TP	Motor Pool*	Motor Total	Workmens' Compensation /Employers' Liability	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total
Commission Paid direct	1,189,096	-	-	1,189,096	28,945	23,507	54,133	1,545	52,310	552,201	5,098	213,276	2,120,111
Add: Re-insurance Accepted	-	-	-	-	-	45	9,716	-	85	-	-	3,676	13,522
Less: Commission on Re-insurance Ceded	139,811	20,965	-	160,776	3,053	26,763	215,382	2,851	5,469	65,417	17,432	187,387	684,530
Net Commission	1,049,285	(20,965)	-	1,028,320	25,892	(3,211)	(151,533)	(1,306)	46,926	486,784	(12,334)	29,565	1,449,103
Commission Paid													
In India	1,049,285	(20,965)	-	1,028,320	25,892	(3,211)	(151,533)	(1,306)	46,926	486,784	(12,334)	29,565	1,449,103
Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Commission	1,049,285	(20,965)	-	1,028,320	25,892	(3,211)	(151,533)	(1,306)	46,926	486,784	(12,334)	29,565	1,449,103

Rupees ('000)

Particulars	For the year ended 31st March, 2013												
	Motor OD	Motor TP	Motor Pool*	Motor Total	Workmens' Compensation /Employers' Liability	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total
Commission Paid direct	1,095,228	-	-	1,095,228	26,931	17,355	47,146	(12,150)	57,159	466,686	2,450	195,062	1,895,867
Add: Re-insurance Accepted	-	-	-	-	-	38	13,681	-	28	339	-	1,076	15,162
Less: Commission on Re-insurance Ceded	256,295	103,777	-	360,072	5,352	24,143	231,187	1,368	7,348	82,086	11,893	156,504	879,953
Net Commission	838,933	(103,777)	-	735,156	21,579	(6,750)	(170,360)	(13,518)	49,839	384,939	(9,443)	39,634	1,031,076
Commission Paid													
In India	838,933	(103,777)	-	735,156	21,579	(6,750)	(170,360)	(13,518)	49,839	384,939	(9,443)	39,634	1,031,076
Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Commission	838,933	(103,777)	-	735,156	21,579	(6,750)	(170,360)	(13,518)	49,839	384,939	(9,443)	39,634	1,031,076

*Motor Pool consists of IMTPIP (Indian Motor Third Party Insurance Pool) & DRTPIP (Declined Risk Third Party Insurance Pool)

Schedules to and forming part of Financial Statements

SCHEDULE - 4 Operating Expenses Related to Insurance Business

Rupees ('000)

Particulars	For the year ended 31 st March, 2014					For the year ended 31 st March, 2013				
	Fire	Marine		Miscellaneous*	Total	Fire	Marine		Miscellaneous*	Total
		Cargo	Others				Cargo	Others		
Employees' remuneration, benefits and other manpower costs	127,692	52,584	424	2,648,035	2,828,735	122,473	48,175	78	2,461,523	2,632,249
Travel, conveyance and vehicle running expenses	9,785	4,029	32	202,909	216,755	8,679	3,414	6	174,441	186,540
Training expenses	19	8	-	388	415	29	11	-	580	620
Rents, rates and taxes	8,255	3,399	27	171,179	182,860	9,458	3,720	6	190,087	203,271
Maintenance and repairs	3,262	1,343	11	67,645	72,261	2,267	892	1	45,564	48,724
Printing and stationery	4,488	1,848	15	93,064	99,415	3,716	1,462	2	74,681	79,861
Communication	6,328	2,606	21	131,228	140,183	6,468	2,544	4	130,002	139,018
Information technology	11,130	4,583	37	230,818	246,568	10,000	3,934	6	200,985	214,925
Legal and professional charges	1,473	607	5	30,556	32,641	1,731	681	1	34,793	37,206
Auditors' fees, expenses, etc.										
(a) as auditors	201	83	1	4,165	4,450	207	81	-	4,162	4,450
(b) as advisor or in any other capacity in respect of:										
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-
(iii) Management services	-	-	-	-	-	-	-	-	-	-
(iv) Tax Audit	29	12	-	609	650	30	12	-	608	650
(c) In any other capacity	21	8	-	426	455	21	8	-	426	455
(d) Out of Pocket Expenses	33	13	-	677	723	56	22	-	1,128	1,206
	172,716	71,123	573	3,581,699	3,826,111	165,135	64,956	104	3,318,980	3,549,175
Advertisement and publicity	11,377	4,685	38	235,926	252,026	12,986	5,108	8	260,996	279,098
Interest and Bank Charges	1,696	699	6	145,769	148,170	1,607	632	1	137,652	139,892
Business Development and Promotion	12,569	5,176	42	260,658	278,445	9,520	3,745	6	191,329	204,600
Marketing and Support Services	140,983	58,056	467	2,923,646	3,123,152	133,143	52,373	85	2,675,974	2,861,575
Other Acquisition Costs	9,337	1,756	974	65,214	77,281	8,441	1,491	146	58,666	68,744
Others										
Exchange (gain) /loss	(449)	(185)	(1)	(9,307)	(9,942)	279	110	-	5,615	6,004
Miscellaneous Expenses	16,302	6,713	54	338,058	361,127	16,858	6,631	11	338,816	362,316
Loss/(Profit) on disposal of Assets	73	30	-	1,520	1,623	(4)	(1)	-	(74)	(79)
	191,888	76,930	1,580	3,961,484	4,231,882	182,830	70,089	257	3,668,974	3,922,150
Depreciation (Refer Schedule 16 Note 2.14)	13,322	5,486	44	276,277	295,129	9,458	3,721	6	190,099	203,284
Service Tax Expenses	1,358	-	-	8,273	9,631	5,338	194	-	7,284	12,816
Total	379,284	153,539	2,197	7,827,733	8,362,753	362,761	138,960	367	7,185,337	7,687,425

* Refer Schedule 4(A)

Schedules to and forming part of Financial Statements

SCHEDULE - 4 (A) Operating Expenses Related to Insurance Business

Rupees ('000)

Particulars	For the year ended 31st March, 2014												
	Motor OD	Motor TP	Motor Pool*	Motor Total	Workmens' Compensation /Employers' Liability	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total
Employees' remuneration, benefits and other manpower costs	1,329,527	598,497	-	1,928,024	25,188	7,266	18,632	257	33,914	517,021	46	117,687	2,648,035
Travel, Conveyance and Vehicle running expenses	101,876	45,861	-	147,737	1,930	557	1,428	20	2,599	39,617	4	9,017	202,909
Training expenses	195	88	-	283	4	1	3	-	5	76	-	16	388
Rents, Rates and Taxes	85,946	38,689	-	124,635	1,628	470	1,204	17	2,192	33,422	3	7,608	171,179
Maintenance and Repairs	33,963	15,289	-	49,252	643	186	476	7	866	13,208	1	3,006	67,645
Printing and Stationery	46,726	21,034	-	67,760	885	255	655	9	1,192	18,171	2	4,135	93,064
Communication	65,887	29,660	-	95,547	1,248	360	923	13	1,681	25,622	2	5,832	131,228
Information Technology	115,889	52,168	-	168,057	2,196	633	1,624	22	2,956	45,066	4	10,260	230,818
Legal and Professional charges	15,342	6,906	-	22,248	291	84	215	3	391	5,966	1	1,357	30,556
Auditors' fees, expenses, etc.													
(a) as auditor	2,091	942	-	3,033	40	11	29	-	53	813	-	186	4,165
(b) as advisor or in any other capacity in respect of:													
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services	-	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Tax Audit	305	138	-	443	6	2	4	-	8	119	-	27	609
(c) In any other capacity	214	96	-	310	4	1	3	-	5	83	-	20	426
(d) Out of Pocket Expenses	340	153	-	493	6	2	5	-	9	132	-	30	677
	1,798,301	809,521	-	2,607,822	34,069	9,828	25,201	348	45,871	699,316	63	159,181	3,581,699
Advertisement and publicity	118,454	53,323	-	171,777	2,244	647	1,660	23	3,022	46,064	4	10,485	235,926
Interest and Bank Charges	17,662	118,541	-	136,203	335	97	248	3	451	6,868	1	1,563	145,769
Business Development and Promotion	130,871	58,913	-	189,784	2,479	715	1,834	25	3,338	50,893	5	11,585	260,658
Marketing and Support Services	1,467,905	660,790	-	2,128,695	27,810	8,022	20,571	285	37,443	570,834	51	129,935	2,923,646
Other Acquisition Costs	32,647	15,513	1,814	49,974	12	181	2,434	-	25	11,136	-	1,452	65,214
Others													-
Exchange (gain) /loss	(4,673)	(2,103)	-	(6,776)	(89)	(26)	(65)	(1)	(119)	(1,817)	-	(414)	(9,307)
Miscellaneous Expenses	169,733	76,406	-	246,139	3,216	928	2,379	33	4,330	66,005	6	15,022	338,058
Loss/(Profit) on disposal of Assets	763	343	-	1,106	14	4	11	-	19	297	-	69	1,520
	1,933,362	981,726	1,814	2,916,902	36,021	10,568	29,072	368	48,509	750,280	67	169,697	3,961,484
Depreciation (Refer Schedule 16 Note 2.14)	138,713	62,443	-	201,156	2,628	758	1,944	27	3,538	53,942	5	12,279	276,277
Service Tax Expenses	5,705	2,568	-	8,273	-	-	-	-	-	1	-	(1)	8,273
Total	3,876,081	1,856,258	1,814	5,734,153	72,718	21,154	56,217	743	97,918	1,503,539	135	341,156	7,827,733

*Motor Pool consists of IMTPIP (Indian Motor Third Party Insurance Pool) & DRTPIP (Declined Risk Third Party Insurance Pool)

Schedules to and forming part of Financial Statements

SCHEDULE - 4 (A) Operating Expenses Related to Insurance Business

Rupees ('000)

