

**ANNUAL REPORT**  
**FOR**  
**FY 2021-2022**

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

## **NOTICE OF 14th ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Fourteenth Annual General Meeting of the members of Niva Bupa Health Insurance Company Limited will be held on Thursday, June 9, 2022 at 1430 Hrs (IST) at Corporate Office of Niva Bupa Health Insurance Company Limited i.e. at 14th Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana 122102, India, to transact the following businesses:

### **ORDINARY BUSINESS**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

- 1. To receive, consider and adopt the Audited Financial Statements comprising the Balance Sheet of the state of affairs of the Company as at March 31, 2022 along with Revenue Account (Policyholders' Account) for the financial year ended March 31, 2022, Profit & Loss Account (Shareholders' Account) for the financial year ended March 31, 2022, Receipts & Payments Account (Cash Flow Statement) for the financial year ended March 31, 2022 including notes to financial statements, the Management Report together with Board's Report and Auditor's Report thereon**
- 2. To appoint a Director in place of Mr. Rajagopalan Santhanam (DIN-00025669), who retires by rotation and being eligible, offers himself for re-appointment**
- 3. To appoint a Director in place of Mr. Krishnan Ramachandran (DIN-08719264), who retires by rotation and being eligible, offers himself for re-appointment**
- 4. To consider & ratify the appointment and remuneration of M/s T.R. Chadha & Co. LLP, Chartered Accounts, Delhi (ICAI FRN - 006711N/ N500028) as Joint Statutory Auditors of the Company**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**“RESOLVED THAT** basis the recommendations of the Audit Committee and Board of Directors and pursuant to the provisions of section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force), IRDAI's Regulations and Corporate Governance Guidelines, M/s. T.R. Chadha & Co. LLP, Chartered Accountants, (ICAI FRN - 006711N/ N500028), who being eligible have offered themselves for appointment, be and is hereby ratified to be appointed as the Joint Statutory Auditors of the Company, to hold the office from the conclusion of 14th Annual General Meeting (2022) until the conclusion of the 17th Annual General Meeting (2025) of the Company on such terms & conditions as mutually agreed upon between the Board of Directors and M/s. T.R. Chadha & Co. LLP., Chartered Accountants, and at a remuneration amounting to Rs. 22,00,000/- (Rupees Twenty Two Lakhs only) (excluding reimbursement of out of pocket expenses which will be capped at a maximum of

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

7.5% of audit fee) for carrying out the Statutory Audit of the Company for the financial year 2022-23 be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors and any other person authorized by the Board of Directors of the Company be and are hereby authorized jointly and/or severally on behalf of the Company to take all actions as they may severally deem expedient, including making necessary filing/intimation, if any, with the Authorities and do all such acts, deeds and things as may be required or considered necessary or incidental thereto to give effect to the above resolution.”

## **5. To consider the appointment and remuneration of M/s. S. R Batliboi & Co. LLP, Chartered Accounts, (ICAI FRN-301003E/E300005) as Joint Statutory Auditors of the Company**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**“RESOLVED THAT,** the Shareholders hereby takes note of ‘letter confirming unwillingness’ by M/s Nangia & Co. LLP to continue as Statutory Auditors of the Company with effect from conclusion of the 14<sup>th</sup> AGM (2022).

**RESOLVED FURTHER THAT** basis the recommendations of the Audit Committee and Board of Directors and pursuant to the provisions of section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force), IRDAI’s Regulations and Corporate Governance Guidelines, M/s S. R. Batliboi & Co. LLP, Chartered Accountants, (ICAI FRN - 301003E/E300005), who being eligible have offered themselves for appointment, be and is hereby appointed as the Joint Statutory Auditors of the Company, to hold the office from the conclusion of 14<sup>th</sup> Annual General Meeting (2022) until the conclusion of the 19<sup>th</sup> Annual General Meeting (2027) of the Company on such terms & conditions as mutually agreed upon between the Board of Directors and Rs. 27,00,000/- (Rupees Twenty Seven Lakhs Only) (excluding reimbursement of out of pocket expenses which will be capped at a maximum of 7.5% of audit fee) for carrying out the Statutory Audit of the Company for the financial year 2022-23 be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors and any other person authorized by the Board of Directors of the Company be and are hereby authorized jointly and/or severally on behalf of the Company to take all actions as they may severally deem expedient, including making necessary filing/intimation, if any, with the Authorities and do all such acts, deeds and things as may be required or considered necessary or incidental thereto to give effect to the above resolution.”

## **SPECIAL BUSINESS**

### **6. To consider increase in authorized share capital of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as Ordinary Resolution:

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

**“RESOLVED THAT** pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company and basis the recommendation of the Board of Directors of the Company, the consent of the members be and is hereby accorded to increase the Authorized Share Capital of the Company from Rs. 1500,00,00,000/- (Rupees Fifteen Hundred Crores only) consisting of 150,00,00,000 (One Hundred and Fifty Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 5000,00,00,000/- (Rupees Five Thousand Crores only) consisting of 500,00,00,000 (Five Hundred Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each by creation of 350,00,00,000 (Three Hundred and Fifty Crores) equity shares of Rs. 10 (Rupees Ten only) each.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the existing Clause V of the Memorandum of Association of the Company be and is hereby altered by substituting the following new Clause V as under:

*“V. The Authorized Share Capital of the Company is Rs. 5000,00,00,000/- (Rupees Five Thousand Crores Only) divided into 500,00,00,000 (Five Hundred Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each.”*

**RESOLVED FURTHER THAT** Mr. Krishnan Ramachandran (Managing Director & CEO), Mr. C Anil Kumar (Chief Financial Officer) and Mr. Rajat Sharma (Company Secretary) be and are hereby jointly and/or severally authorized on behalf of the Company to take all actions as they may severally deem fit, including making necessary filing/intimation, if any, with the Authorities and do all such acts deeds and things as may be required or considered necessary or incidental thereto.”

**By order of the Board of Directors**



**Rajat Sharma**  
**Company Secretary**  
**M. No. F7069**

**Address:** 14th Floor, Capital Cyberscape,  
Sector 59, Gurugram, Haryana 122102  
**Email ID:** [rajat.sharma@nivabupa.com](mailto:rajat.sharma@nivabupa.com)

Dated: May 18, 2022

Place: Gurugram

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

## Notes:

1. The present AGM will be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with Circular No. 2/2022 dated May 05, 2022, Circular No. 21/2021 dated December 14, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 02/2021 dated January 13, 2021, Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020.
2. Pursuant to the Circular No. 20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April 08, 2020 and Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and pursuant to the Circular No. 20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, physical attendance of the Members to the AGM venue is not required. Hence, Members have to attend and participate in the ensuing AGM through VC/OAVM.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at [rajat.sharma@nivabupa.com](mailto:rajat.sharma@nivabupa.com)
7. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out material facts in respect of the item no. 4, 5 & 6 is annexed hereto.
8. Request for inspection of the Statutory Registers of the Company along with all the documents referred to in the accompanying Notice and Explanatory Statement shall be sent to the [rajat.sharma@nivabupa.com](mailto:rajat.sharma@nivabupa.com). The copies of the relevant documents, including shareholders agreement, appointment documents and articles of association shall also be made available for inspection at the time of Annual General Meeting.

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 20/2020 dated May 05, 2020 read with Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.nivabupa.com](http://www.nivabupa.com).
10. In case of poll, members can cast their vote by sending an email to [rajat.sharma@nivabupa.com](mailto:rajat.sharma@nivabupa.com).
11. The Registrar and Transfer Agent of the Company, M/s. MAS Services Limited, having its registered office at T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi – 110020 is handling Registry work in respect of shares held in electronic/dematerialised form.

## **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members whose email IDs are already registered with the Company and who are desirous to attend the AGM through VC/OAVM can apply at [rajat.sharma@nivabupa.com](mailto:rajat.sharma@nivabupa.com) requesting for participation in the AGM, by giving their name as registered in the records of the Company, DPID/Client ID or Folio Number and the Registered email ID.
2. Members may attend the AGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password/ and JOIN MEETING tab. By Clicking on JOIN MEETING they will be redirected to Meeting Room via browser or by running Temporary Application. In order to join the Meeting, follow the step and provide the required details (mentioned above – Meeting Id/Password/Email Address) and Join the Meeting. Members are encouraged to join the Meeting through Laptops for better experience.
3. In case of Android/Iphone connection, Participants will be required to download and Install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store.
4. Further Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

6. The helpline number for joining the Meeting through Electronic Mode will be provided in the Meeting Invitation which will be sent to the eligible applicants.

**By order of the Board of Directors**



**Rajat Sharma**  
**Company Secretary**

**M. No. F7069**

**Address:** 14th Floor, Capital Cyberscape,  
Sector 59, Gurugram, Haryana 122102

**Email ID:** [rajat.sharma@nivabupa.com](mailto:rajat.sharma@nivabupa.com)

Dated: May 18, 2022

Place: Gurugram

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

## **Explanatory statement pursuant to Section 102 of the Companies Act, 2013**

As required under Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the business mentioned in the accompanying Notice:

### **Item no. 4**

M/s. T.R. Chadha & Co. LLP, Chartered Accountants (ICAI FRN - 006711N/N500028) were appointed as Statutory Auditor by the shareholders of the Company in the 13<sup>th</sup> Annual General Meeting (2021) for a period of 4 years for a term ending at the conclusion of 17<sup>th</sup> Annual General Meeting (2025).

It is proposed to ratify the appointment of M/s. T.R. Chadha & Co. LLP, as Statutory Auditor of the Company for a period of next 3 years (i.e. for a term ending at the conclusion of 17<sup>th</sup> Annual General Meeting (2025)) and at a remuneration of Rs. 22,00,000/- (Rupees Twenty Two Lakhs Only) (excluding reimbursement of out of pocket expenses which will be capped at a maximum of 7.5% of audit fee) for carrying out the Statutory Audit of the Company for the financial year 2022-23.

A letter from M/s. T.R. Chadha & Co. LLP, confirming their eligibility for re-appointment as auditors of the Company under section 139 of the Companies Act, 2013 and meeting the criteria for appointment specified in section 141 of the Companies Act, 2013, has been received..

On recommendation of the Audit Committee, the Board of Directors in its meeting held on May 5, 2022 had accorded its approval in the matter and recommended the same to the shareholders for its approval

None of the Directors, Key Managerial Personnel(s) of the Company and their relatives may be deemed to be concerned or interested in the proposed resolution.

The Board recommends the Ordinary resolution set forth in Item no. 4 of the Notice for the approval of the members.