Particulars	For the year ended 31st March, 2013												
	Motor OD	Motor TP	Motor Pool*	Motor Total	Workmens' Compensation /Employers' Liability	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total
Employees' remuneration, benefits and other manpower costs	1,298,081	511,681	-	1,809,762	23,813	5,948	20,734	106	37,134	433,256	92	130,678	2,461,523
Travel, Conveyance and Vehicle running expenses	91,992	36,261	-	128,253	1,688	421	1,469	7	2,632	30,704	6	9,261	174,441
Training expenses	306	120	-	426	6	1	5	-	9	102	-	31	580
Rents, Rates and Taxes	100,242	39,514	-	139,756	1,839	459	1,601	8	2,868	33,457	7	10,092	190,087
Maintenance and Repairs	24,028	9,471	-	33,499	441	110	384	2	687	8,020	2	2,419	45,564
Printing and Stationery	39,383	15,524	-	54,907	722	180	629	3	1,127	13,145	3	3,965	74,681
Communication	68,556	27,024	-	95,580	1,258	314	1,095	6	1,961	22,882	5	6,901	130,002
Information Technology	105,989	41,779	-	147,768	1,944	486	1,693	9	3,032	35,376	7	10,670	200,985
Legal and Professional charges	18,348	7,232	-	25,580	337	84	293	1	525	6,124	1	1,848	34,793
Auditors' fees, expenses, etc.													
(a) as auditor	2,195	865	-	3,060	40	10	35	-	63	732	-	222	4,162
(b) as advisor or in any other capacity in respect of:													
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services	-	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Tax Audit	321	126	-	447	6	1	5	-	9	107	-	33	608
(c) In any other capacity	225	88	-	313	4	1	4	-	6	75	-	23	426
(d) Out of Pocket Expenses	595	234	-	829	11	3	9	-	17	199	-	60	1,128
	1,750,261	689,919	-	2,440,180	32,109	8,018	27,956	142	50,070	584,179	123	176,203	3,318,980
Advertisement and publicity	137,635	54,254	-	191,889	2,525	631	2,198	11	3,937	45,938	10	13,857	260,996
Interest and Bank Charges	17,032	112,069	-	129,101	312	78	272	1	487	5,685	1	1,715	137,652
Business Development and Promotion	100,898	39,772	-	140,670	1,851	462	1,612	8	2,886	33,676	7	10,157	191,329
Marketing and Support Services	1,411,172	556,259	-	1,967,431	25,888	6,466	22,540	114	40,370	471,002	100	142,063	2,675,974
Other Acquisition Costs	29,561	13,238	4,023	46,822	7	152	1,630	246	24	7,826	-	1,959	58,666
Others													
Exchange (gain) /loss	2,961	1,167	-	4,128	54	14	47	-	85	988	-	299	5,615
Miscellaneous Expenses	178,675	70,430	-	249,105	3,278	819	2,854	14	5,111	59,636	13	17,986	338,816
(Profit)/Loss on disposal of Assets	(39)	(15)	-	(54)	(1)	-	(1)	-	(1)	(13)	-	(4)	(74)
	1,877,895	847,174	4,023	2,729,092	33,914	8,622	31,152	394	52,899	624,738	131	188,032	3,668,974
Depreciation (Refer Schedule 16 Note 2.14)	100,249	39,516	-	139,765	1,839	459	1,601	8	2,868	33,460	7	10,092	190,099
Service Tax Expenses	4,302	1,696	-	5,998	6	3	414	13	41	306	36	467	7,284
Total	3,732,707	1,578,305	4,023	5,315,035	67,868	17,102	61,123	557	105,878	1,242,683	297	374,794	7,185,337

*Motor Pool consists of IMTPIP (Indian Motor Third Party Insurance Pool) & DRTPIP (Declined Risk Third Party Insurance Pool)

Schedules to and forming part of Financial Statements

SCHEDULE - 5 Share Capital

Rupees ('000)

Particulars	As at 31 March, 2014	As at 31 March, 2013
Authorised Capital		
125,000,000 (previous year :125,000,000) Equity shares of Rs 10 each	1,250,000	1,250,000
Issued Capital		
110,227,250 (previous year :110,227,250) Equity Shares of Rs 10 each fully paid up	1,102,273	1,102,273
Subscribed Capital		
110,227,250 (previous year :110,227,250) Equity Shares of Rs 10 each fully paid up	1,102,273	1,102,273
Called-up Capital		
110,227,250 (previous year :110,227,250) Equity Shares of Rs 10 each fully paid up	1,102,273	1,102,273
Less: Calls unpaid	-	-
Add : Equity Shares forfeited (Amount originally paidup)	-	-
Less : Par Value of Equity Shares bought back	-	-
Less: Preliminary Expenses to the extent not written off		
Expenses including commission or brokerage on underwriting or subscription of shares	-	-
Total	1,102,273	1,102,273

SCHEDULE - 5A Share Capital / Pattern of Shareholding

(As certified by the Management)

Shareholder	As at 31 st March, 2014		As at 31 st March, 2013	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
Indian				
Bajaj Finserv Limited	81,568,165	74.00%	81,568,165	74.00%
Foreign				
Allianz SE	28,659,085	26.00%	28,659,085	26.00%
Others	-	-	-	-
Total	110,227,250	100.00%	110,227,250	100.00%

SCHEDULE - 6 Reserves and Surplus

Rupees ('000)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Capital Reserve	-	-
Capital Redemption Reserve	-	-
Share Premium	1,666,197	1,666,197
General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilised for Buy-back	-	-
Catastrophe Reserve	-	-
Other Reserves	-	-
Balance in Profit and Loss Account	13,874,485	9,784,593
Total	15,540,682	11,450,790

SCHEDULE - 7 Borrowings

Rupees ('000)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Debentures/Bonds	-	-
Banks	-	-
Financial Institutions	-	-
Others	-	-
Total	-	-

Schedules to and forming part of Financial Statements

SCHEDULE - 8 Investments

Rupees ('000)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Long Term Investments		
1 Government securities and Government guaranteed bonds including Treasury Bills	26,102,423	18,235,912
2 Other Approved Securities		
3 Approved Investments		
(a) Shares		
(aa) Equity Shares	-	-
Fair Value Change Accretion/(Diminution)	-	-
(bb) Preference Shares		
(b) Mutual Funds		
(c) Derivative Instruments		
(d) Debenture/Bonds	12,781,542	11,187,719
(e) Other securities		
(f) Subsidiaries		
(g) Investment Properties-Real Estate		
Less : Accumulated depreciation	-	-
4 Investments in Infrastructure and Social Sector	17,684,539	14,262,045
5 Other than Approved Investments		
(a) Shares	-	-
Fair Value Change Accretion/(Diminution)	-	-
(b) Debenture/Bonds	239,259	570,841
Short Term Investments		
1 Government securities and Government guaranteed bonds including Treasury Bills	-	1,552,302
2 Other Approved Securities		
3 Approved Investments		
(a) Shares	-	-
Fair Value Change Accretion/(Diminution)	-	-
(bb) Preference Shares		
(b) Mutual Funds		
(c) Derivative Instruments		
(d) Debenture/Bonds	3,059,898	1,241,579
(e) Other securities		
(f) Subsidiaries		
(g) Investment Properties-Real Estate		
4 Investments in Infrastructure and Social Sector	175,581	80,451
5 Other than Approved Investments		
(a) Shares	-	-
(b) Mutual Funds		
Fair Value Change Accretion/(Diminution)	-	-
(c) Debenture/Bonds	135,297	-
Total	60,178,539	47,130,849
Investments		
In India	60,178,539	47,130,849
Outside India	-	-
Total	60,178,539	47,130,849

NOTES:

- All the Investments are free of any encumbrances other than investments under Section 7 of the Insurance Act, 1938, which are held in Government of India Bonds aggregating Rupees 112, 902 thousand (Previous year Rupees 113,567 thousand) deposited with Standard Chartered Bank (Custodian).
- All the above investments are performing assets.
- Investments maturing within next 12 months are Rupees 3,370,775 thousand (Previous year Rupees 2,874,332 thousand)
- Investment other than Equities and Derivative instruments
Aggregate value of Investments as at 31st Mar, 2014 Rupees 60,178,539 thousand (Previous year Rupees 47,130,849 thousand)
Market value as at 31st Mar, 2014 Rupees 59,129,765 thousand (Previous year Rs 47,879,099 thousand)
- Value of contracts in relation to investments where deliveries are pending Rupees Nil (Previous year Rupees Nil) and in respect of sale of investments where payments are overdue Rupees Nil (Previous year Rupees Nil).

Schedules to and forming part of Financial Statements

SCHEDULE - 9 Loans

Rupees ('000)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
1 SECURITY-WISE CLASSIFICATION		
Secured	-	-
a) On Mortgage of Property		
(aa) In India		
(bb) Outside India		
b) On Shares, Bonds, Govt. Securities		
c) Others		
Unsecured	-	-
Total	-	-
2 BORROWER-WISE CLASSIFICATION		
a) Central and State Government		
b) Bank and Financial Institutions		
c) Subsidiaries		
d) Industrial Undertakings		
e) Others		
Total	-	-
3 PERFORMANCE-WISE CLASSIFICATION		
a) Loans classified as standard		
(aa) In India		
(bb) Outside India		
b) Non-performing loans less provisions		
(aa) In India		
(bb) Outside India	-	-
Total		
4 MATURITY-WISE CLASSIFICATION		
a) Short- Term		
b) Long- Term		
Total	-	-
Total	-	-

Schedules to and forming part of Financial Statements

SCHEDULE 10 - Fixed Assets

Rupees ('000)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1st April 2013	Additions/ Adjustments during the year	Deductions/ Adjustments during the year*	As at 31st March, 2014	As at 01 April 2013	For the Year	On Sales/ Adjustments	As at 31st March, 2014	As at 31st March, 2014	As at 31st March 2013
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles-Computer Softwares	268,677	78,674	-	347,351	164,644	91,087	-	255,731	91,620	104,033
Land-Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	168,337	9,311	41,645	136,003	162,249	5,708	41,789	126,168	9,835	6,088
Freehold Improvements	24,624	218	665	24,177	17,064	4,346	-	21,410	2,767	7,560
Buildings**	2,569,921	64,386	-	2,634,307	114,757	52,126	-	166,883	2,467,424	2,455,164
Furniture & Fittings	324,912	117,917	48,957	393,872	235,648	57,113	44,816	247,945	145,927	89,264
Information Technology Equipment	784,559	50,157	34,868	799,848	703,630	56,212	32,294	727,548	72,300	80,929
Vehicles	19,166	4,536	3,671	20,031	8,310	3,912	2,714	9,508	10,523	10,856
Office Equipment	235,593	52,974	25,737	262,830	183,228	24,625	21,258	186,595	76,235	52,365
Others	-	-	-	-	-	-	-	-	-	-
Total	4,395,789	378,173	155,543	4,618,419	1,589,530	295,129	142,871	1,741,788	2,876,631	2,806,259
Capital work-in-progress & advances									10,382	35,076
Grand Total	4,395,789	378,173	155,543	4,618,419	1,589,530	295,129	142,871	1,741,788	2,887,013	2,841,335
Previous Year : 2012-13	3,351,292	1,117,998	73,501	4,395,789	1,454,846	203,284	68,600	1,589,530	2,841,335	2,080,825

* Refer Schedule 16 Note 2.14

** Include share of undivided portion of Land, along with office premises, at an estimated cost of Rs.19,177 thousand (Previous year Rs. 19,177 thousand)

SCHEDULE 11 - Cash and Bank Balances

Rupees ('000)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
1. Cash and Stamps on Hand	101,138	64,478
2. Cheques on Hand	956,126	596,962
3. Bank Balances		
(a) Deposit Accounts		
(aa) Short Term (due within 12 months)	2,146,313	2,391,931
(bb) Others	4,094,000	6,633,600
(b) Current Accounts	2,193,029	1,629,082
(c) Others	-	-
4. Money at Call and Short Notice		
(a) With Banks	-	-
(b) With Other Institutions	-	-
5. Others	-	-
Total	9,490,606	11,316,053
Balance with non-scheduled Banks included in (3) above	137,449	122,355
Cash and Bank Balances		
In India	9,353,157	11,193,698
Outside India	137,449	122,355
Total	9,490,606	11,316,053

Schedules to and forming part of Financial Statements

SCHEDULE - 12 Advances and Other Assets

Rupees ('000)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Advances		
Reserve Deposits with Ceding Companies	-	-
Application money for investments	-	-
Prepayments	93,370	32,866
Advances to Directors / Officers	-	-
Advance Tax Paid and Taxes Deducted at Source (Net of Provision for Taxation Rupees 7,065,242 (Previous year Rupees 5,374,694 thousand))	111,299	76,028
Others		
Advance to Employees	1,291	1,292
Advances recoverable in cash or in kind	359,541	357,439
Less : Provision for doubtful advances	(8,163)	(8,791)
	351,378	348,648
Unutilised service tax Carried forward	315,989	215,731
Total (A)	873,327	674,565
Other Assets		
Income accrued on investments	3,010,915	2,319,063
Outstanding Premiums	164,967	85,170
Agents' Balances	18,093	33,860
Less: Provision For Doubtful Recoveries	(1,526)	(2,495)
	16,567	31,365
Foreign Agencies Balances	-	-
Due from other entities carrying on insurance business, including reinsurers (net)	687,626	446,280
Less: Provision for doubtful amounts	(2,581)	(2,581)
	685,045	443,699
Due from Subsidiary/Holding Companies	-	-
Deposit with Reserve Bank of India [Pursuant to Section 7 of Insurance Act, 1938]	-	-
Others - Deposits	112,877	123,298
Total (B)	3,990,371	3,002,595
Total (A + B)	4,863,698	3,677,160

Schedules to and forming part of Financial Statements

SCHEDULE - 13 Current Liabilities

Rupees ('000)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Agents' Balances	394,164	447,085
Balances due to other insurance companies	3,269,263	2,811,121
Premiums Received in Advance	1,453,439	1,118,404
Unallocated Premium	1,018,749	863,103
Sundry Creditors (Refer Schedule 16 Note 22)	1,569,945	1,273,663
Due to Subsidiaries/holding Company	-	-
Claims outstanding for		
i) More than Six Months	19,046,382	17,235,402
ii) Less than Six Months (Including IBNR & IBNER) (Refer Schedule 16 Note 2.11 and Note 6)	33,641,689	25,289,888
Claims Recoverable from Reinsurer (Including IBNR)	52,688,071	42,525,290
Net Claims Outstanding	(21,196,332)	(15,187,594)
Solatium Fund	31,491,739	27,337,696
Due to Officers/Directors	24,626	16,240
Due to policyholders/ Insured (Refer Schedule 16 Note 24)	-	-
Others	927,237	820,702
- Sales Tax/Service Tax Payable	24,907	23,738
- Statutory Dues	67,703	43,742
Total	40,241,772	34,755,494

SCHEDULE - 14 Provisions

Rupees ('000)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Reserve for Unexpired Risk	20,468,908	17,791,395
Premium Deficiency (Refer Schedule 16 Note 2.9 and Note 10)	-	26,363
Provision for Fringe Benefit Tax (Net of Advance Tax of Rupees 80,375 thousand (Previous year Rupees 96,373 thousand))	33,470	33,470
Provision for Wealth Tax	222	219
For Proposed Dividends	-	-
For Dividend Distribution Tax	-	-
Others-		
For Employee Benefits		
Gratuity (Refer Schedule 16 Note 19)	-	16,059
Compensated Absences	207,110	111,779
Long Term Incentive Plan	143,169	84,625
Total	20,852,879	18,063,910

SCHEDULE - 15 Miscellaneous Expenditure (to the extent not written off or adjusted)

Rupees ('000)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Discount allowed in issue of shares/debentures	-	-
Others	-	-
Total	-	-

SCHEDULE – 16 : Significant Accounting Policies and Notes to and forming part of the Financial Statements for the year ended 31st March 2014

1. Background

Bajaj Allianz General Insurance Company Limited ('the Company') was incorporated on 19th September 2000, as a company under the Companies Act, 1956 ('the Act'). The Company is registered with Insurance Regulatory and Development Authority ('IRDA') and is in the business of underwriting general insurance policies relating to fire, marine and miscellaneous segments. The IRDA renewed the Company's certificate of registration to sell general insurance policies in India for the year 2013-14 vide its certificate dated 8th February 2013. The certificate has been renewed on 25th February 2014 with effect from 1st April 2014 and is valid up to 31st March 2015.

2. Significant accounting policies

2.1 Basis of preparation of Financial Statements

The financial statements are prepared and presented in accordance with the Generally Accepted Accounting Principles followed in India under the historical cost convention and accrual basis of accounting and in accordance with the statutory requirements of the Insurance Act, 1938, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('The Regulations') and orders and directions issued by the IRDA in this behalf, the Companies Act, 1956 ('The Act') read the general circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 to the extent applicable and comply with the notified accounting standards issued by Companies Accounting Standard Rules, 2006 (to the extent applicable) and current practices prevailing in the insurance industry.

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

2.2 Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Revenue recognition

i). Premium

Premium (net of service tax), including reinstatement premium, on direct business and reinsurance accepted,

is recognized as income over the contract period or the period of risk, whichever is appropriate, on a gross basis. Any subsequent revisions to or cancellations of premiums are recognized in the year in which they occur.

ii). Interest/dividend income

Interest income is recognized on accrual basis and dividend income is recognized when the right to receive the dividend is established.

iii). Premium/discount on purchase of investments

Premium or discount on acquisition, as the case may be, in respect of fixed income securities, is amortized / accreted on constant yield to maturity basis over the period of maturity/holding.

iv). Profit/loss on sale of securities

Profit or loss on sale/redemption of securities is recognized on trade date basis and includes effects of accumulated fair value changes, previously recognized and credited to Fair Value Reserve, for specific investments sold/redeemed during the year.

v). Commission on Reinsurance Ceded

Commission received on reinsurance ceded is recognized as income in the period in which reinsurance premium is ceded. Profit commission under reinsurance treaties, wherever applicable, is recognized in the year of final determination of the profits and as intimated by Reinsurer.

2.4 Reinsurance ceded

Reinsurance cost, in respect of proportional reinsurance ceded, is accrued at policy inception. Non-proportional reinsurance cost is recognized when incurred and due. Any subsequent revision to, refunds or cancellations of premiums are recognized in the year in which they occur.

2.5 Reinsurance Accepted

Reinsurance inward acceptances are accounted for on the basis of returns, to the extent received, from the insurers.

2.6 Acquisition Costs

Acquisition costs, defined as costs that vary with, and are primarily related to, the acquisition of new and renewal insurance contracts viz., commission, policy issue expenses etc., are expensed in the year in which they are incurred.

2.7 Premium received in advance

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the balance sheet date.

2.8 Reserve for unexpired risk

Represents that part of the net premium (i.e., premium, net of reinsurance ceded) which is attributable to, and set aside

for subsequent risks to be borne by the Company under contractual obligations on contract period basis or risk period basis, whichever is appropriate, subject to a minimum of 100% in case of Marine Hull business and 50% in case of other businesses based on net premium written during the year as required by Section 64 V(1)(ii)(b) of the Insurance Act, 1938. (Also refer 2.18).

2.9 Premium Deficiency

Premium deficiency is recognized if the ultimate amount of expected net claim costs, related expenses and maintenance costs exceeds the sum of related premium carried forward to the subsequent accounting period as the reserve for unexpired risk. The Company considers maintenance costs as relevant direct costs incurred for ensuring claim handling operations. Further, as per IRDA circular IRDA/F&A/CIR/FA/126/07/2013, dated 3rd Jul 2013 (Corrigendum on Master Circular IRDA /F&I/CIR /F&A/231/10/2012, dated 5th Oct 2012), premium deficiency, if any, has been recognized for the Company as a whole.

2.10 Claims incurred

Claims are recognized as and when reported. Claims incurred comprises claims paid, change in the outstanding provision of claims and estimated liability for claims incurred but not reported ('IBNR') and claims incurred but not enough reported ('IBNER'). It also includes survey fees, legal expenses and other costs directly attributable to claims. Claims paid (net of recoveries including salvage retained by the insured and includes interest paid towards claims) are charged to the respective revenue account when approved for payment. Where salvage is retained by the Company, the recoveries from sale of salvage are recognized at the time of sale. Provision is made for estimated value of outstanding claims at the balance sheet date net of reinsurance, salvage and other recoveries. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim, as anticipated and estimated by the management in light of past experience and subsequently modified for changes, as appropriate. Amounts received/receivable from the re-insurers/coinsurers, under the terms of the reinsurance and coinsurance arrangements respectively, are recognized together with the recognition of the claim.

2.11 IBNR and IBNER (Claims Incurred but not reported and claims incurred but not enough reported)

IBNR represents that amount of all claims that may have been incurred prior to the end of the current accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims incurred but not enough reported (IBNER). The said liability is determined based on actuarial principles by the Appointed Actuary. The methodology and assumptions on the basis of which the liability has been determined has also

been certified by the Actuary to be appropriate, in accordance with guidelines and norms issued by the Institute of Actuaries of India in concurrence with the IRDA and, accordingly, the liability determined is certified as adequate by the Actuary.

2.12 Operating expenses related to the insurance business

Operating expenses related to the insurance business are allocated to specific business segments on the following basis:

- Expenses which are directly identifiable to the business segments are allocated on actuals;
- Other expenses, which are not directly identifiable, are apportioned on the basis of Net Written Premium.

The method of apportionment is decided by the management, based on the nature of the expenses and their logical correlation with various business segments, wherever possible.

2.13 Income from Investments and Other Income

Income earned from investments and fixed deposits with banks, gain or loss on sale of investments and other income is allocated to the revenue account and the profit and loss account on the basis of funds available from insurance operations and shareholders funds and are further allocated to the lines of business in proportion of their respective Gross Direct Premium.

2.14 Fixed Assets and Depreciation / Amortization

Fixed assets are stated at cost (including incidental expenses relating to acquisition and installation) less accumulated depreciation. Assets costing up to Rs. 20,000 are depreciated fully in the year of acquisition.

Depreciation on other assets are provided on Straight Line Method ('SLM') with reference to the management's assessment of the estimated useful life of the assets or at the rates and in the manner specified by Schedule XIV of the Companies Act, 1956 whichever is higher, as follows:

Nature of Assets	Depreciation rates as per books (SLM)	Depreciation rates as per Sch XIV (SLM)
Information technology equipment	33.33%	16.21%
Computer software (Intangibles)	33.33%	16.21%
Vehicles	20.00%	7.07%
Office equipment	25.00%	4.75%
Furniture & Fixtures	6.33%	6.33%
Buildings	2.00%	1.63%
Air conditioner (part of office equipments)	10.00%	4.75%
Electrical fittings (part of furniture & fittings)	33.33%	4.75%
Leasehold improvements	33.33%	-
Freehold improvements on Investment Properties leased out	33.33%	-

The Company provides pro rata depreciation from/to the month in which the asset is acquired or put to use/disposed off as appropriate.