### **Item no. 5**

M/s. Nangia & Co. LLP, Chartered Accountants have conveyed their “unwillingness” to continue as Statutory Auditors of the Company from the conclusion of this 14<sup>th</sup> Annual General Meeting (2022)

On account of “unwillingness” received from M/s Nangia & Co LLP, it was proposed to appoint M/s S. R. Batliboi & Co. LLP, Chartered Accountants, bearing firm registration number - 301003E/E300005 as the Joint Statutory Auditors of the Company for the FY 22-23 till FY 2026-27, i.e. from the conclusion of 14<sup>th</sup> Annual General Meeting (2022) for a period of 5 years term ending at the conclusion of 19<sup>th</sup> Annual General Meeting (2027).

M/s S. R. Batliboi & Co. LLP have expressed their willingness to be appointed as the Joint statutory auditors of the Company. A letter from M/s S. R. Batliboi & Co. LLP, confirming their eligibility for appointment as auditors of the Company under

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)



# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

section 139 of the Companies Act, 2013 and meeting the criteria for appointment specified in section 141 of the Companies Act, 2013, has been received.

On recommendation of the Audit Committee, the Board of Directors in its meeting held on May 5, 2022 had accorded its approval to appoint M/s S. R. Batliboi & Co. LLP, Chartered Accountants as Statutory Auditor of the Company and to pay a remuneration of Rs. 27,00,000/- (Rupees Twenty Seven Lakhs Only) (excluding reimbursement of out of pocket expenses which will be capped at a maximum of 7.5% of audit fee) for carrying out the Statutory Audit of the Company for the financial year 2022-23 and recommended the same to the shareholders for its approval

None of the Directors, Key Managerial Personnel(s) of the Company and their relatives may be deemed to be concerned or interested in the proposed resolution.

The Board recommends the Ordinary resolution set forth in Item no. 5 of the Notice for the approval of the members.

## **Item no. 6**

The Company proposes to increase its Authorized Share Capital from Rs.1500,00,00,000/- (Rupees Fifteen Hundred Crores only) consisting of 150,00,00,000 (One Hundred and Fifty Crores) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs. 5000,00,00,000/- (Rupees Five Thousand Crores only) consisting of 500,00,00,000 (Five Hundred Crores) Equity Shares of Rs.10/- (Rupees Ten Only) each by creation of 350,00,00,000 (Three Hundred and Fifty Crores only) equity shares of Rs. 10/- (Rupees Ten only) each, in order to meet the capital requirements in line with the business plans of the Company.

The present authorized share capital of the Company is Rs. 1500,00,00,000/- (Rupees Fifteen Hundred Crores Only) divided into 150,00,00,000 (One Hundred and Fifty Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

The present issued, subscribed and paid-up share capital of the Company is Rs. 1408,60,22,280 (Rupees Fourteen Hundred and Eight Crores Sixty Lakhs Twenty Two Thousand Two Hundred and Eighty only) divided into 140,86,02,228 (One Hundred Forty Crores Eighty Six Lakhs Two Thousand Two Hundred and Twenty Eight) Equity Shares of Rs. 10/- (Rupees Ten Only) each

Pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, item no. 6 of the notice requires consent of the members by way of an Ordinary Resolution in the general meeting of the shareholders. Consequent upon the increase in authorized share capital of the Company, the Memorandum of Association is to be altered, in order to reflect the said increase. The proposed change in the Memorandum of Association of the Company has been mentioned in the aforesaid resolution.

None of the Directors, Key Managerial Personnel or any other officials of the Company and their relatives are in any way concerned or interested either

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

financially or otherwise in the proposed resolution except to the extent of their shareholding.

The Board recommends the Ordinary resolution set forth in Item no. 6 of the Notice for the approval of the members.

**By order of the Board of Directors**



**Rajat Sharma**  
**Company Secretary**  
**M. No. F7069**

**Address:** 14th Floor, Capital Cyberscape,  
Sector 59, Gurugram, Haryana 122102

**Email ID:** [rajat.sharma@nivabupa.com](mailto:rajat.sharma@nivabupa.com)

Dated: May 18, 2022

Place: Gurugram

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

## Attendance Slip

(to be presented at the entrance)

### NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

**CIN:** U66000DL2008PLC182918

**Registered Office:** First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

14th Annual General Meeting to be held on June 9, 2022 at 1430 hrs (IST) at the corporate office of Niva Bupa Health Insurance Company Limited at 14th Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

I certify that I am a member of the Company.

I hereby record my presence at the 14th Annual General Meeting of the Company being held at Niva Bupa Office, 14th Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India, on Thursday, June 9, 2022 at 1430 hrs (IST).

DP ID No:	Client ID No:
Number of Shares:	
Name of the Member:	Signature:
Name of the Proxy holder:	Signature:

1. Only Member can attend the Meeting.

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

## **CONSENT BY SHAREHOLDER**

[Pursuant to Section 96 of the Companies Act, 2013]

To,  
The Board of Directors,  
Niva Bupa Health Insurance Company Limited,  
First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

I, \_\_\_\_\_, (Nominee Shareholder of \_\_\_\_\_) / (Authorised representative of \_\_\_\_\_), having its registered office at \_\_\_\_\_, the registered holder of \_\_\_\_\_ Equity Shares of Rs.10/- each in Niva Bupa Health Insurance Company Limited ('the Company'), as on the date of the notice, hereby give my/our consent to conduct the 14<sup>th</sup> Annual General Meeting of the Company at 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana 122102, India, i.e. at place other than the registered office of the Company, pursuant to Section 96 of the Companies Act 2013.

.....  
(Name & Signature)

Signed this on \_\_\_\_\_

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

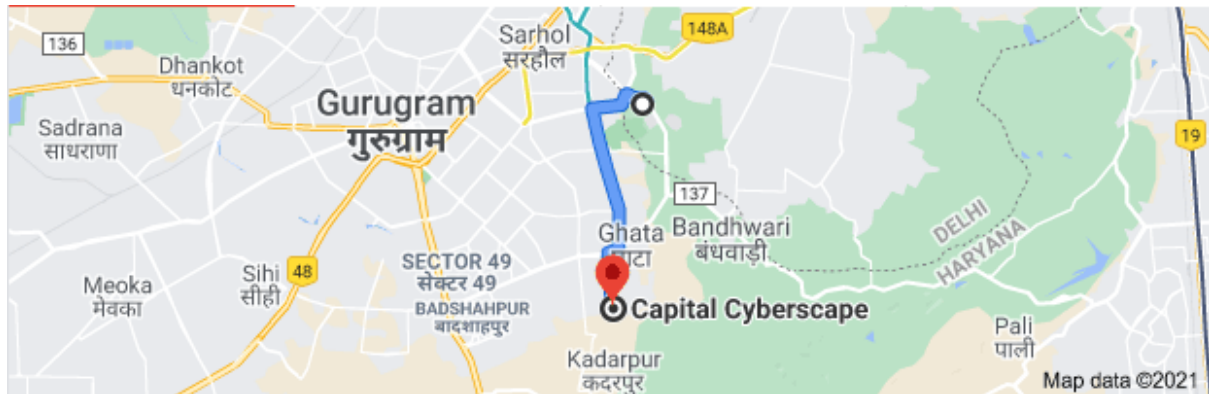
[www.nivabupa.com](http://www.nivabupa.com)

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

## **Route Map and landmark to the Venue**



Niva Bupa Health Insurance Company Limited

14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

CIN – U66000DL2008PLC182918

Registered Office: First Floor, C-98 Lajpat Nagar, Part 1, New Delhi-110024, India.

Corporate Office: 14<sup>th</sup> Floor, Capital Cyberscape, Sector 59, Gurugram, Haryana- 122102, India.

[www.nivabupa.com](http://www.nivabupa.com)

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

## DIRECTORS' REPORT

Your Directors are pleased to present the Fourteenth Directors' Report of your Company together with the audited accounts for the financial year ended March 31, 2022.

### 1. BUSINESS HIGHLIGHTS

The highlights for the Financial Year ended March 31, 2022 are as under:

Particulars	(Rs in '000)	
	Financial Year 2021-22	Financial Year 2020-21
Gross Written Premium	2,80,99,713	1,75,07,779
Earned Premium (Net)	1,75,25,098	1,15,08,667
Investment Income	12,48,381	8,59,410
Other Income	71,932	333
Less: Claims Incurred (Net)	1,08,86,260	64,55,551
Less: Commission Paid (Net)	12,04,197	6,34,807
Less: Operating Expenses	85,73,944	54,95,421
Less: Other Expenses	1,24,329	21,794
Less: Provision for diminution in the value of investments	(1,99,774)	(25,226)
Less: Provision for doubtful debts	2,21,707	2,83,451
<b>Profit/(Loss) before Tax</b>	<b>(19,65,250)</b>	<b>(4,97,389)</b>
<b>Key Business Parameters</b>		
Solvency Ratio	1.72	2.09
Share Capital (Rs. Crores)	1,408.60	1,349.73
Foreign Direct Investment (Rs. Crores)	629.31	606.03
No. of Employees	6,039	3,949
No. of offices	161	114
No. of Agents	1,03,815	68,259
No. of Policies	14,59,934	9,89,026

### 2. INDUSTRY OVERVIEW

During the FY22, the Non-Life Insurance Industry registered INR 220,772 Crores GWP and achieved a growth of 11% which is more than double the growth rate registered in FY21 (5.2%). The sector's aggregate growth has returned to pre-Covid levels.

Health insurance premiums have been the main driver of the non-life insurance industry since the on-set of the Covid-19 pandemic. The health segment has grown by 25.4% in FY22. The market share of the health segment has increased to 33.3% from 29.5 % in FY21. During the period, within various segments in health, the HI Group segment continues to hold the largest share of GWP at 49.5%, followed by Retail segment at 41.7%, Government at 8.2% and overseas medical at 0.6%. Retail health insurance business grew by 17% to Rs 30,690 crore in FY22 as compared to 29% in FY21.

SAHI Companies continues to grow faster than the industry and in FY 22, the growth for SAHI Companies was 32.6% as compared to 25.4 % for the entire health segment in industry. Also, the share of SAHI Companies increased to 27.3% in FY22 as compared to 25.8% in FY21.

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

*(Formerly Max Bupa Health Insurance Company Limited)*

---

The Non-Life premiums are expected to be driven by a continued uptick in the Health Segment even on the higher base (given that Covid has generated significant awareness amongst the public and Insurers are looking to grow in the smaller cities), digital solutions complemented by off-line offerings and the planned increase in Motor TP premium in FY23. However, the growth could be limited by any unanticipated adverse impact of any new Covid variants and a rise in re-insurance rates.