Impairment of assets

- (i) The carrying amounts of all assets are reviewed by the Company at each balance sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. Value in use is the present value of the estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. In assessing value in use the estimated future cash flows are discounted to their present value at a rate that reflects current market assessments of the time value of money and the risks specific to the asset, as determined by the management.
- (ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life, if any.

2.15 Investments

Investments are recorded on trade date at cost. Cost includes brokerage, transfer charges, transaction taxes as applicable, etc. and excludes pre-acquisition interest, if any.

Classification:

Investments maturing within twelve months from balance sheet date and investments made with the specific intention to dispose off within twelve months from balance sheet date are classified as short-term investments. Investments other than short term investments are classified as long-term investments.

Valuation:*Debt Securities*

All debt securities are considered as 'held to maturity' and accordingly stated at historical cost adjusted for amortization of premium or accretion of discount on constant yield to maturity basis in the revenue account and profit and loss account over the period held to maturity /holding.

The realized gain or loss on the securities is the difference between the sale consideration and the amortized cost in the books of the Company as on the date of sale determined on weighted average cost basis.

Equities (Listed & Actively Traded)

Listed and actively traded securities are stated at the last quoted closing price on The National Stock Exchange of India Limited (NSE). In case the equity shares are not listed on the NSE, then they are valued on the last quoted closing price on BSE. Unrealized gains or losses are credited / debited to the fair value change account.

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

Mutual Fund Units

Mutual fund units are stated at their Net Asset Value ('NAV') at the balance sheet date. Unrealized gains or losses are credited / debited to the fair value change account.

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

Fair Value Change Account

Fair value change account represents unrealized gains or losses in respect of investments in equity securities, derivative instruments and mutual fund units outstanding at the close of the year. The balance in the account is considered as a component of shareholders' funds and not available for distribution as dividend.

Unrealized losses on listed and actively traded investments held for long term are not considered to be of a permanent nature and hence the investments are not considered as impaired. However the Company, at each balance sheet date, assesses investments for any impairment and necessary provisions are made for the same where required.

Real Estate – Investment Property

Investment Property is measured at historical cost less accumulated depreciation and impairment loss, if any.

2.16 Employee Benefits**i) 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 ex-gratia.

ii) Post-employment benefits - defined benefit plan

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each balance sheet date based on actuarial valuation carried out by an independent actuary using projected unit credit method. Actuarial gains and losses are recognized immediately in the revenue account. To the extent the

benefits are already vested, past service cost is recognized immediately.

iii) Post-employment benefits - defined contribution plans

The Company's superannuation scheme and provident fund scheme are defined contribution plans. The contributions paid/payable under the schemes are recognized immediately in the revenue account. The Company contributes to the Bajaj Auto Employees' Superannuation Fund at fixed rates for eligible employees under a defined contribution plan, for which necessary approvals have been obtained.

iv) Compensated absences

The employee can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. The Company records an obligation for such compensated absences in the period in which the employee renders the services. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

v) Long Term Incentive Plan

The Company has a Long Term Incentive Plan ('LTIP') for selected management personnel. The plan is a discretionary deferred compensation plan with a vesting period of three years from the period of first entitlement of an employee. Provision for LTIP liability is accrued and provided for on the basis of actuarial valuation made at the balance sheet date.

2.17 Foreign Currency Transactions

Transactions denominated in foreign currencies, if any, are recorded at the exchange rate prevailing on the date of the transaction. Assets and Liabilities in foreign currency, if any, as at the balance sheet date are converted at the exchange rates prevailing at that date.

Exchange difference either on settlement or on translation is recognized in the revenue account or profit and loss account, as applicable.

2.18 Contributions to Terrorism and Third Party Insurance Pools

i) Terrorism pool

In accordance with the requirements of IRDA, the Company, together with other insurance companies, participated in the Terrorism Pool. This pool is managed by the General Insurance Corporation of India ('GIC'). Amounts collected as terrorism premium in accordance with the requirements of the Tariff Advisory Committee ('TAC') are ceded at 100% of the terrorism premium collected to the Terrorism Pool, subject to conditions and an overall limit of Rupees 10 billion (Previous year

Rupees 10 billion) per location/compound.

In accordance with the terms of the agreement, GIC retro cedes, to the Company, terrorism premium to the extent of the share agreed to be borne by the Company in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly confirmation received from GIC. Accordingly, reinsurance accepted on account of the Terrorism Pool has been recorded only up to 31st December 2013.

The entire amount of reinsurance accepted for the current year on this account, net of claims and expenses, up to the above date, has been carried forward to the subsequent accounting period as 'Unexpired Risk Reserve' for subsequent risks, if any, to be borne by the Company.

ii) The Indian Motor Third Party Insurance Pool ('IMTPIP')

In accordance with the directions of IRDA, the Company, together with other direct general insurance companies, participated in the Indian Motor Third Party Insurance Pool ('IMTPIP'). The IMTPIP was administered by the General Insurance Corporation of India ('GIC'). The IMTPIP covered reinsurance of the entire third party risks of specified commercial motor vehicles (specified risks). Amounts collected as premium in respect of specified risks were ceded at 100% of such premium, to the IMTPIP. The terms of the IMTPIP were covered by the provisions of a multi-lateral reinsurance arrangement, executed by all direct insurers licensed to carry on motor insurance business with effect from 1st April 2007.

As per the directions of the IRDA and the terms of the agreement between participant companies:

- a) The General Insurance Corporation of India ('GIC') participated in the pooled business at such percentage of the motor business that was ceded to it by all insurers as statutory reinsurance cessions under Section 101A of the Insurance Act.
- b) The business remaining after such cession to GIC was shared among all general insurers writing motor insurance business in the proportion that their gross direct general insurance premium in India from all classes of general insurance underwritten by them in that financial year bore to the aggregate gross direct general insurance premium from all classes of general insurance business written by all participant companies. Such share of business was computed by GIC and was applicable to all insurance companies, who were members of the IMTPIP.

The Company's share of premiums, claims, reinsurance commissions and expenses of the Pool

was recorded as inward reinsurance business, based on the returns submitted by GIC, under the respective heads of income or expense as the case may be and included within the Motor Third Party sub-segment of the Miscellaneous Revenue Account.

IRDA vide Orders IRDA / NL / ORD / MPL / 277/12/2011 dated December 23, 2011, IRDA / NL/ORD/MPL/003/01/2012 dated January 3, 2012 directed the dismantling of the IMTPIP and advised recognition of actuarially estimated liabilities relating to IMTPIP for all underwriting years commencing from April 1, 2007 and ending with March 31, 2012. Further, IRDA, vide Order No IRDA/F&A/ORD/MTPP/070/03-2012 dated March 22, 2012, amongst other things, provided an option to insurers for a deferred absorption of the transitional liability on straight line basis, subject to the conditions listed in the said Order. In terms of the aforesaid order, the Company carried forward the transitional liability of ₹ 2,397,743 thousands for the underwriting years 2009-10, 2010-11 and 2011-12, which was required to be absorbed equally over two financial years 2012-13 and 2013-14. Accordingly, the Company has accounted total deferred loss of ₹ 1,198,872 thousands in FY 2012-13 and 1,198,871 thousands in FY 2013-14 and as a result as on 31st March 2014 deferred loss has been absorbed completely.

iii) The Indian Motor Third Party Declined Risk Insurance Pool ('IMTPDRIP')

After dismantling of the Motor Pool, IRDA has formed a Declined Risk Insurance Pool with effect from 01 April 2012 wide order IRDA/NL/ORD/MPL/277/12/2011. The Indian Motor Third Party Declined Risk Insurance Pool (DR Pool), administered by the GIC, is an arrangement among all the existing General Insurers to share in the Stand Alone Third Party Liability of Commercial Vehicles i.e. Act Only policies. Any business relating to Act Only policies of Commercial Vehicles which does not fall within the underwriting parameters of respective insurer shall be ceded to the DR Pool. The premium to the extent of 20% in respect of specified risks is to be retained by the Company, 5% is to be ceded to GIC under obligatory cession and residual 75% is to be ceded to DR Pool. The Company has to underwrite a minimum percentage, as prescribed, of Act Only commercial vehicle third party insurance. DR pool shall be extinguished at the end of every underwriting year on a clean cut basis by transferring the risk at par to the members who have not fulfilled their mandatory obligation.

Accordingly, GIC has circulated the settlement statement up to 31st December 2013 stating the details of premium ceded to the pool, shortfall of obligation and

share of the Company in the DR Pool premium. The Company has recorded its share of premiums and claims as inward reinsurance business, based on the returns submitted by the GIC, under the respective heads of income or expense as the case may be and included within the Motor Third Party sub-segment of the Miscellaneous Revenue Account. Accordingly, such share has been recorded by the Company up to 31st December 2013 and for the period from 1st January 2014 to 31st March 2014 the losses from the pool of ₹ 86,087 thousands (Previous year 15,039 thousand) are provided based on the management's estimate and recorded net under claims incurred.

2.19 Contributions to Solatium Funds

The Company provides for contribution to Solatium fund at 0.10% of total TP Premium of direct business as per requirements of IRDA circular.

2.20 Income Tax

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences for earlier years. Timing differences are the differences between taxable income and accounting income for a period that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against sufficient future taxable profits.

At each balance sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes previously unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax asset (net of the deferred tax liability) is disclosed on the face of the balance sheet. The break-up of deferred tax assets and deferred tax liabilities into major components of the respective balances has been disclosed in Schedule 16, note 18.

2.21 Service Tax

Service tax collected is considered as a liability against which service tax paid for eligible input services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilized credits, if any, are carried forward under "Others – Unutilised Service Tax Carried Forward" and disclosed in Schedule 12 for adjustments in subsequent periods and service tax liability to be remitted to the appropriate authority is disclosed under "Others-Service Tax Payable" in Schedule 13. Service tax paid for eligible input services not recoverable by way of credits is recognized in the revenue account as expenses forming as separate line item in schedule 4 and Schedule 4(A).

2.22 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is neither recognized nor disclosed.