### 3. STATE OF COMPANY'S AFFAIRS

Your Company posted a Gross Written Premium of Rs. 2,810 crores for the year thereby registering a 60% growth over previous year. The Company posted underwriting loss of Rs. 313.93 crores during the year as compared to underwriting loss of Rs. 107.71 crores during the previous year. The Net Loss for the year was Rs. 196.53 crores as compared to loss of Rs. 49.74 crores in the previous year.

Your Company aims to be the preferred family health insurer for retail customers and offers quality health insurance services through its comprehensive distribution network comprising of Agency, Bancassurance & Alliances (NBFCs and brokers) and Direct & digital channel.

Key highlights of the year are as follows:

- Operationalized 47 new branches in Agency
- On-boarded new Banca partners viz. Bandhan Bank and Bank of India
- Certified Great Place to Work (GPTW) for the second time in a row. Recognized amongst Top 30 India's Best Workplaces™ in BFSI 2022
- Brand transition successfully completed

#### A. INVESTMENT PERFORMANCE

Your Company ensures management of investment assets in accordance with the Asset Liability Management Policy of the Company. The performance of the investments has been commensurate with the risk assumed.

92.4% of the portfolio is invested in highest safety instruments (viz. sovereign AAA or equivalent instruments and cash or cash equivalents). Your Company's Assets under Management (AUM) stands at Rs. 2,401.32 crores as on March 31, 2022 against Rs. 1,621.56 crores in previous year.

#### B. AWARDS AND RECOGNITIONS

During the Financial Year 2021-22, your Company was certified as a "Great Place to Work" for the second time in a row. Your Company is also recognized amongst Top 30 India's Best Workplaces™ in BFSI 2022.

Your Company was felicitated with Awards and Recognitions across various areas including brand, PR and employee engagement. Some of the awards are given below:

- The Economic Times Best Brand Awards 2022
- E4M Health Marcom Awards 2021 for Best Television Campaign (Silver) for 'Ab Nahi Karoge Toh Kab'
- E4M Health Marcom Awards 2021 for Best PR Campaign (Silver) for Covid Outreach Program
- Quantic India 3<sup>rd</sup> Annual BFSI Technology Excellence Awards 2022 for Product Innovator of the year (Health Insurance)

### 4. PHILOSOPHY

Niva Bupa aims to become 'India's most admired Health Insurance Company' by giving every Indian the confidence to access the best healthcare. The Company successfully

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

completed brand transition during the year and utilized this opportunity to realign the brand's purpose.

In its onward journey, Niva Bupa intends to enable consumers to take charge of their health by bringing together digital tools, meaningful & actionable information and access to quality healthcare.

To build more empathy & empowerment in the category and shape a positive narrative where Health Insurance is a tool for freedom vs. constraint, your Company launched a brand campaign 'Zindagi Ko Claim Kar Le' with a aim to change the narrative around health insurance while eliminating the fear element often associated with it.

Your Company is on a strong growth trajectory and achieved industry leading growth of 59% in the Retail Health Segment.

## **5. HEALTH INSURANCE PRODUCTS**

Your Company offers both indemnity and fixed benefit category of products serving retail, affinity/bank groups and government sponsored health insurance programs.

Your Company launched new products in both retail & group segments in FY22. Product 'Senior First' was introduced in the retail segment with a zero co-payment rider, which was received very well in the market. The Company also introduced personal accident plan covering international travel. The Company ventured into its first ever travel segment product with 'TravelAssure'.

In the Group Segment, the Company launched Smart Health, a 360 degree plan with all benefits for hospitalization, Digital OPD, Critical Illness, Accident and much more.

## **6. CORPORATE GOVERNANCE**

Your Company follows high standards of corporate governance and the Directors have embraced this belief and taken various steps to raise the bar of Corporate Governance.

The Board of your Company as on March 31, 2022 comprises of Five (5) Non-Executive Directors (including a Woman Director), one (1) Executive Director and three (3) Independent Directors.

As per Corporate Governance Guidelines issued by IRDAI, the Chief Executive Officer is designated as Whole-time Director under the Companies Act 2013. The Company has received Deed of Covenant and Declaration from Directors appointed during the year in accordance with the said Corporate Governance Guidelines.

Further, as on March 31, 2022, the Board has the following Committees, functioning in line with IRDAI's Corporate Governance Guidelines and the Companies Act 2013:

- a) Audit Committee
- b) Investment Committee
- c) Risk Committee
- d) Policyholders' Protection Committee
- e) Nomination and Remuneration Committee
- f) Corporate Social Responsibility Committee
- g) Borrowing Committee
- h) Share Allotment & Transfer Committee

The disclosures, as per the IRDAI's Corporate Governance Guidelines, form part of the Directors' Report and are appended as Annexure - 1. The details regarding number of meetings of the Board and its Committees along with the attendance of Directors of the



# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

Company thereof, as required under Section 134(3)(b) of the Companies Act 2013 also forms part of the aforesaid Annexure - 1.

## 7. BOARD OF DIRECTORS AND ITS COMMITTEES

The Board of Directors is responsible for the approval of the overall corporate strategy and other Board related matters. The Board of Directors of your Company comprises of Nine (9) members as on March 31, 2022.

1. There has been no change in the Directors of the Company during the financial year ended March 31, 2022
2. During the year, appointment of Ms. Penelope Ruth Dudley (DIN: 0009025006) as a Director of the Company was regularized in the Annual General Meeting held on April 27, 2021.
3. In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your Company Mr. Rajagopalan Santhanam (DIN-00025669) and Mr. Krishnan Ramachandran (DIN-08719264), being liable to retire by rotation at the ensuing Annual General Meeting of your Company and being eligible, have offered themselves for reappointment.
4. In accordance with the requirements of the Companies Act 2013 and IRDAI's Corporate Governance Guidelines, below are the Committees of the Board as on March 31, 2022:

S. No	Committees	Composition
1.	<b>Audit Committee</b>	Mr. Dinesh Kumar Mittal, Independent Director (Chairman) Mr. Rajagopalan Santhanam, Non-Executive Director Mr. Pradeep Pant, Independent Director Mr. David Fletcher, Non-Executive Director (Observer)
2.	<b>Investment Committee</b>	Mr. Maninder Singh Juneja, Non-Executive Director (Chairman) Ms. Penelope Ruth Dudley, Non-Executive Director Mr. Krishnan Ramachandran, Managing Director & CEO Mr. C Anil Kumar, Chief Financial Officer Mr. Vikas Jain, Chief Investment Officer Mr. Vishwanath Mahendra, Appointed Actuary Mr. Manish Sen, Chief Risk Officer*
3.	<b>Policyholders Protection Committee</b>	Ms. Penelope Ruth Dudley, Non-Executive Director (Chairperson) Mr. Maninder Singh Juneja, Non-Executive Director Mr. Pradeep Pant, Independent Director Mr. Dinesh Kumar Mittal, Independent Director Mr. Krishnan Ramachandran, Managing Director & CEO
4.	<b>Risk Committee</b>	Mr. David Fletcher, Non-Executive Director (Chairman) Mr. Maninder Singh Juneja, Non-Executive Director Mr. Rajagopalan Santhanam, Non-Executive Director Mr. Pradeep Pant, Independent Director
5.	<b>Nomination and Remuneration Committee</b>	Mr. Pradeep Pant, Independent Director (Chairman) Mr. C B Bhave, Independent Director Mr. David Fletcher, Non-Executive Director Mr. Divya Sehgal, Non-Executive Director Mr. Maninder Singh Juneja, Non-Executive Director Mr. Dinesh Kumar Mittal, Independent Director

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

6.	<b>Corporate Social Responsibility Committee</b>	Mr. Dinesh Kumar Mittal, Independent Director (Chairman) Mr. David Fletcher, Non-Executive Director Mr. Rajagopalan Santhanam, Non-Executive Director Mr. Krishnan Ramachandran, Managing Director & CEO
7.	<b>Borrowing Committee</b>	Mr. Dinesh Kumar Mittal, Independent Director (Chairman) Mr. David Fletcher, Non-Executive Director Mr. Maninder Singh Juneja, Non-Executive Director Mr. Rajagopalan Santhanam, Non-Executive Director Mr. Krishnan Ramachandran, Managing Director & CEO
8.	<b>Share Allotment &amp; Transfer Committee</b>	Mr. David Fletcher, Non-Executive Director (Chairman) Mr. Maninder Singh Juneja, Non-Executive Director Mr. Rajagopalan Santhanam, Non-Executive Director Mr. Krishnan Ramachandran, Managing Director & CEO

**Notes:**

\*Mr. Manish Sen, Chief Risk Officer was appointed as a member of the Investment Committee w.e.f. January 24, 2022.

## 8. KEY MANAGERIAL PERSONNEL (“KMP”) U/S SECTION 203 OF THE COMPANIES ACT, 2013 AND IRDAI’S CORPORATE GOVERNANCE GUIDELINES

As on 31st March 2022, the following employees were holding the position of Key Managerial Personnels, duly appointed with approval of the Board:-

1. Mr. Krishnan Ramachandran, Managing Director & CEO;
2. Mr. C Anil Kumar, Chief Financial Officer;
3. Mr. Rajat Sharma, Company Secretary;
4. Mr. Partha Banerjee, Director & Head-Legal, Compliance & Regulatory affairs and Chief Compliance Officer;
5. Mr. Vishwanath Mahendra, Appointed Actuary;
6. Mr. Vikas Jain, Chief Investment Officer;
7. Mr. Manish Sen, Chief Risk Officer\*

**\*Notes**

- a. Mr. Krishna B Singla resigned as Chief Risk Officer w.e.f. October 31, 2021.
- b. Mr. Manish Sen was appointed as Chief Risk Officer w.e.f. November 1, 2021.

During the year following Key Managerial Personnel was appointed by the Company:

- a. Mr. Manish Sen was appointed as Chief Risk Officer w.e.f. November 1, 2021.

## 9. CHANGE IN NATURE OF BUSINESS OF THE COMPANY

There was no change in the nature of business of the Company during the year.

## 10. MATERIAL CHANGES AND COMMITMENT, IF ANY

- a) The Company had filed with IRDAI for grant of forbearance towards exceeding the expenses of management over the allowable limit. Based upon the submission, the Authority in terms of regulation 11 of IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016 granted forbearance till FY 2022.

A sum of Rs. 271.72 crores which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account in accordance with the circular no. IRDAI/Reg./12/124/2016.

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

b) During the FY 2021-22, the Company has continued with its additional quota share reinsurance arrangement by ceding 20% of its risk on the indemnity portfolio, other than Employer/Employee scheme(s), to Reinsurer.