2.23 Earnings per Share

The basic earnings per share is computed by dividing the net profit in the profit and loss account attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

NOTES TO ACCOUNTS

3. Contingent liabilities

Contingent liabilities not provided for in respect of claims against the Company not acknowledged as debts other than insurance matters –

Rupees('000)

	31st March 2014	31st March 2013
1. Partly paid up investments	Nil	Nil
2. Underwriting commitments outstanding (in respect of shares and securities)	Nil	Nil
3. Claims other than those under policies not acknowledged as debts	Nil	Nil
4. Guarantees given by or on behalf of the Company	Nil	Nil
5. Statutory demands/liabilities in dispute, not provided for, in respect of		
• Service Tax and Education Cess	Nil	Nil
• Income Tax (see note below)	Nil	Nil
6. Reinsurance obligations to the extent not provided for in accounts	Nil	Nil
7. Others	Nil	Nil

The Company's claim for exemption of tax on profit on sale of investment has been allowed by the Income Tax Appellate Tribunal (ITAT), Pune for assessment years 2002-03, 2003-04, 2004-05, 2005-06 and 2006-07, rejecting the disallowance made by the lower authorities. The Income Tax Department has preferred appeals against orders of ITAT with respect to the above for assessment years 2002-03, 2003-04, 2004-05 and 2006-07 in the Mumbai High Court.

The Company has received favorable orders against the disallowance of expenses incurred in earning exempted income (section 14A) from Income Tax Appellate Tribunal (ITAT), Pune for the assessment years 2002-03, 2003-04, 2004-05, 2005-06 and 2006-07, rejecting the disallowance made by the lower authorities. The Income Tax Department has preferred appeals against orders of ITAT with respect to the above for assessment years 2002-03, 2003-04, 2004-05 and 2006-07 in the Mumbai High Court.

The Income Tax Department has preferred an appeal against the order of ITAT with respect to contribution to Solatium fund in the Mumbai High Court for assessment year 2005-06.

In assessment years 2008-09, 2009-10 and 2010-11, Assessing Officer has invoked disallowance with respect to payment of reinsurance premium to Allianz Reinsurance Branch Asia Pacific without deduction of tax at source. Allianz SE (parent company) is regularly assessed in India and claim for non-taxability of its income derived in India has been accepted by the department and nil orders have been passed in various years. Since, Allianz SE does not have a permanent establishment in India and as their claim of non-taxability has been accepted, considering other strong grounds of appeal and relying on the favorable Tribunal decisions, the Company has assessed the contingent liability as "Nil".

Appeals on similar grounds pertaining to assessment years 2007-08, 2008-09, 2009-10 and 2010-11 are pending before various authorities.

Based on the favorable orders received from ITAT, Pune and strong grounds of appeal, contingent liability for the above years is assessed as "Nil".

4. All assets of the Company are free from any encumbrances other than investments under Section 7 of Insurance Act, 1938 which are held in Government of India Bonds aggregating Rupees 112,902 thousands (Previous year Rupees 113,567 thousands). No assets of the Company are subject to restructuring.

5. Capital Commitments

Commitments made and outstanding for acquisition of fixed assets amount to Rupees 53,755 thousands (Previous year Rupees 48,048 thousands).

6. The appointed actuary has certified to the Company that actuarial estimates for IBNR (including IBNER) have been determined using actuarial principles. In the determination, the Guidance Notes issued by the Institute of Actuaries of India with the concurrence of the Authority and any directions issued by the Authority in this behalf have been followed. Where sufficient data is available, the actuary has chosen to adopt the chain ladder method. The chain ladder method has accordingly been applied to motor, fire, marine, engineering, personal accident, workmen's compensation and health. These constitute 99.3% (Previous year 99.5%) of the Company's total net written business excluding Third Party premium of Commercial Vehicle business. For Liability line of business and Commercial Vehicle TP business, the expected ultimate loss ratio method has been used to arrive at the estimate of IBNR. For Aviation Line of business, a flat IBNR of ₹ 1 crore has been adopted, as adopted last year.

Net IBNR reserves have been arrived at on the basis of actuarial estimates based on the claim data, after allowance for reinsurance recoveries.

7. Claims settled and outstanding for more than six months Rupees - Nil (Previous year - Rupees Nil).
8. Extent of premium income recognized based on varying risk pattern Rupees. Nil (Previous year - Rupees .Nil).
9. **Computation of managerial remuneration:**

	Rupees ('000)	
	For the year ended 31 st March 2014	For the year ended 31 st March 2013
Salary- (Including contributions to funds)		
Mr. Hemant Kaul	-	20,294
Mr. Tapan Singhel	18,735	*11,537
Perquisites		
Mr. Hemant Kaul	-	3
Mr. Tapan Singhel	40	40

* Managerial remuneration paid to Mr. Tapan Singhel includes Rupees Nil (Previous year 2,753 thousands) paid for the period prior to appointment as CEO

Expenses towards gratuity and compensated absence are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above information, except to the extent paid.

The managerial remuneration is in accordance with the approval accorded by a resolution of the Board of Directors and which has been approved by IRDA as required under Section 34A of the Insurance Act, 1938.

10. Premium Deficiency has been provided for in respect of following line of business - refer Schedule 16 note 2.9:

(Rupees '000)			
Sr. No	Line of Business	2014	2013
a)	Personal Accident	-	-
b)	Aviation	-	26,363
c)	Engineering	-	-

11. Percentage of business sector - wise (Based on Gross Written Premium):

(Amount Rupees '000, Count - numbers)						
Business sector	For the year ended 31st March 2014			For the year ended 31st March 2013		
	GWP	No of Lives	% of GWP	GWP	No of Lives	% of GWP
Rural	3,383,664	-	7.49	3,086,849	-	7.71
Social	15,989	370,265	0.04	10,910	318,058	0.03
Urban	41,764,837	-	92.47	36,916,276	-	92.26
Total	45,164,490	370,265	100	40,014,035	318,058	100

12. Extent of risk written and reinsured based on Gross written premium (excluding excess of loss and catastrophe reinsurance).

	For the year ended 31st March 2014	For the year ended 31st March 2013
	% age of business written	% age of business written
Risk retained	84%	80%
Risk Reinsured	16%	20%
	100%	100%

13. Contribution to Environment Relief Fund

The Company has collected an amount of Rupees 8,883 thousands (Previous year - Rupees 6,389 thousands) towards Environment Relief Fund from public liability policies. The Company has paid all the funds collected towards Environment Relief Fund up to February 28, 2014 to United India Insurance Company, the implementing agency for the fund. The balance payable has been disclosed under the head current liabilities in Schedule 13.

14. The Company's primary reportable segments are business segments, which have been identified in accordance with the Regulations. The operating expenses, income from investments and other income attributable to the business segments are allocated as mentioned in Schedule 16 Note

nos 2.12, 2.13 and 22 respectively. Segment revenue and results have been disclosed in the financial statements. Due to inherent complexities, segment assets and liabilities have been identified to the extent possible in the statement annexed hereto. There are no reportable geographical segments since the Company provides services only to customers in the Indian market or to Indian interests overseas and does not distinguish any reportable regions within India.

15. Related party disclosures have been set out in a separate statement annexed to this schedule. The related parties, as defined in Accounting Standard 18 'Related Party Disclosures' in accordance with the Companies Act, 1956 ('The Act') to the extent applicable and in compliance with the notified accounting standards issued by Companies Accounting Standard Rules, 2006 in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial personnel and taken on record by the Board.
16. The Company's significant leasing arrangements include agreements for office and residential premises. These lease agreements are generally mutually renewal / cancellable by the lessor / lessee. The future minimum lease payments relating to non cancellable leases are disclosed below:

Rupees ('000)		
	As at 31 st March 2014	As at 31 st March 2013
Payable not later than one year	21,483	32,779
Payable later than one year but not later than five years	8,549	48,711
Payable later than five years	-	-

- Amount charged to revenue accounts in respect of all lease arrangements aggregates Rupees 175,002 thousands (Previous year Rupees 190,604 thousands).
- There are no transactions in the nature of sub leases.
- The period of agreement is generally for three years and renewable thereafter at the option of the lessee.

17. Earnings per Share ('EPS')

The following table reconciles the numerator and denominator used to calculate basic/diluted EPS:

(Amount Rupees '000, Count - numbers)

	As at 31 st March 2014	As at 31 st March 2013
Profit after Tax		
Basic earnings before extra-ordinary items [A] Rupees	₹4,089,892	₹2,950,802
Basic earnings after extra-ordinary items [B] Rupees	₹4,089,892	₹2,950,802
Weighted average number of equity shares (par value of ₹ 10 each) [C]	110,227,250	110,227,250
Basic and diluted earnings per share [A/C]	₹ 37.10	₹26.77
Basic and diluted earnings per share excluding extraordinary items [B/C]	₹ 37.10	₹26.77

As there were no dilutive equity shares or potential equity shares issued, no reconciliation between the denominator used for computation of basic and diluted earnings per share is necessary.

18. Taxation

The deferred tax assets and liabilities, arising due to timing differences have been recognized in the financial statements as under:

(Rupees '000)		
Deferred tax asset	As at 31st March 2014	As at 31st March 2013
Timing difference on account of -		
Reserve for unexpired risks	346,871	427,755
Compensated Absence	70,397	36,267
Provision for doubtful debts	4,171	4,499
Total	421,438	468,521
Deferred tax liability		
Timing difference on account of -		
Depreciation as per Section 32 as per provisions of Income Tax Act, 1961	(103,688)	(61,447)
Net deferred tax asset	317,750	407,074
Deferred Tax expense/(income) recognized in the Profit and loss account	89,320	(31,060)
Total Deferred Tax expense/(income)	89,320	(31,060)

19. Gratuity benefit plans:

i) Defined contribution plan

The Company has recognized the following amounts which are defined contribution plans in the revenue account.

(Rupees '000)		
Particulars	31 March 2014	31 March 2013
Provident Fund	38,727	28,736
Superannuation Scheme	2,321	2,219
ESIC	503	3,370
LWF	147	134
Total	41,698	34,459

ii) Defined benefit plan (gratuity)

The Company has a defined gratuity 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 Bajaj Allianz Life Insurance Company Limited. The following table shows the amounts recognized in the Balance Sheet.

I. Profit and Loss account

Net employee benefit expense (recognized in Employee Cost)

(Rupees '000)		
	Gratuity	
	2014	2013
Current service cost	18,561	17,264
Interest cost on benefit obligation	8,960	8,291
Expected return on plan assets	(6,456)	(6,540)
Net actuarial gain recognized in the year	(1,064)	(1,457)
Net benefit expense	20,001	17,558
Actual return on plan assets	7,100	7,044

II. Balance Sheet

(i) Details of provision for gratuity

	Gratuity	
	2014	2013
Defined benefit obligation	117,569	101,028
Fair value of plan assets	(117,569)	(84,969)
	-	16,059
Less: Unrecognized past service cost	-	-
Net Liability	-	16,059

(ii) Changes in the present value of the defined benefit obligation are as follows

	Gratuity	
	2014	2013
Opening defined benefit obligation	101,028	86,124
Interest cost	8,960	8,291
Current service cost	18,561	17,264
Benefits paid	(10,559)	(9,698)
Actuarial gains on obligation	(420)	(953)
Closing defined benefit obligation	117,569	101,028

(iii) Changes in the fair value of plan assets are as follows:

	Gratuity	
	2014	2013
Opening fair value of plan assets	84,969	84,870
Expected return	6,456	6,540
Contributions by employer	36,059	2,753
Benefits paid	(10,559)	(9,698)
Actuarial gains	644	504
Closing fair value of plan assets	117,569	84,969

The Company expects to contribute ₹ 30,000 thousand to gratuity in 2014-15.