## **11. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR ALONG WITH REASONS THEREOF**

Your Company did not have any subsidiaries, joint ventures or associate companies during the year.

## **12. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no significant and material orders passed by the Regulators or Courts or Tribunals that impacted the going concern status of the Company or which can potentially impact the Company's future operations.

## **13. DIVIDEND**

The Directors do not recommend any dividend for the financial year 2021-22.

## **14. CAPITAL**

The authorized share capital of the Company is Rs. 1500,00,00,000/- (Rupees One Thousand Five Hundred crores only) divided into 150,00,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each. As of March 31, 2022, the paid up equity share capital of your Company was Rs. 14,08,60,22,280/- (Rupees One Thousand Four Hundred and Eight Crores Sixty lakhs and Twenty Two Thousand Two Hundred and Eighty only).

## **15. DEBENTURES**

Your Company has issued unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible debentures in the nature of subordinated debt for an aggregate sum of Rs. 250 Crores (Rupees Two Hundred & Fifty Crores Only). The securities are currently listed on the debt platform of the National Stock Exchange of India Limited.

## **16. SOLVENCY**

Your Company regularly monitors its solvency margins, to ensure that it is maintained in line with the requirements of IRDAI (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016. As on March 31, 2022, the solvency ratio of your Company stood at 172% against required solvency of 150%.

## **17. RESERVES**

Your Company has not transferred any amount to reserves, during the financial year 2021-22.

## **18. PARTICULARS OF DEPOSITS**

Your Company has not accepted any deposits under Section 73 of the Companies Act, 2013.

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

## 19. IMPLEMENTATION OF INDIAN ACCOUNTING STANDARD (Ind AS) IN INSURANCE SECTOR

The Ministry of Corporate Affairs (MCA) has outlined the roadmap for implementation of Ind AS in the insurance sector from April 1, 2018 onwards with one year comparatives. Consequently, IRDAI has set up various working groups to prepare a roadmap for implementation of Ind AS in the Insurance sector.

IRDAI vide its circular IRDAI/F&A/CIR/ACTS/023/01/2020 dated January 21, 2020 informed that IRDAI in its meeting held on December 20, 2019 decided to implement Ind AS 109, Financial Instruments and Ind AS 117 simultaneously, along with other applicable Ind AS. However, the effective date of implementation would be decided after the finalisation of IFRS 17 by IASB. Accordingly, the circular dated June 28, 2017 has been withdrawn along with the requirement of proforma Ind AS financial statements being submitted on a quarterly basis as directed in the circular. The Accounting Standard Board (ASB) of Institute of Chartered Accountants of India (ICAI) on December 24, 2020 deferred effective date of Ind AS 117 to annual reporting periods beginning on or after April 1, 2023.

## 20. POLICY ON ALLOCATION & APPORTIONMENT OF EXPENSES OF MANAGEMENT

As per the Notification issued by IRDAI (Reg./12/124/2016 dated April 27, 2016), no Insurer carrying on Health Insurance Business in India shall spend in any financial year as Expenses of Management, an amount exceeding a certain allowable in relation to the following expenses:

- a) Commission or other remuneration paid to insurance agents and insurance intermediaries in respect of their business transacted in the financial year;
- b) Commission and expenses reimbursed on reinsurance inward; and
- c) Operating expenses.

The expense allowable limit is computed on the basis of percentages to Total Gross Premium Written in India during the financial year in respect of various segments of business. As per the notification, the Insurer shall ensure that their Expenses of Management are within the allowable limit on a segment wise basis. Where the Company exceeds the limits of expenses of management in one or more segments, but is compliant on an overall Company basis, the excess of such Expenses of Management shall be borne by the Shareholders.

Further, as required under the Regulation, the Company has prepared a Policy for the allocation and apportionment of expenses of management amongst the various business segments. The Policy has been approved by the Board and is reviewed periodically.

## 21. RURAL & SOCIAL SECTOR OBLIGATIONS

Disclosure of sector wise business based on Gross Direct Written Premium (GWP) as per the IRDAI (Obligations of Insurers to Rural or Social Sectors) Regulations, 2015 is as under:

Business Sector	Year ended March 31, 2022	
	GWP Rs.'000s	% of GWP
Rural	26,59,689	9.47%
Social	1,769	0.01%
Urban	2,54,38,255	90.52%

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

The Company achieved a rural target of 9.47% of GWP against the prescribed obligation of 3.5% of GWP. Under the social sector, the Company covered 2,10,075 lives against the prescribed obligation of 2,04,387 lives thereby fulfilling the social sector obligation.

## **22. JOINT STATUTORY AUDITORS**

M/s. Nangia & Co. LLP, Chartered Accountants, Noida (ICAI FRN- 002391C/N500069), Statutory Auditors, shall retire at the conclusion of the ensuing 14th Annual General Meeting.

M/s. T.R. Chadha & Co. LLP, Chartered Accountants, Delhi (ICAI FRN - 006711N/N500028), shall retire at the conclusion of the ensuing 14th Annual General Meeting. Re-appointment of M/s. T.R. Chadha & Co. LLP, Chartered Accountants, as Joint statutory auditors, to hold the office from the conclusion of 14th Annual General Meeting until the conclusion of the 17th Annual General Meeting of the Company, has been proposed to the shareholders for their approval.

M/s. Nangia & Co. LLP, Chartered Accountants, has tendered their unwillingness to be appointed as Joint Statutory Auditors of the Company in the forthcoming 14<sup>th</sup> Annual General Meeting.

Based on the recommendation of the Audit Committee, the Board has recommended the appointment of M/s. T.R. Chadha & Co. LLP, Chartered Accountants and M/s. S. R. Batliboi & Co LLP, Chartered Accountants, as Joint Statutory Auditors of your Company.

Your Company has received certificates from M/s T.R. Chadha & Co. LLP and M/s. S. R. Batliboi & Co LLP Chartered Accountants, that their appointment as Auditors, if made, shall be in accordance with the conditions laid down in the Companies (Audit and Auditors) Rules, 2014 and that they are not disqualified from appointment under Sections 141& 144 of the Companies Act, 2013, the Insurance Act 1938 and IRDAI's Corporate Governance Guidelines 2016.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report.

## **23. DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors of your Company confirms that:-

1. In the preparation of annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the loss of the Company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis;
5. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

## **24. NUMBER OF CASES FILED AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013)**

Your Company is very sensitive towards any complaints related to sexual harassment and has a well-defined Policy on Prevention of Sexual Harassment against Women at the workplace.

The Company has an Internal Complaints Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013. 2 (Two) complaints were reported to POSH Committee/Internal Committee during the Financial Year 2021-22 and are under investigation as per the procedure.

## **25. ANNUAL PERFORMANCE EVALUATION**

As per the requirements of the Companies Act, 2013, formal Annual Performance Evaluation process has been carried out for evaluating the performance of the Board, the Committees of the Board and the Individual Directors.

The performance evaluation was carried out by obtaining feedback from all directors through a confidential online survey mechanism. The outcome of this performance evaluation was placed before the Nomination and Remuneration Committee on May 4, 2022 and further placed before the Board in the meeting held on May 5, 2022.

## **26. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your Company's internal control system is commensurate with the size and scale of the business operations.

Your Company has developed and strengthened its internal financial controls framework over the years. Your Company strives to create and sustain control conscious culture by creating 'tone at the top' appropriately. The risk and internal controls environment is governed by two specialized sub-committees of the Board i.e. Audit Committee and Risk Committee. There are well defined charters for each Committee making them responsible for institutionalizing and providing oversight to risk assessment and the controls evaluation processes. The Audit Charter and the Risk Management Policy are reviewed annually and a quarterly reporting structure to the respective Committees of the Board is in place. To ensure independence, the Internal Audit department reports to the Chairperson of the Audit Committee of the Board.

Further, a risk based Internal Audit mechanism is in place, wherein various processes and functions are audited on an annual basis. Internal audits are carried out at two levels:

1. Processes are reviewed to ascertain their completeness and the adequacy of controls in mitigating risks (design); and
2. Compliance of documented processes are reviewed (effectiveness).

Further, detailed Standard Operating Procedures (SOPs) are defined for key processes and vital controls are mapped in the finance manual. A limited review is conducted by the Statutory Auditors on the quarterly financial statements and a detailed annual audit is conducted at the end of each financial year.

A framework for monitoring of internal controls on financial reporting has been documented, including structure for governance around Financial Reporting controls during the year. Risk and Control matrices have been defined for all identified internal controls on financial reporting.

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

## **27. CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013**

All related party transactions that were carried out during the financial year 2021-22 were on an arm's length basis and in the ordinary course of business. Details of the transactions are enclosed herewith in the prescribed format i.e. Form AOC – 2 as Annexure No – 2.

Your Company has a Board approved Related Party Transaction Policy and SOP. The requisite disclosure of the Related Party Transaction has been made in the Notes to Accounts of your Company.

Related Party disclosures as specified in Para A of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the audited financials.

## **28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

In accordance with Section 186(11)(a) of the Companies Act 2013 together with the clarification issued by Ministry of Corporate Affairs on February 13, 2015, Section 186 does not apply to an Insurance Company. Your Company does not have any loan given, investment made or guarantee given or security provided as required under Section 186 of the Companies Act, 2013.

## **29. THE EXTRACT OF THE ANNUAL RETURN U/S 92 OF THE COMPANIES ACT, 2013**

The extract of the Annual Return as per the requirements of Section 92 of the Companies Act, 2013 is published on the website of the Company i.e. <https://www.nivabupa.com/about-us/nivabupa/index.aspx>.

## **30. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS UNDER SECTION 178 OF THE COMPANIES ACT, 2013**

Your Company has a duly constituted Nomination and Remuneration Committee (NRC) which is a sub-committee of the Board. The NRC has at least 50% of its members as Independent Directors.

Your Company has put in place the relevant framework and a Nomination & Remuneration Policy as required in section 178 of the Companies Act 2013. Any shareholder, interested in obtaining a copy of the Policy, may write to the Company Secretary at the Registered Office of Company, which is also displayed on your Company's website. The Policy is also attached herewith as Annexure – 3 and also published in the website of the Company i.e. and published in the website of the Company i.e. <https://www.nivabupa.com/about-us/nivabupa/index.aspx>.

## **31. PARTICULARS OF THE ESOP GRANTED BY THE COMPANY UPTO MARCH 31, 2022 ARE AS UNDER:**

*The aforesaid information can be sought by writing to the Company Secretary of the Company.*

## **32. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013**

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet with the criteria of independence as prescribed under sub section (6) of Section 149 of the Companies Act, 2013. The Independent directors have duly complied with the Code for Independent Directors prescribed in Schedule IV to the Act and other requirements of IRDAI's Corporate Governance Guidelines.