(iv) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	2014	2013
	%	%
Investments with insurer	100	100

(v) The principal assumptions used in determining gratuity and compensated absences and leave entitlement benefit obligations for the Company's plans are shown below:

	2014	2013
	%	%
Discount rate	9	7.95
Expected rate of return on assets	8.5	7.5
Increase in Compensation cost	10% for the first 3 years & 7.5% thereafter	15% for the first years, 12% for next 2 years & 7.5% thereafter

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

(vi) Experience Adjustments for the current and previous four years are as follows:

	Rupees ('000)				
	2014	2013	2012	2011	2010
Defined benefit obligation	117,569	101,028	86,124	66,991	59,294
Plan assets	117,569	84,969	84,870	50,894	55,491
Surplus / (deficit)	-	(16,059)	(1,254)	(16,097)	(3,803)
Experience adjustments on plan liabilities	18,592	(12,164)	9,855	(3,982)	(14,074)
Experience adjustments on plan assets	644	504	1,657	(1,200)	4,392

20. The summary of the financial statements for the last 5 years and the ratios required to be furnished have been set out in the statement annexed hereto.

21. Expenses directly identifiable with investment activity amounting to Rupees 10,298 thousands (previous year Rupees 10,345 thousands) are included under "expenses other than those relating to insurance business" in the Profit and Loss Account. Further, Operating expenses related to insurance business in Schedule 4, includes indirect expenses of Rupees 16,052 thousands (previous year Rupees 17,115 thousands) which could be apportionable towards investments activity. Out of these expenses amounting to Rupees 6,452 thousands (previous year Rupees 8,943 thousands) have been apportioned on the basis of number of documents, income or staff cost as appropriate.

22. The Company identifies suppliers registered under the "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006" by obtaining confirmations from suppliers. Based on the intimation received by Company, NIL amount (Previous year Rupees NIL Amount) is payable to MSMED suppliers.

23. Details of Penal actions taken by various Government Authorities as below:

Sr. No.	Authority	Non-Compliance / Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced/ Stay Received
					Rupees ('000)
NIL					

24. IRDA has vide circular no. IRDA/F&I/CIR/CMP/174/11/2010 advised all insurers to disclose under schedule 13 – Current Liabilities amount due to policyholders/ Insured on accounts of claims settled but not paid (except under litigation), excess collection of the premium / tax which is refundable and cheques issued but not encashed by policy holders / Insured. Age wise analysis of the amount due to policy holders / insured is disclosed as below:

Rupees ('000)

Ageing	Up to 6 Months	7 To 12 Months	13 To 18 Months	19 To 24 Months	25 To 30 Months	31 To 36 Months	Beyond 36 Months
Claims settled but not paid to the policyholders / insured due to any reasons except under litigation from the insured / policyholders	665,196	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise	-	-	-	-	-	-	-
Any excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the authority but not refunded so far	53,537	9,677	9,602	10,183	259	92	225
Cheques issued but not encashed by the policyholder/ insured *	10,233	16,455	14,821	9,899	18,936	24,683	83,439

* Does not include cheques issued to policyholders and appearing in Bank reconciliation as on 31st March 2014.

As per our report of even date attached

For M/s. B S R & Co. LLP

Chartered Accountants

Firm's Registration Number

101248W

For M/s. Kirtane & Pandit

Chartered Accountants

Firm's Registration Number

105215W

Juzer Miyajiwala

Partner

Membership No. 047483

Pune

Suhas Deshpande

Partner

Membership No. 031787

Pune

Place : Pune

Date : 10th May 2014

For and on behalf of the Board of Directors

Sanjiv Bajaj

Chairman

Kamesh Goyal

Director

Suraj Mehta

Director

Tapan Singhel

Managing Director
& Chief Executive Officer

Manuel Bauer

Director

Ranjit Gupta

Director

Dipak Poddar

Director

Milind Choudhari

Chief Financial Officer

Rahul Bajaj

Director

S H Khan

Director

Manu Tandon

Director

Onkar Kothari

Company Secretary
& Compliance Officer

Place : Pune

Date : 10th May 2014

Annexure to Schedule 16 - Notes to Accounts and forming part of the Financial Statements for the year ended 31st March, 2014
(Refer Note no. 14)

Segmental Break up of the Balance Sheet item as at 31st March, 2014

Segment revenues and segment results have been incorporated in the Financial Statements. However segment asset and liabilities, given the nature of the business, have been allocated amongst various segments to the extent possible.

Rupees ('000)

	Fire	Marine		Misc	Total
		Cargo	Others		
Premium Received in Advance	17,598	7,670	293	1,427,878	1,453,439
	(13,823)	(3,179)	(357)	(1,101,045)	(1,118,404)
Net Claims Outstanding	635,084	327,618	20,924	30,508,113	31,491,739
	(683,601)	(303,255)	(45,022)	(26,305,816)	(27,337,694)
Reserve for Unexpired Risk	1,557,404	197,765	2,128	18,711,610	20,468,907
	(1,306,228)	(293,112)	(949)	(16,191,106)	(17,791,395)
Deposits with Ceding Companies	-	-	-	-	-
	-	-	-	-	-
Premium Deficiency	-	-	-	-	-
	-	-	-	(26,363)	(26,363)
Solatium Fund	-	-	-	24,626	24,626
	-	-	-	(16,240)	(16,240)
Proposal Deposits (to the extent identifiable)	-	-	-	-	-

31st March 2013 figures are in Brackets

Summary of Financial Statements

(Refer Note no. 20)

Particulars	2014	2013	2012	2011	2010
OPERATING RESULTS					
Gross Written Premium	45,838,866	41,093,938	36,758,889	31,293,671	27,248,874
Net Premium Income (net of Reinsurance)	37,608,080	32,031,496	26,956,707	23,105,010	19,716,713
Income from Investments (net of losses)	4,633,659	3,827,965	2,906,349	2,169,225	1,709,194
Miscellaneous Income	105,766	108,787	94,350	153,879	380,378
Total Income	42,347,505	35,968,248	29,957,406	25,428,114	21,806,285
Commission	1,352,007	991,068	747,143	403,600	317,681
Operating Expenses Related to Insurance Business	8,362,753	7,687,425	6,722,295	6,461,172	5,485,141
Claims, increase in URR and other outgoes	27,912,310	23,969,223	21,312,084	18,584,845	14,776,070
Operating Profit/Loss	4,720,435	3,320,532	1,175,884	(21,503)	1,227,393
NON OPERATING RESULTS					
Total income under Shareholders' Account	1,149,429	894,884	764,008	640,637	570,648
Profit before Tax	5,869,864	4,215,416	1,939,892	619,134	1,798,041
Provision for Tax	(1,779,972)	(1,264,614)	(703,351)	(186,411)	(589,763)
Profit after Tax	4,089,892	2,950,802	1,236,541	432,723	1,208,278
MISCELLANEOUS					
Policyholders' Account	Not Applicable being General Insurance Company				
Total Funds					
Total Investments					
Yield on Investments					
Shareholders' Account	Not Applicable being General Insurance Company				
Total Funds					
Total Investments					
Yield on Investments					
Paid up Equity Capital	1,102,273	1,102,273	1,102,273	1,102,273	1,102,273
Net Worth	16,642,955	12,553,063	9,587,254	8,356,054	7,927,903
Total Assets (Gross of current liabilities and provisions)	77,737,606	65,372,467	53,789,999	44,465,619	37,323,825
Yield on Total Investments	9.59%	9.92%	9.45%	8.47%	9.03%
Earning Per Share	37.10	26.77	11.22	3.93	10.96
Book value per Share	150.99	113.88	86.98	75.81	71.92
Total Dividend	-	-	-	-	-
Dividend per share	-	-	-	-	-

Ratios for the year ended 31st March, 2014

Sr. No.	Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
1	Gross Direct Premium Growth Rate	12.87%	21.75%
	Motor	12.53%	22.97%
	Fire	9.04%	23.97%
	Marine Cargo	17.24%	7.50%
	Marine Hull	563.54%	83.96%
	Workmen's Compensation / Employers' Liability	9.61%	4.94%
	Public/Product Liability	20.13%	22.43%
	Engineering	-3.70%	8.30%
	Aviation	2.91%	-72.58%
	Personal Accident	-4.40%	-4.79%
	Health	25.00%	39.26%
	Credit Insurance	31.95%	-34.50%
	Others	1.83%	12.35%
2	Gross Direct Premium to Net Worth Ratio	271.37%	318.76%
3	Growth Rate of Net Worth	32.58%	30.93%
4	Net Retention Ratio	82.04%	77.95%
	Motor	94.81%	90.03%
	Fire	38.83%	37.19%
	Marine Cargo	61.43%	60.98%
	Marine Hull	4.99%	2.78%
	Workmen's Compensation / Employers' Liability	94.58%	89.71%
	Public/Product Liability	31.83%	28.64%
	Engineering	18.03%	17.31%
	Aviation	4.66%	1.79%
	Personal Accident	82.15%	79.56%
	Health	92.41%	88.47%
	Credit Insurance	0.62%	1.50%
	Others	52.31%	54.39%
5	Net Commission Ratio	3.59%	3.09%
	Motor	4.01%	3.34%
	Fire	-8.75%	-5.88%
	Marine Cargo	7.35%	8.08%
	Marine Hull	0.66%	30.06%
	Workmen's Compensation / Employers' Liability	7.73%	7.45%
	Public/Product Liability	-3.32%	-9.33%
	Engineering	-61.17%	-67.52%
	Aviation	-38.11%	-1056.92%
	Personal Accident	10.41%	11.03%
	Health	7.08%	7.30%
	Credit Insurance	-2018.66%	-846.15%
	Others	1.89%	2.49%
6	Expenses of Management to Gross Direct Premium Ratio	23.91%	24.66%
7	Expenses of Management to Net Written Premium Ratio	28.71%	30.81%
8	Net Incurred Claims to Net Earned Premium	72.29%	72.43%
9	Combined Ratio	98.13%	99.53%
10	Technical Reserves to Net Premium Ratio	1.38	1.41
11	Underwriting Balance Ratio	0.00	-0.02
	Fire	0.53	0.54
	Marine	0.37	0.18
	Miscellaneous	-0.03	-0.05
12	Operating Profit Ratio	13.21%	10.98%
13	Liquid Assets to Liabilities ratio	0.24	0.31
14	Net Earning Ratio	10.88%	9.21%
15	Return on Net worth	24.57%	23.51%
16	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) Ratio	1.96	1.79
17	NPA Ratio	-	-

Ratios are computed in accordance with and as per definition given in the Master Circular on Presentation of Financial Statements dated 5 October 2012 and subsequent corrigendum thereon dated 3 July 2013.