### **33. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR**

No independent Directors were appointed during the year by the Company. The Board is satisfied with the expertise, integrity and experience of the Independent Directors, both individually and collectively.

### **34. CODE OF CONDUCT & WHISTLE BLOWER POLICY**

In order to uphold the highest standards of ethical behavior, your Company has a Code of Conduct.

The Company promotes ethical behavior in all its dealings, business or otherwise and has put in place a Whistleblower Policy (Policy) for reporting of any illegal or unethical behavior.

During the FY22, actions against 193 employees were taken by the Company as per Employee Disciplinary Action Plan. Nine complaints were received (including two under investigation since last financial year) under the Whistle Blower Policy in FY22 which were duly investigated. All the investigations and proceedings are conducted through Code & Ethics Committee meetings. The Management provides assurance on the effectiveness of the Anti-fraud and Whistle Blower Policy to the Risk Committee/Board through the Code & Ethics Committee

### **35. CORPORATE SOCIAL RESPONSIBILITY**

The Company has a duly constituted CSR Committee as per the provisions of section 135 of the Companies Act 2013 and IRDAI's Corporate Governance Guidelines. As per the provisions, Mr. Dinesh Kumar Mittal (Independent Director) is Chairman of the CSR Committee. Further, Mr. David Martin Fletcher, Mr. Rajagopalan Santhanam and Mr. Krishnan Ramachandran are the members of the Committee. The Committee met once during the year i.e. on April 27, 2021.

The Committee has duly formulated and timely monitors the CSR Policy of the Company. The Committee is primarily responsible for formulating and recommending to the Board of Directors from time to time the CSR activities and the amount of expenditure to be incurred on the activities pertaining and monitoring CSR Projects.

Annual Report on Corporate Social Responsibility (CSR) activities is attached herewith as Annexure 4.

### **36. ENVIRONMENT SOCIAL & GOVERNANCE (ESG)**

COVID-19 has certainly changed many aspects of our lives. It has been over few years of an emerging new normal but also of trends like digital capabilities, increased focus on sustainability and stakeholder engagement, changing necessities of the customer.

As a company whose mission is to cater to general health and wellbeing, our commitment to ESG is an extension of our business philosophy to deliver long-term value to our employees, our stakeholders and to the community at large. Niva Bupa is



# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

committed to systematically embed ESG consideration in all aspects of its business operations through following areas, which form a base of our ESG activities:

- Responsibility towards Environment
- Responsibility towards People
- Responsibility towards Investor and Customers
- Responsibility towards Communities

We have identified 8 Focus areas:

1. Effective Resource Management (energy, waste and water)
2. Occupational Health and safety programs
3. Employment relationships and working conditions
4. Addressing the impact of climate change
5. Community programs (CSR)
6. Sustainable supplier management
7. Customer engagement and satisfaction
8. Business integrity and corporate governance

## **37. SECRETARIAL AUDIT**

Your Company in the meeting held on April 27, 2021 has appointed M/s Ranjeet Pandey & Associates, Practicing Company Secretaries, New Delhi to conduct Secretarial Audit for the Financial Year 2021-22 as per the requirements of Section 204 of the Companies Act, 2013.

M/s. Ranjeet Pandey & Associates, Company Secretaries, New Delhi have submitted their report for the financial year 2021-22 in the prescribed format MR-3 which is annexed as Annexure No – 5.

## **38. DIRECTORS' COMMENTS ON QUALIFICATIONS, RESERVATIONS, DISCLAIMERS AND ADVERSE REMARKS**

### **a) STATUTORY AUDIT**

Joint Statutory Auditors of your Company for the financial year 2021-22 i.e. M/s. T R Chadha & Co. and M/s. Nangia & Co. LLP in their Auditor's Report for FY 2021-22 have given no qualifications, reservations, disclaimers, comments and/or adverse remarks.

### **b) SECRETARIAL AUDIT**

M/s. Ranjeet Pandey & Associates, Secretarial Auditors of your Company for the Financial Year 2021-22 have given no qualifications, reservations, disclaimers, comments and adverse remarks in its report.

## **39. RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK THAT MAY THREATEN THE EXISTENCE OF THE COMPANY**

Your Company's overall approach to managing risk is based on the 'three lines of defense' model with a clear segregation of roles and responsibilities for all the lines. Business Managers are part of the first line of defense and have the responsibility to evaluate their risk environment and put in place appropriate controls to mitigate such risks or avoid them. The Risk Management Function, along with the Compliance Function, Fraud & Risk Control Unit and Chief Information Security Officer, forms the second line of defense. The Internal Audit Function guided by the Audit Committee is the third line of defense and provides an independent assurance to the Board. The Statutory Auditors and regulatory oversight aided by the Appointed Actuary in their fiduciary capacity are also construed to provide an additional line of defense.

Risk management activities are supervised on behalf of the Board by the Risk Committee, whose responsibilities conform to those prescribed by the IRDAI. The Chief

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

Risk Officer assists the Board Committee in overseeing the risk management activities across the Company.

Your Company has an operationally independent Risk Management Function in place, headed by a Chief Risk Officer. The function is responsible for the supervision of all risk management activities in the Company, including developing the risk appetite, maintaining an aggregated risk view across the Company, monitoring the residual risks to ensure that they remain within tolerance levels. It also reviews the appropriateness and adequacy of the risk management strategy and develops recommendations to the Risk Committee as necessary. The Risk Management function also ensures that, through various management submissions, the Board is adequately informed on key emerging risk related issues and if necessary, provides supplementary advice to the Board through the Risk Committee. A Management Risk Committee has been constituted which is headed by the CEO and includes key members such as Chief Risk Officer, Chief Financial Officer, Appointed Actuary, Director- Claims, Underwriting & Product, Director & Head – Legal, Compliance & Regulatory Affairs, Director – Operations & Customer Service etc. All important risk related matters are discussed, reviewed and monitored by this Committee on a periodic basis.

Your Company has developed a risk management framework which defines its approach to enterprise wide risk management. The implementation is a continuous cycle of improvement over the Company's existing risk management elements which are progressively integrated into the framework. The Company has the vision of a matured state of risk culture whereby every individual takes responsibility of risks and has a thorough understanding of all risk tolerances.

Within the framework, a Risk Appetite Statement is in place which identifies and addresses each material risk to which the Company is exposed and establishes the degree of risk that the Company is willing to accept in pursuit of its strategic objectives, business plans and the interest of the policyholders. These material risks have been categorized in the areas of Financial, Operational, Legal & Regulatory Compliance and Reputational Risks. The Risk Management Strategy has been developed which defines the Company's approach to manage the identified material risks through acceptance, avoidance, transfer and/ or mitigation. The degree and intensity of the management action are guided by comparing the risk appetite with the potential impact of the risk, likelihood of its occurrence and the costs of implementing the controls. This is supplemented by various policies and procedures in respective operating areas which help to identify, mitigate and monitor risks. The Operational risk incident management process provides an intervention with employees of the organization to become risk ambassadors and report risk incidents in the organization. The reporting of risk incidents enable organization to understand the areas of weaknesses in processes and related mitigation actions are then discussed reviewed and monitored on a periodic basis.

The risk management framework also ensures that the level of risk accepted is within the Company's risk capacity and the level of capital adequacy is in excess of the level prescribed via regulation.

## **40. ADDITIONAL INFORMATION**

### **PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Companies Act, 2013 together with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and IRDAI's Corporate Governance Guidelines is annexed herewith as an Annexure –6.

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

The information in accordance with the provision of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended March 31, 2022 is provided hereunder:

## CONSERVATION OF ENERGY

In view of the nature of business activity of the Company, the information relating to the conservation of energy, as required under Section 134(3) and Rule 8(3) of Companies (Accounts) Rules, 2014, is not applicable to the Company.

Your Company has developed an energy efficient model to operate & deliver on its commitments. This model eliminates dependency on non-renewable resources to travel & maintain facilities for both employees & policyholders. Your company has put in a place a flexible & energy efficient business continuity plan which gets tested continuously.

Digital tools, techniques & widespread adoption by stakeholders of your companies' customer app, website & instant communication tools is a key enabler for sustainable growth with remarkable service. Over a period, your Company has reduced dependency on energy dependent assets like printers, papers etc. Your company continues to be environmental friendly, by delivering soft policy copy instead of printed booklets.

## TECHNOLOGY ABSORPTION

### a. Efforts made towards technology absorption:

FY'22 has seen Niva Bupa take on various initiatives aimed at transforming the way we operate, resulting in significant improvement in process automation. We aimed at absorbing state of art technology in order to: 1) digitise and enhance our work flow processes, record keeping and expediting decision making, 2) launch new platforms for segments, 3) claims management and data processing etc.

### b. The benefits derived from technology improvement, cost reduction, new technological development and import substitution:

The technology improvements had a wide impact across various facets of the organization, thereby bringing cost optimization, process efficiency, higher revenue, enhanced partner association, employee self-service and customer satisfaction.

### c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- i) the details of technology imported – Not Applicable
- ii) the year of import – Not Applicable
- iii) whether the technology been fully absorbed – Not Applicable

### d. The expenditure incurred during the year on Research and Development:

Nil

## FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(Rs. in thousands)

#	Particular	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	Foreign Exchange Earnings	Nil	Nil

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

ii)	Foreign Exchange Outgo		
	CIF Value of Imports		
	- Capital Goods	Nil	23,228
	- Trading Goods	Nil	Nil
	Others	25,249	17,150

## 41. MAINTENANCE OF COST RECORDS

The Company is in the insurance industry. In view of the nature of activities which are being carried on by the Company, the maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 is not applicable on the Company and hence such accounts and records are not maintained.

## 42. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

The Company has neither made any application nor are there any pending proceedings under the Insolvency & Bankruptcy Code, 2016 during the year.

## 43. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

This section is not applicable on the Company.

## 44. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, the statutory auditors have not reported any instances of fraud by its officers or employees against the Company to the Audit Committee, the details of which would need to be mentioned in the Board's report as required under section 143(12) of the Companies Act, 2013.

## 45. COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS

During the year, the Company has complied with the applicable provisions of the Secretarial Standard on meetings of the Board of Directors ('SS-1') and the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India.

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

## 46. DETAILS OF DEBENTURE TRUSTEE & REGSITRAR & TRANSFER AGENT

DEBENTURE TRUSTEE	REGSITRAR & TRANSFER AGENT
<ul style="list-style-type: none"><li>▪ <b>Name:</b> Axis Trustee Services Limited (SEBI Registration Number: IND000000494)</li><li>▪ <b>Registered Office:</b> Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025.</li><li>▪ <b>Telephone:</b> (022) 6230 0451</li><li>▪ <b>Facsimile:</b> (022) 6230 0700</li><li>▪ <b>E-mail:</b> <a href="mailto:debenturetrustee@axistrustee.in">debenturetrustee@axistrustee.in</a></li><li>▪ <b>Website:</b> <a href="http://www.axistrustee.com">www.axistrustee.com</a></li></ul>	<ul style="list-style-type: none"><li>▪ <b>Name:</b> MAS Services Limited (SEBI Registration Number: INR000000049)</li><li>▪ <b>Registered Office:</b> T - 34, IInd Floor, Okhla, Industrial Area, Phase - II, New Delhi -110020</li><li>▪ <b>Telephone:</b> (011) 26387281-83</li><li>▪ <b>Facsimile:</b> (011) 2638 7384</li><li>▪ <b>E-mail:</b> <a href="mailto:demat@masserv.com">demat@masserv.com</a></li><li>▪ <b>Website:</b> <a href="http://www.masserv.com">www.masserv.com</a></li></ul>

## 47. ACKNOWLEDGEMENTS

The Directors wish to place on record their deep appreciation for the hard work, dedicated efforts, teamwork and professionalism shown by the employees, agents, advisors and Partners which have enabled your Company to establish itself amongst the leading Health Insurance companies in India.

Your Directors take this opportunity to express their sincere thanks to our valued customers for their continued patronage.

Your Directors also express gratitude to the Insurance Regulatory and Development Authority of India, the Reserve Bank of India, Ministry of Corporate Affairs, Central & State Governments, True North and Bupa for their continued cooperation, support and assistance.

For and on behalf of the Board of Directors

Sd/-  
Chandrashekhar Bhaskar Bhave  
Chairman of the Board and Director  
DIN - 00059856

Sd/-  
Krishnan Ramachandran  
Managing Director & Chief Executive Officer  
DIN - 08719264

Place: Gurugram  
Date: May 5, 2022

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

## LIST OF ANNEXURES

<b>S.No</b>	<b>Particulars</b>	<b>Relevant Rules</b>	<b>Relevant form</b>	<b>Annexure No.</b>
1.	Disclosures for the Financial Year 2021-22 as per Corporate Governance Guidelines	IRDAI Corporate Governance Guidelines	NA	1
2.	Contracts and arrangements with Related Parties	Section 188 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	Form AOC-2	2
3.	Nomination and Remuneration Policy	Section 134 (3)(e) of the Companies Act, 2013	Policy Copy	3
4.	CSR Report	Section 134 (3)(o) of the Companies Act, 2013 read with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014)	Annexure II	4(a)
5.	Certificate on utilisation of funds for CSR Activities	Section 134 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014)	NA	4(b)
6.	Secretarial Audit Report	Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Form MR -3	5
7.	Particulars of Employees	Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	NA	6

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

## ANNEXURE-1

**Disclosures for the Financial Year 2021-22 as per IRDAI Corporate Governance Guidelines read with IRDAI Circular no. 309.8/9/F&A-L/CG/127/2022 dated January 27, 2022**

1) During the Financial Year 2021-22, the following Committee and Board Meetings were held:-

Name of the Committee and Board	Audit Committee	Investment Committee	Policyholder's Protection Committee	Risk Committee
Date of holding the meetings	April 26, 2021	April 26, 2021	April 27, 2021	April 27, 2021
	NA	NA	NA	NA
	NA	NA	NA	NA
	July 26, 2021	July 26, 2021	July 26, 2021	July 27, 2021
	NA	NA	NA	NA
	October 25, 2021	October 25, 2021	October 25, 2021	October 26, 2021
	NA	NA	NA	NA
	NA	NA	NA	NA
January 24, 2022	January 24, 2022	January 24, 2022	January 24, 2022	

Name of the Committee and Board	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	Borrowing Committee	Meeting of Board of Directors
Date of holding the meetings	April 27, 2021	April 27, 2021	NA	April 27, 2021
	NA	NA	May 26, 2021	NA
	NA	NA	NA	June 21, 2021
	July 27, 2021	NA	NA	July 27, 2021
	NA	NA	NA	September 21, 2021
	October 26, 2021	NA	NA	October 26, 2021
	NA	NA	November 3, 2021	NA
	NA	NA	November 12, 2021	NA
	January 24, 2022	NA	NA	January 25, 2022
	NA	NA	NA	March 8, 2022

No meetings of the Share Allotment & Transfer Committee were held during the financial year 2021-22.

2) Constitution of the Board, number of meetings held and attendance by Directors during the year 2021-22:

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

Name of the Director	Nature of Directorship	Designation in the Committee and Board	Meeting dated April 27, 2021	Meeting dated June 21, 2021	Meeting dated July 27, 2021	Meeting dated September 21, 2021	Meeting dated October 26, 2021	Meeting dated January 25, 2022	Meeting dated March 8, 2022
Mr. Chandra shekhar Bhaskar Bhawe	Independent Director	Chairman	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. David Martin Fletcher	Non-Executive Director	Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Dinesh Kumar Mittal	Independent Director	Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Divya Sehgal	Non-Executive Director	Member	Yes	Yes	Yes	Yes	Yes	Yes	No
Mr. Krishna n Ramach andran	Executive Director	Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Maninder Singh Juneja	Non-Executive Director	Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Penelope Ruth Dudley	Non-Executive Director	Member	No	Yes	Yes	No	Yes	Yes	Yes
Mr. Pradeep Pant	Independent Director	Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Rajagopalan Santhanam	Non-Executive Director	Member	Yes	Yes	Yes	No	Yes	Yes	Yes

- 3) Constitution of the Audit Committee, number of meetings held and attendance by Members during the financial year 2021-22.

Following are the details of attendance of directors/members:



# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

<b>Name of the Director</b>	<b>Nature of Directorship</b>	<b>Designation in the Committee and Board</b>	<b>Meeting dated April 26, 2021</b>	<b>Meeting dated July 26, 2021</b>	<b>Meeting dated October 25, 2021</b>	<b>Meeting dated January 24, 2022</b>
Mr. Dinesh Kumar Mittal	Independent Director	Chairman	Yes	Yes	Yes	Yes
Mr. Pradeep Pant	Independent Director	Member	Yes	Yes	Yes	Yes
Mr. Rajagopalan Santhanam	Non-Executive Director	Member	Yes	Yes	Yes	Yes

Mr. David Martin Fletcher attended all of above meetings of Audit Committee as an Observer.

- 4) Constitution of the Investment Committee, number of meetings held and attendance by the Members during the financial year 2021-22.

Following are the details of attendance of directors/members:

<b>Name of the Director</b>	<b>Nature of Directorship</b>	<b>Designation in the Committee and Board</b>	<b>Meeting dated April 26, 2021</b>	<b>Meeting dated July 26, 2021</b>	<b>Meeting dated October 25, 2021</b>	<b>Meeting dated January 24, 2022</b>
Mr. Maninder Singh Juneja	Independent Director	Chairman	Yes	Yes	Yes	Yes
Ms. Penelope Ruth Dudley	Non-Executive Director	Member	No	Yes	Yes	Yes
Mr. Krishnan Ramachandran	Executive Director	Member	Yes	Yes	Yes	Yes
Mr. C Anil Kumar	-	Member	Yes	Yes	Yes	Yes
Mr. Vishwanath Mahendra	-	Member	Yes	Yes	Yes	Yes
Mr. Vikas Jain	-	Member	Yes	Yes	Yes	Yes
Mr. Krishna B Singla*	-	Member	Yes	Yes	No	N.A.
Mr. Manish Sen*	-	Member	N.A.	N.A.	N.A.	Yes

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

\*Notes:

- \* Mr. Krishna B Singla ceased to be a member of Investment Committee with effect from November 1, 2021.
- \* Mr. Manish Sen was appointed as a member of Investment Committee with effect from November 1, 2021.

- 5) Constitution of the Risk Committee, number of meetings held and attendance by the Members during the financial year 2021-22.

Following are the details of attendance of directors/members:

<b>Name of the Director</b>	<b>Nature of Directorship</b>	<b>Designation in the Committee and Board</b>	<b>Meeting dated April 27, 2021</b>	<b>Meeting dated July 27, 2021</b>	<b>Meeting dated October 26, 2021</b>	<b>Meeting dated January 24, 2022</b>
Mr. David Fletcher	Non-Executive Director	Chairman	Yes	Yes	Yes	Yes
Mr. Maninder Singh Juneja	Non-Executive Director	Member	Yes	Yes	Yes	Yes
Mr. Pradeep Pant	Independent Director	Member	Yes	Yes	Yes	Yes
Mr. Rajagopalan Santhanam	Non-Executive Director	Member	Yes	Yes	Yes	Yes

Leave of absence was granted to the Members who could not attend Risk Committee meetings.

- 6) Constitution of the Policyholders' Protection Committee, number of meetings held and attendance by Members during the financial year 2021-22.

Following are the details of attendance of directors/members:

<b>Name of the Director</b>	<b>Nature of Directorship</b>	<b>Designation in the Committee and Board</b>	<b>Meeting dated April 27, 2021</b>	<b>Meeting dated July 26, 2021</b>	<b>Meeting dated October 25, 2021</b>	<b>Meeting dated January 24, 2022</b>
Mr. Dinesh Kumar Mittal	Independent Director	Chairman	Yes	Yes	Yes	Yes
Mr. Krishnan Ramachandran	Executive Director	Member	Yes	Yes	Yes	Yes
Mr. Maninder	Non-Executive	Member	Yes	Yes	Yes	Yes

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

Singh Juneja	Director					
Mr. Pradeep Pant	Independent Director	Member	Yes	Yes	Yes	Yes
Ms. Penelope Ruth Dudley	Non-Executive Director	Member	No	Yes	Yes	Yes

Leave of absence was granted to the Members who could not attend Policyholders' Protection Committee meetings.

- 7) Constitution of the Nomination and Remuneration Committee, number of meetings held and attendance by Members during the financial year 2021-22.