Receipts and Payments for the year ended 31st March, 2014

Rupees ('000)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Premium received from Policyholders, including advance receipts and service tax (Payments)/ Receipts to Re-insurers, net of commissions and claims	49,364,134	43,517,449
Receipts from Co-insurers, net of claims recovery	(1,288,944)	1,165,496
Payment of Claim	96,898	14,819
Payment of Commission	(26,443,650)	(23,648,607)
Payment of other Operating Expenses	(2,518,209)	(2,089,753)
Miscellaneous Income	(7,537,928)	(7,332,885)
Preliminary and preoperative expenses	4,535	30,079
Income tax paid (Net)	-	-
Service Tax Paid	(1,713,580)	(920,402)
Other Payments	(3,482,487)	(3,241,983)
Cash Flow before extraordinary items	-	-
Cash Flow from extraordinary operations	-	-
Net Cash In Flow From Operating Activities	6,480,769	7,494,213
Investment Activities		
Purchase of Fixed Assets including Capital Work in Progress & Capital Advances	(348,494)	(1,000,369)
Proceeds from Sale of Fixed Assets	11,049	5,020
Purchase of Investments	(29,758,330)	(37,787,881)
Sale of Investments	17,849,338	28,298,348
Rent/Interests/Dividends Received	4,659,926	3,603,508
Investments in money market instruments and in liquid mutual funds (Net)	(719,204)	1,796,462
Investment property purchase	-	-
Interest Expense and Other Investment Expenses	(10,442)	(10,873)
Cash Deposit under Section 7 of the Insurance Act, 1938	-	(2,997)
Investment in Fixed Deposit Maturity more than 3 months	2,577,200	(1,963,700)
Net Cash Out Flow from Investment Activities	(5,738,957)	(7,062,482)
Cash Flow from financing Activities		
Proceeds from issuance of share capital	-	-
Interest/dividends paid	-	-
Proceeds from borrowing	-	-
Repayments of borrowing	-	-
Interest/dividends paid	-	-
Net cash flow financing activities	-	-
Effect of foreign exchange gain/(loss) rates on cash and cash equivalents, net	9,942	(6,004)
Increase/(Decrease) in Cash and Cash Equivalents during the year	751,754	425,727
Cash and Cash Equivalent at the year beginning	2,544,852	2,119,125
Cash and Cash Equivalent at the year end**	3,296,606	2,544,852
** Cash and cash Equivalent ('000)	2014	2013
Cash & Bank balance as per schedule 11	9,490,606	11,316,052
Less: Fixed Deposit Maturity More than 3 Months	6,194,000	8,771,200
Less: Temporary over draft as per schedule 13	-	-
Cash and Cash Equivalent at the year end	3,296,606	2,544,852
As Integral part of Financial Statements		

As per our report of even date attached

For M/s. B S R & Co. LLP
Chartered Accountants
Firm's Registration Number
101248W

For M/s. Kirtane & Pandit
Chartered Accountants
Firm's Registration Number
105215W

Juzer Miyajiwala
Partner
Membership No. 047483
Pune

Suhas Deshpande
Partner
Membership No. 031787
Pune

Place : Pune
Date : 10th May 2014

For and on behalf of the Board of Director

Sanjiv Bajaj
Chairman

Kamesh Goyal
Director

Suraj Mehta
Director

Tapan Singhel
Managing Director &
Chief Executive Officer

Place : Pune
Date : 10th May 2014

Manuel Bauer
Director

Ranjit Gupta
Director

Dipak Poddar
Director

Milind Choudhari
Chief Financial Officer

Rahul Bajaj
Director

S H Khan
Director

Manu Tandon
Director

Onkar Kothari
Company Secretary &
Compliance Officer

'Annexure to Schedule 16 Notes to Accounts and forming Part of Financial Statements for the year ended 31st March 2014

Related Party Disclosures under AS 18 for the year 2013-14

Amount in ₹('000)

Sr. No.	Name of the Related party	Nature of Relationship with the Company	Description of Transactions / Categories	2013-2014		2012-2013	
				Transactions for the current year	Outstanding Amt carried to Balance Sheet Payable/ (Receivable)	Transactions for the Previous year	Outstanding Amt carried to Balance Sheet Payable/ (Receivable)
1	Bajaj Finserv Limited	Holding Company	Contribution to Equity	-	815,682	-	815,682
			Rent for premises hired	18,720	-	18,051	-
			Deposits for Rented Premises	-	(18,720)	1,605	(18,720)
			Insurance Premium received	3,260	-	2,725	-
			Insurance Claims paid	100	-	116	-
			Unallocated Premium	-	3,336	-	82
			Billable expenses incurred on behalf	400	-	535	-
2	Bajaj Finserv House Owners Association	Group Association	Society Maintenance deposit	268	(1,400)	257	(1,668)
			Society Share Certificate	-	(1)	-	(1)
			Society maintenance charges	15,725	-	15,727	863
			Insurance Premium received	155	-	144	-
			Insurance Claims paid	-	-	2	-
3	Bajaj Auto Limited	Group Company	Insurance Premium received	106,081	-	96,137	-
			Insurance Claims paid	56,280	-	46,752	-
			Unallocated Premium	-	18,097	-	48,112
			Purchase of Bike	77	-	508	-
4	Bajaj Holdings and Investments Limited	Group Company	Insurance Premium received	115	-	125	-
			Insurance Claims paid	-	-	-	-
			Purchase of Investments	51,787	-	50,858	-
5	Bajaj Allianz Financial Distributors Limited	Group Company	Insurance Premium received	2,475	-	13,813	-
			Insurance Claims paid	5,413	-	9,847	-
			Unallocated Premium	-	41	-	1,230
			Manpower supply charges	608,440	508	522,582	1,399
			Billable expenses incurred on behalf	50	-	4,264	-
			Premium Received as an Agent	1,659,242	1	1,572,270	1
			Insurance commission paid/payable	108,030	6,799	110,023	7,195
6	Bajaj Electricals Limited	Group Company	Insurance Premium received	52,577	-	39,853	-
			Insurance Claims paid	38,693	-	33,227	-
			Unallocated Premium	-	861	-	424
			Purchase of Access Card	169	-	-	-
7	Bajaj Finance Limited	Group Company	Insurance Premium received	8,319	-	10,490	-
			Insurance Claims paid	6,046	-	3,106	-
			Unallocated Premium	-	34,121	-	10,226
			Billable expenses incurred on behalf	298	-	5	(8)
			Premium Received as an Agent	335,686	26,111	61,056	1,479
			Insurance commission paid/payable	45,291	3,296	8,660	3,349
			Investment in Corporate Bonds (Book Value)	-	(854,798)	700,000	(854,850)
			Income on investment	72,860	-	3,746	-
8	Bajaj Allianz Life Insurance Company Limited	Group Company	Expenditure incurred by BALIC on behalf of BAGIC	106,425	73,605	56,834	(837)
			Expenditure incurred by BAGIC on behalf of BALIC	33,089	-	47,989	-
			Insurance Premium received	11,615	-	80,346	-
			Insurance Claims paid	1,061	-	82,637	-
			Unallocated Premium	-	166	-	197
			Insurance Premium paid to BALIC	3,473	-	3,633	-
			Insurance Claims received from BALIC	750	-	1,953	-
			Payment against Gratuity Fund	35,387	-	2,753	-
			Purchase of Investments	26,251	-	-	-

Amount in ₹('000)

Sr. No.	Name of the Related party	Nature of Relationship with the Company	Description of Transactions / Categories	2013-2014		2012-2013	
				Transactions for the current year	Outstanding Amt carried to Balance Sheet Payable/ (Receivable)	Transactions for the Previous year	Outstanding Amt carried to Balance Sheet Payable/ (Receivable)
9	Bajaj Financial Solutions Limited	Group Company	Insurance Premium received	6	-	5	-
			Unallocated Premium	-	-	-	50
10	Mukand Engineers Limited	Enterprise where key mgmt personnel is having significant influence	Insurance Premium received	3,505	-	4,354	-
			Insurance Claims paid	2,366	-	590	-
			Unallocated Premium	-	54	-	27
11	Mukand Limited	Enterprise where key mgmt personnel is having significant influence	Insurance Premium received	35,922	-	23,682	-
			Insurance Claims paid	31,334	-	27,484	-
			Unallocated Premium	-	289	-	765
12	Hind Musafir Agency Ltd.	Enterprise where key mgmt personnel is having significant influence	Travel Agency Services	53,292	(4,111)	41,496	869
			Insurance Premium received	126	-	110	-
			Unallocated Premium	-	11	-	10
			Other expenses Paid/Payable	659	111	589	55
13	Allianz Cornhill Information Services Private Limited	Group Company	Insurance Premium received	252	-	5,349	-
			Insurance Claims paid	4,927	-	1,648	-
			Unallocated Premium	-	3	-	-
14	Allianz SE, Germany	Shareholder	Contribution to Equity	-	286,591	-	286,591
			Billable expenses incurred on behalf	1,357	-	115	-
15	Allianz Insurance Management Asia Pacific (Allianz Singapore)	Group Company	Billable expenses incurred on behalf	353	(43)	35	(171)
16	Allianz SE India Liaison Office	Subsidiary of Joint Venture Partner	Billable expenses incurred on behalf	-	-	4	(4)
17	Allianz Investment Management Singapore Pte	Group Company	Investment Management fees	3,150	709	3,150	-
18	AGCS Marine Insurance Company	Group Company	Reinsurance premium paid/payable	17,893	(5,166)	5,027	567
			Commission on reinsurance premium	2,750	-	1,218	-
			Claims recovery on reinsurance	11,349	-	3,854	-
19	Allianz Global Risks US Insurance Company	Group Company	Reinsurance premium paid/payable	13,220	6,612	11,481	212
			Commission on reinsurance premium	2,512	-	1,606	-
			Claims recovery on reinsurance	33	-	3,679	-
20	Allianz Global Corporate & Speciality AG, Canada	Group Company	Reinsurance premium paid/payable	122	-	133	64
			Commission on reinsurance premium	67	-	70	-
21	Allianz Global Corporate & Speciality AG, Spain	Group Company	Reinsurance premium paid/payable	1,232	1,005	-	-
			Commission on reinsurance premium	227	-	-	-
22	Allianz Global Corporate & Speciality AG, UK	Group Company	Reinsurance premium paid/payable	31,974	25,391	44,072	10,465
			Commission on reinsurance premium	4,954	-	5,143	-
			Claims recovery on reinsurance	396	-	2,791	-
			Reinsurance premium received/receivable	-	-	5,247	-
			Commission on reinsurance premium	-	-	369	-
23	Allianz Global Corporate & Speciality AG, Netherlands	Group Company	Reinsurance premium paid/payable	3,040	1,308	1,497	1,046
			Commission on reinsurance premium	862	-	625	-