Following are the details of attendance of directors/members:

Name of the Director	Nature of Directorship	Designation in the Committee and Board	Meeting dated April 27, 2021	Meeting dated July 26, 2021	Meeting dated October 25, 2021	Meeting dated January 24, 2022
Mr. Pradeep Pant	Independent Director	Chairman	Yes	Yes	Yes	Yes
Mr. Chandrashekar Bhaskar Bhave	Independent Director	Member	Yes	Yes	Yes	Yes
Mr. David Martin Fletcher	Non-Executive Director	Member	Yes	Yes	Yes	Yes
Mr. Dinesh Kumar Mittal	Independent Director	Member	Yes	Yes	Yes	Yes
Mr. Divya Sehgal	Non-Executive Director	Member	No	Yes	No	No
Mr. Maninder Singh Juneja	Non-Executive Director	Member	Yes	Yes	Yes	Yes

Leave of absence was granted to the Members who could not attend Nomination and Remuneration Committee meetings.

- 8) Constitution of the Corporate Social Responsibility Committee, number of meetings held and attendance by Members during the financial year 2021-22.

Following are the details of attendance of directors/members:

Name of the Director	Nature of Directorship	Designation in the Committee	Meeting dated April 27, 2021
----------------------	------------------------	------------------------------	------------------------------

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

		<b>and Board</b>	
Mr. Dinesh Kumar Mittal	Independent Director	Chairman	Yes
Mr. David Martin Fletcher	Non-Executive Director	Member	Yes
Mr. Rajagopalan Santhanam	Non-Executive Director	Member	Yes
Mr. Krishnan Ramachandran	Executive Director	Member	Yes

Leave of absence was granted to the Members who could not attend Corporate Social Responsibility Committee meetings.

- 9) Constitution of the Borrowing Committee, number of meetings held and attendance by the Members during the financial year 2021-22.

Following are the details of attendance of directors/members:

<b>Name of the Director</b>	<b>Nature of Directorship</b>	<b>Designation in the Committee and Board</b>	<b>Meeting dated May 26, 2021</b>	<b>Meeting dated November 3, 2021</b>	<b>Meeting dated November 12, 2021</b>
Mr. Dinesh Kumar Mittal	Independent Director	Chairman	Yes	Yes	Yes
Mr. David Martin Fletcher	Non-Executive Director	Member	Yes	Yes	Yes
Mr. Krishnan Ramachandran	Executive Director	Member	Yes	Yes	Yes
Mr. Maninder Singh Juneja	Non-Executive Director	Member	Yes	Yes	No
Mr. Rajagopalan Santhanam	Non-Executive Director	Member	Yes	Yes	Yes

Leave of absence was granted to the Members who could not attend Borrowing Committee meetings.

- 10) Constitution of the Share Allotment & Transfer Committee, number of meetings held and attendance by the Members during the financial year 2021-22.

Following are the details of attendance of directors/members:

<b>Name of the Director</b>	<b>Nature of Directorship</b>	<b>Designation in the Committee and Board</b>
Mr. David Martin Fletcher	Non-Executive Director	Chairman
Mr. Maninder Singh Juneja	Non-Executive Director	Member
Mr. Rajagopalan Santhanam	Non-Executive Director	Member
Mr. Krishnan Ramachandran	Executive Director	Member

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

No meetings of the Share Allotment & Transfer Committee were held during the financial year 2021-22.

11) Details of Directors and their status of Directorship and qualifications as on March 31, 2022:

Sl. No	Particular	Status of Directorship	Qualifications and specialization
1.	Chandrashekhar Bhaskar Bhave DIN-00059856	Chairman of Board and Independent Director	Bachelor of Engineering (Electrical Engineering)
2.	David Martin Fletcher DIN - 0007004032	Non-Executive Director	BA honors Modern History, Durhan University, UK
3.	Dinesh Kumar Mittal DIN – 00040000	Independent Director	Master's in Physics
4.	Divya Sehgal DIN-01775308	Non-Executive Director	Bachelor's degree in Electrical Engineering, IIT, Delhi, Post Graduate Diploma in Management from IIM, Bengaluru
5.	Mr. Krishnan Ramachandran DIN - 08719264	Managing Director and Chief Executive Officer	Bachelor in Technology, IIT Madras, MBA-Concentration in Finance & Economics, IIM Calcutta
6.	Maninder Singh Juneja DIN-02680016	Non-Executive Director	MBA, Engineer
7.	Penelope Ruth Dudley DIN - 0009025006	Non-Executive Director	Bachelor of Laws, Queensland University of Technology, Australia, Bachelor of Business, Queensland University of Technology, Australia
8.	Pradeep Pant DIN –0000677064	Independent Director	Master's in Management Studies
9.	Rajagopalan Santhanam DIN-00025669	Non-Executive Director	Bachelor of Commerce and a Member of Institute of Chartered Accountants of India.

Your Company did not pay any remuneration to the Non-Executive Directors other than sitting fees to Independent Directors.

12) There was no pecuniary relationships or transactions of the Non-Executive Directors with the Company during the Financial Year 2021-22.

13) Disclosure in respect of Remuneration or Commission, if any, received by Managing or Whole-Time Director of your Company from the Holding company or Subsidiary company, who is also in receipt of commission from the Company :

There is no Whole-time Director in the Company. The Managing Director of the Company has

# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

neither received any commission from the Company nor any remuneration or commission from the Holding Company or Subsidiary Company during the year.

## 14) Sitting Fees

Your Company has paid sitting fees to its Non-Executive - Independent Directors namely Mr. Pradeep Pant, Mr. Dinesh Kumar Mittal and Mr. Chandrashekhar Bhaskar Bhawe for attending the Committee & Board meeting during the Financial Year 2021-22.

Details of which are hereunder:

<b>Board Meeting /Committee Meeting</b>	<b>Total Meetings attended</b>	<b>Total amount paid in INR</b>
<b>Mr. Pradeep Pant</b>		
Board Meeting	7	7,00,000/-
Audit Committee	4	4,00,000/-
Nomination and Remuneration Committee	4	4,00,000/-
Risk Committee	4	4,00,000/-
Policyholders Protection Committee Meeting	4	4,00,000/-
Independent Directors Meeting	2	2,00,000/-
<b>Total amount paid during the year</b>		<b>25,00,000/-</b>
<b>Mr. Dinesh Kumar Mittal</b>		
Board Meeting	7	7,00,000/-
Policyholders Protection Committee Meeting	4	4,00,000/-
Corporate Social Responsibility Meeting	1	1,00,000/-
Nomination and Remuneration Committee	4	4,00,000/-
Audit Committee	4	4,00,000/-
Independent Directors Meeting	2	2,00,000/-
Borrowing Committee Meeting	3	3,00,000/-
<b>Total amount paid during the year</b>		<b>25,00,000/-</b>
<b>Mr. Chandrashekhar Bhaskar Bhawe</b>		
Board Meeting	7	7,00,000/-
Nomination and Remuneration Committee	4	4,00,000/-
Independent Directors Meeting	2	2,00,000/-
<b>Total amount paid during the year</b>		<b>13,00,000/-</b>

For and on behalf of the Board of Directors

Sd/-  
Chandrashekhar Bhaskar Bhawe  
Chairman of the Board and Director  
DIN – 00059856

Sd/-  
Krishnan Ramachandran  
Managing Director & Chief Executive Officer  
DIN – 08719264

Place: Gurugram  
Date: May 5, 2022

**Form No. AOC-2**

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

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

- I. Details of contracts or arrangements or transactions not at arm's length basis **NONE**
- a) Name(s) of the related party and nature of relationship
  - b) Nature of contracts/arrangements/transactions
  - c) Duration of the contracts / arrangements/transactions
  - d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - e) Justification for entering into such contracts or arrangements or transactions
  - f) date(s) of approval by the Board
  - g) Amount paid as advances, if any:
  - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
- II. Details of material contracts or arrangement or transactions at arm's length basis :
- A.**
- a) Name(s) of the related party and nature of relationship:
    - Fettle Tone LLP (being promoter shareholder of the Company)
  - b) Nature and duration of contracts/arrangements/transactions: Reimbursement of fees on account of services availed from M/s KP Corporate Solutions Ltd for advising on various matters related to ESOPs.
  - c) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 4,13,000/-
  - d) Date of approval by the Audit Committee: 02.09.2021
  - e) Amount paid in advance, if any: NIL
- B.**
- a) Name(s) of the related party and nature of relationship:
    - True North Enterprise (P) Ltd. (Mr. Rajagopalan Santhanam being interested Director)
  - b) Nature and duration of contracts/arrangements/transactions: Group Health Insurance Cover for the employees of True North Enterprise Private Limited.
  - c) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 38,50,000/-
  - d) Date of approval by the Audit Committee: 25.10.2021
  - e) Amount paid in advance, if any: NIL
- C.**
- a) Name(s) of the related party and nature of relationship:
    - Sesa Care Private Limited (Mr. Rajagopalan Santhanam being interested Director)
  - b) Nature and duration of contracts/arrangements/transactions: Group Health Insurance Cover for the employees of Sesa Care Private Limited
  - c) Salient terms of the contracts or arrangements or transactions including the value, if any:

Particulars	Duration	Premium (in Rs.)
Group Health Cover on Family Floater	05/09/21-04/09/22	15,00,003
Group Personal Accident Cover	05/09/21-04/09/22	1,63,347
Parental Cover	01/01/21-31/12/21	8,17,069
  - d) Date of approval by the Audit Committee: 25.10.2021

e) Amount paid in advance, if any: NIL

For and on behalf of the Board of Directors

Sd/-  
Chandrashekhar Bhaskar Bhave  
Chairman of the Board and Director  
DIN – 00059856

Sd/-  
Krishnan Ramachandran  
Managing Director & Chief Executive Officer  
DIN – 08719264

Place: Gurugram  
Date: May 5, 2022



**Annexure - 3**

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

**Nomination and Remuneration Policy**

## **NOMINATION AND REMUNERATION POLICY**

Niva Bupa Health Insurance Company Limited

### **I. PREAMBLE**

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of Niva Bupa Health Insurance Company Limited (“Niva Bupa” or “Company”) is required to constitute the Nomination and Remuneration Committee (“NRC” or “the Committee”). This Committee and the Policy are formulated in compliance with Section 178 of the Companies Act, 2013 read along with Corporate Governance Guidelines for Insurance Companies issued by IRDAI, in this regard.

### **II. DEFINITIONS**

“Board” means Board of Directors of the Company.

“Company” means “Niva Bupa Health Insurance Company Limited.”

“Director” means a director appointed to the Board of the Company.

“Independent Director” means a director referred to in Section 149 (6) of the Companies Act, 2013.

“Key Managerial Personnel” (KMP) means

- a) Chief Executive Officer or the Managing Director or the Manager,
- b) Company Secretary,
- c) Whole-time Director,
- d) Chief Financial Officer and
- e) Such other officer as may be prescribed under the Companies Act 2013 and IRDAI Corporate Governance Guidelines 2016 and as may be amended from time to time.