Amount in ₹('000)

Sr. No.	Name of the Related party	Nature of Relationship with the Company	Description of Transactions / Categories	2013-2014		2012-2013	
				Transactions for the current year	Outstanding Amt carried to Balance Sheet Payable/ (Receivable)	Transactions for the Previous year	Outstanding Amt carried to Balance Sheet Payable/ (Receivable)
24	Allianz Global Corporate & Speciality AG, Italy	Group Company	Reinsurance premium paid/payable	4,246	3,467	1,283	48
			Commission on reinsurance premium	827	-	609	-
			Claims recovery on reinsurance	-	-	376	-
25	Allianz Global Corporate & Speciality AG, Australia	Group Company	Reinsurance premium paid/payable	-	-	669	-
			Commission on reinsurance premium	-	-	139	-
26	Allianz Global Corporate & Speciality AG, Switzerland	Group Company	Reinsurance premium paid/payable	67,726	2,545	2,383	970
			Commission on reinsurance premium	1,227	-	762	-
			Claims recovery on reinsurance	-	-	5	-
27	Allianz Global Corporate & Speciality Denmark - Nordic Region	Group Company	Reinsurance premium paid/payable	4,395	7,741	4,533	3,802
			Commission on reinsurance premium	456	-	735	-
28	Allianz Global Corporate & Speciality - Malaysia	Group Company	Reinsurance premium received/receivable	4,932	-	-	-
			Commission on reinsurance premium	321	-	-	-
			Billable Expenses	53	53	-	-
29	Insurance Joint Stock Company Allianz Russia	Group Company	Reinsurance premium paid/payable	-	148	221	148
			Commission on reinsurance premium	-	-	72	-
30	Allianz Global Corporate & Speciality AG, Munich	Group Company	Reinsurance premium paid/payable	562,464	231,350	497,234	264,194
			Commission on reinsurance premium	56,385	-	42,338	-
			Claims recovery on reinsurance	124,876	-	94,890	-
31	Allianz AG Reinsurance, branch Asia Pacific	Group Company	Reinsurance premium paid/payable	528,308	71,461	336,548	21,329
			Commission on reinsurance premium	118,234	-	86,098	-
			Claims recovery on reinsurance	94,509	-	159,941	-
			Portfolio Premium withdrawal	41,926	-	172,123	-
			Portfolio Claims withdrawal	116,066	-	527,824	-
			Portfolio Premium Entry	-	-	32,172	-
			Portfolio Claims Entry	-	-	98,659	-
CAT XOL Premium Paid/Payable	125,474	-	53,325	-			
32	Allianz Hongkong (Formerly known as Allianz China)	Group Company	Reinsurance premium paid/payable	-	110	124	110
			Commission on reinsurance received/receivable	-	-	68	-
33	Allianz Marine and Aviation Versicherungs AG (Allianz Agf Mat Ltd , Suffolk)	Group Company	Reinsurance premium paid/payable	-	724	-	-
34	Allianz Global Corporate & Speciality Ag Singapore (Priveously Known Allianz Insurance Company of Singapore - PTE)	Group Company	Reinsurance premium paid/payable	23,821	1,844	78,552	2,899
			Commission on reinsurance received/receivable	4,778	-	9,582	-
			Claims recovery on reinsurance	43	-	0	-
			Reinsurance premium received/receivable	4,294	-	615	-
			Commission on reinsurance premium	691	-	-	-
			Billable expenses incurred on behalf	121	-	3,073	-
Risk Survey Fee	-	-	1,844	(428)			
35	Allianz Belgium	Group Company	Reinsurance premium paid/payable	22,066	(4,458)	219,365	821
			Commission on reinsurance received/receivable	4,404	-	2,733	-
			Claims recovery on reinsurance	7,719	-	47,347	-
36	Allianz Elementar Versicherungs - Austria	Group Company	Reinsurance premium paid/payable	1,664	928	189	3
			Commission on reinsurance received/receivable	720	-	186	-
			Claims recovery on reinsurance	19	-	-	-

Amount in ₹('000)

Sr. No.	Name of the Related party	Nature of Relationship with the Company	Description of Transactions / Categories	2013-2014		2012-2013	
				Transactions for the current year	Outstanding Amt carried to Balance Sheet Payable/ (Receivable)	Transactions for the Previous year	Outstanding Amt carried to Balance Sheet Payable/ (Receivable)
37	Allianz Global Corporate & Speciality - France	Group Company	Reinsurance premium paid/payable	83,867	50,952	99,133	56,538
			Commission on reinsurance received/ receivable	8,850	-	9,988	-
			Claims recovery on reinsurance	62,098	-	43,185	-
38	AGA International S.A	Group Company	Reinsurance premium paid/payable	-	-	1,260	-
			Commission on reinsurance received/ receivable	-	-	559	-
39	Allianz Risk Transfer AG	Group Company	Reinsurance Premium Paid/payable	249,464	-	62,227	-
			Commission on reinsurance received/ receivable	55	-	2,429	-
40	Allianz Australia Insurance Limited	Group Company	Reinsurance premium paid/payable	549	-	-	-
			Commission on reinsurance received/ receivable	69	-	-	-
41	Euler Hermes Deutschland [Formerly known as Euler Hermes Cr Insurance (S) Ltd.]	Group Company	Reinsurance premium paid/payable	91,248	48,888	65,877	19,520
			Commission on reinsurance received/ receivable	16,352	-	11,083	-
			Claims recovery on reinsurance	5,030	-	34,774	-
			Billable expenses incurred on behalf of Euler Hermes	20,343	(22,888)	19,589	(254)
42	Allianz CP General Ins Co. Ltd	Group Company	Claims paid/ payable	17,231	-	548,099	-
			Billable expenses incurred on behalf	-	-	65	(65)
43	PT Asuransi Allianz Life Indonesia	Group Company	Claims paid/ payable	198	-	-	-
44	Allianz Managed Operations & Services SE	Group Company	SAS License Fee	-	-	2,451	-
			Income from Software Consultancy	18,252	(6,994)	15,530	(15,530)
			License & Maintenance fees for Opus	12,712	-	10,693	-
			Billable expenses incurred on behalf	183	-	-	-
45	Allianz Managed Operations & Services SE India	Group Company	Insurance Premium received	3,854	-	-	-
			Insurance Claims paid	1,148	-	-	-
			Unallocated Premium	-	63	-	-
46	Allianz China General Insurance Company Limited	Group Company	Billable expenses incurred on behalf	127	-	134	(134)
47	Sri Ayudhya General Insurance PCL	Group Company	Billable expenses incurred on behalf	35	-	-	-
48	AGA Assistance (India) Private Limited	Group Company	Insurance Claims paid	67,551	-	59,538	-
			Premium Received as an Agent	25,490	-	4,642.439	-
			Insurance commission paid/payable	3,567	614	672.573	-
			Unallocated Premium	-	23	-	-
49	AGA Services (India) Private Limited	Group Company	Insurance Claims paid	152,838	-	4,381	-
			Other expenses Paid/Payable	6,819	1,127	11,657	353
50	Euler Hermes Services India Private Limited	Group Company	Credit risk assessment fees paid	20,082	1,146	15,734	-
51	Allianz Insurance Co. Egypt (Non-Life)	Group Company	Claims paid/ payable	-	-	8,409	-
52	AZT Automotive GMBH		Billable expenses incurred on behalf	-	-	27	-
53	Tapan Singhel	Key Management Personnel	Remuneration	17,107	-	11,537	-
			Perquisites	40	-	40	-
54	Hemant Kaul	Key Management Personnel	Remuneration	-	-	20,294	-
			Perquisites	-	-	3	-

Notes : Reinsurance balances are net of Commission and claims wherever applicable.

A Range of Corporate and Retail Products

Fire & Engineering

- Fire (including Consequential Loss), Industrial All Risk • Engineering –Projects (includes EAR, CAR)
- Engineering - Operational (includes Contractor's Plant and Machinery, Electronic Equipment, Boilers & Pressure Plant, Machinery Breakdown, Deterioration of Stock)

Motor

- Private car • Two Wheelers • Commercial Vehicles • Motor Vehicle Warranty

Health Insurance

- Health Care Supreme • Surgical Protection Plan • Health Guard • Silver Health • Extra Care • Star Package • Health Ensure
- Tax Gain • Hospital Cash Daily Allowance • Personal Accident Policy • Premium Personal Guard • Sankat Mochan
- Critical Illness Policy • Women Specific Critical Illness • Loan Care • Comprehensive Care Plan

Travel Insurance

- Pravasi Bhartiya Bima Yojna • Overseas Travel Insurance
- Travel Companion - Travel Care, Travel Value, Travel Secure, Corporate Plans, Study Companion, Travel Asia, Travel Elite, Corporate Age, Travel Elite Asia, Corporate Elite, Student Companion Elite, Travel Elite Family, Travel Super Age Elite
- E Travel Value Policy • Travel Assist Card

Asset Insurance

- Householders Package • Shopkeepers Package • Office Package • Motor Dealers Package • Plate Glass
- Easy Householders Package Policy • Commercial Package Policy • Jewellers Block • My Home Insurance - All Risk Policy

Marine Insurance

- Marine Cargo • Marine Hull

Aviation Insurance

- Aviation Insurance

Credit Insurance

- Trade Credit World Insurance

Liability Insurance

- Commercial General Liability • Directors & Officers Liability • Public Offering of Securities Insurance
- Public Liability/ Public Liability Act • Product Liability • Professional Indemnity • Clinical Trial Liability

Rural Insurance

- Farmers Package • Cattle and Livestock Insurance • Weather Protect Insurance • Crop Insurance

Miscellaneous Insurance

- Money • Fidelity Guarantee • Burglary • Workmen's Compensation • Event Insurance
- Education Package • All Risk • Bankers Indemnity • Extended Warranty



Top Management

It is the committed team that has delivered the fantastic results again this year !

- Anamika Roy Rashtrawar
Chief Marketing Officer

"Customer Service is not a department, it's everybody's job."

- Milind Choudhari
Chief Financial Officer

" Customer service is the key to the success of our business. They do not expect us to be perfect but want us to be there with them when things go wrong. "

- T.A. Ramalingam
Chief Technical Officer



"Year 2013-14 was the Challenging one due to declining motor vehicle sale. However we maintained growth and profitability by introducing various measures which helped in exploring new opportunities, improving our services, cost effectiveness and loss minimization."

- Vijay Kumar
Chief Technical Officer
(Motor)

There is always right time to do what is Right.

- Hiren Vora
Chief Distributions Officer

Bajaj Allianz General Insurance Company Limited

G.E. Plaza, Airport Road, Yerawada, Pune - 411 006. | IRDA Regn. No.113. dated 2nd May, 2001

Tel: (020) 6602 6666. | Fax: (020) 6602 6667

www.bajajallianz.com | customercare@bajajallianz.co.in

CIN : U66010PN2000PLC015329

Insurance is the subject matter of the solicitation