“Nomination and Remuneration Committee” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

“Policy or This Policy” means, “Nomination and Remuneration Policy.”

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him / her and includes perquisites as defined under the Income-tax Act, 1961.

“Senior Management” means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Chief Executive Officer, Whole Time Director or Managing Director, including all the functional heads and KMPs

### **III. GUIDING PRINCIPLES**

The Policy ensures that

- a) The level and composition of remuneration are reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b) The Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c) The Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Policy shall be disclosed in the Board's Report.

#### **IV. ROLE OF THE COMMITTEE**

The role of the Committee shall be to ensure compliance of the relevant provisions of the Companies Act, 2013 and various other obligations as mentioned in the Charter of the Nomination and Remuneration Committee as approved by the Board of Directors from time to time.

#### **V. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT**

Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person being appointed as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the retirement age as per Company Policy.

## **VI. TERM AND TENURE**

- a) **Managing Director/Whole-time Director (Managerial Person):** The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director:**
  - i) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
  - ii) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
  - iii) For the purpose of determining the term of independent directors, the existing term of the Independent Directors as on April 1, 2014 shall not be counted a term for above clauses.

## **VII. EVALUATION**

The Committee shall carry out evaluation of performance of every Director at a yearly interval, in accordance with Section 178 of the Companies Act, 2013, and present a report thereon to the Board of Directors.

## **VIII. REMOVAL**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

## **IX. RETIREMENT**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **X. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT**

### **a) Remuneration of CEO and Managing Director:**

#### **1. Guidelines, Applicable Laws:**

The remuneration to be paid to the CEO, Whole Time Director and Managing Director shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

- The remuneration of the CEO, Whole Time Director and Managing Director is determined and periodically reviewed by NRC and recommended to the Board of Directors for their consideration and approval of IRDAI.
- The NRC/ Board shall always maintain a fine balance between reasonableness and fairness, while making Remuneration-related decisions including clawback of any unpaid deferred Remuneration.
- The remuneration and commission to be paid to CEO, Whole Time Director and Managing Director shall be as per the applicable statutory provisions of the Companies Act, 2013 read with the Insurance Act, 1938 and amendments and rules made there-under for the time being in force.
- There shall be no limit for payment of remuneration to Managing Director/Chief Executive Officer/Whole-time Directors, however remuneration beyond limits as mentioned in the IRDAI guidelines, and as amended from time to time, should be debited to the Shareholders' Fund.

## **2. Remuneration Structure**

The remuneration of CEO, Whole Time Director and Managing Director inclusive of:

- Fixed pay,
- Benefits/ perquisites,
- Allowances,
- Short term/long-term incentives,
- Retirements, and other components,

The remuneration structure will be determined by the Committee and recommended to the Board for approval.

## **3. Risks and Reward**

Following parameters shall be linked to Remuneration of CEO, Whole Time Director and Managing Director:-

- Remuneration is adjusted for all types of risk
- Remuneration outcomes are symmetric with risk outcomes, and
- Remuneration payouts are sensitive to the time horizon of the risk
- The mix of cash, equity and other forms of remuneration must be consistent with risk alignment
- Credit, Market and Liquidity risks

Among other things, the following parameters may also be considered by the Nomination and Remuneration Committee & the board for assessing performance and suitable risk adjustments:

1. Persistency
2. Solvency

3. Grievance Redressal
4. Expenses of Management
5. Claim settlement
6. Claim repudiations
7. Overall Compliance status
8. Overall financial position such as Net-Worth Position of Insurer, Asset under Management (AUM) etc.

In matters related to risk and reward, the NRC shall consider advice from members of the Risk Committee of the Company, the Appointed Actuary or the Chief Risk Officer as appropriate before making its final determinations and recommendations to the Board.

#### **4. Composition of the Remuneration Package (Pay Mix)**

While designing the total remuneration package of the CEO, Whole time director and Managing Director, it should be ensured by the NRC/Board that there is a proper balance between fixed pay and variable pay which is in accordance with the Remuneration Guidelines.

**Fixed Pay:** Fixed Pay will comprise of Basic Salary, House Rent allowance, other allowances and Retiral benefits like Provident Fund and Gratuity. The Fixed Pay shall be reasonable considering the company's overall performance and the industry remuneration benchmarks.

**Variable Pay (Annual Bonus):** Variable Pay may be paid in the form of cash/deferred cash. In case the variable pay constitutes 60% or more of the total Remuneration (i.e. fixed pay + variable pay), it shall be considered as 'substantial' as per Remuneration Guidelines and 40% of the variable pay shall be deferred over a period of 3 years and be paid in three equal installments.

Any future grant (by whatever name called) that is given, if construed as variable pay, should have a proper balance of pay mix in line with Pay Mix.

Variable pay is dependent on the Company's overall results as captured in the Company's measures of success outcomes and the parameters defined in Risk and Reward section. In case there is deterioration in the same, the variable pay will contract in accordance with adjustment of these parameters.

In the event of termination of employment contract without cause, the variable pay and any other payout which has been awarded but deferred shall be paid at the time of cessation of contract, subject to the final approval of the NRC, Board and IRDAI. However, in the event of termination of employment contract owing to proven misconduct, no variable pay, notice pay, severance payment and any other payout which has been awarded but deferred shall be paid.

In the event of termination of employment contract owing to a resignation, any payout which has been awarded but deferred shall be paid, subject to the final approval of the NRC, Board and IRDAI.

## **5. Clawback of Deferred Pay**

In case of unvested or unpaid portion of the deferred variable pay, appropriate mechanism will be put into place with respect to clawback of such portion, which shall be appropriately linked to risk parameters as provided in Risk and Reward section.

NRC and the Board shall track performance on the basis of parameters provided in Risk and Reward section. In case of negative trends in Company's performance, the Committee and the Board shall review the same and based on facts and due assessment of what is directly attributable to the CEO, Whole time Director and Managing Director actions, the Committee and the Board may take appropriate measures for clawback of unvested or unpaid deferred pay. The Committee and Board's decision shall be final with regard to clawback.

## **6. Guaranteed Bonus**

Guaranteed Bonuses are not consistent with sound risk management or the pay-for performance principles and should not be a part of remuneration plan.

The Company shall not encourage guaranteed bonus of any kind as part of the total remuneration package of CEO, Whole Time Director and Managing Director, except sign-on/joining bonus if required.

The sign-on / joining bonus may be granted only to new staff and will be limited to first year, however, the payout may be deferred beyond the year of joining. The NRC/Board shall approve such a grant.

## **7. Severance Payments**

Subject to provisions of Section 202 of Companies Act 2013, severance pay to CEO, Whole Time Director and Managing Director shall be constituted by accrued benefits (i.e. gratuity, pension, deferred variable pay etc.) only and does not include notice period pay.

Any severance payments, for involuntary separation without cause or due to change of control, to MD/CEO/WTD/Manager shall be made in accordance with contractual obligations and with prior approval of the NRC, Board and IRDAI.

### **b) Remuneration to KMP and Senior Management:**

KMP (other than Whole Time Director and Managing Director) and Senior Management shall be eligible for a remuneration inclusive of fixed pay, perquisites, allowances, short term/ long term incentives, retivals and other components as may be approved by NRC and as per compensation strategy / framework of the Company from time to time.

### **c) Stock Options**

The NRC/Board may consider granting of stock options under the Employee Stock Plan. Issue of stock options shall be governed by the provisions of Remuneration Guidelines, the Companies Act, the Companies (Share Capital and Debenture) Rules, 2014, SEBI (Issue of Sweat Equity) Regulations, 2002 and SEBI (Share based Employee Benefits), 2014 as amended from time to time. Details of stock options to Directors shall be disclosed in line with disclosure requirements stipulated for the financial statements of the Company.

**XI. REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR:**

**a) Commission to Independent Director**

Subject to the approval of Board and Shareholders in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under, the Independent Directors may be paid profit linked commission from time to time.

Subject to the overall limit in this regard, the Board may, with mutual agreement with such director, determine and pay different commission, to each independent director.

**b) Sitting Fees**

The Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**c) Engagement for Professional Services**

The Company may, in line with applicable provisions of Companies Act, 2013, read with Insurance Act, 1938 and amendments and rules there under, wherever applicable, engage any non – executive director to provide professional services from time to time. Any such engagement for professional services shall be made if NRC of the Company is of the opinion that the Director possesses the requisite qualification for practice of profession.

**XII. DISCLOSURE**

1. All above Remuneration, including qualitative and quantitative disclosures as mentioned in the Remuneration Guidelines and fees for all Directors will be disclosed annually in Company’s annual report.
2. The Nomination & Remuneration Policy of the Company shall be placed on the website of the Company

**XIII. DEVIATIONS FROM THIS POLICY**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary, in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

**XIV. OWNER OF THE POLICY**

The Policy is owned by Nomination and Remuneration Committee of the Company and shall be administered by the Director and Chief Human Resources Officer.

-----End of the document -----



# NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Company Limited)

**Annexure-4(a)**

## **Annual Report on Corporate Social Responsibility (CSR) activities**

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

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

The Company shall undertake CSR Activities in all or any of the CSR Activities as per the Companies Act, however, it shall give primary importance to the Company's CSR Identified Sectors as follows.

- i. Health, Hygiene & Sanitation

- a. Supporting and facilitating surgery and high-end treatment for underprivileged Indian patients
- b. Preventive healthcare for underprivileged Indian patients in identified geographies
- c. Health camps including immunization camps for underprivileged in identified geographies
- d. Blood donation camps
- e. Disability support including artificial limbs and polio callipers support
- f. Health awareness, including cancer awareness prevention, screening and treatment support for the needy.
- g. Personal hygiene training and support in those villages which have been adopted by the Company and in those locations where Health and Immunization camps are organized by the Company
- h. Environmental awareness and care in and around the selected areas of operations of the Company. Propagation of a clean healthy environment to ensure good health. Encourage and facilitate plantation drives.
- i. Waste management and correct waste disposal – awareness and implementation primarily in adopted villages and in identified locations where the Company has its offices
- j. Clean drinking water primarily in adopted villages and schools for underprivileged children
- k. Sewerage system and management in adopted villages.

- ii. Nutrition

- a. Awareness on how to ensure true nutritious meal to family.
- b. Vitamin A (children 0-5 years) and other supplements for underprivileged women and children.
- c. Nutritional support through NGOs to underserved children.

- iii. Livelihood

Vocational training and creating & supporting Self Help Groups for women, adolescent girls and youth in villages adopted by the Company. The vocations for which training will be provided will be focused on health related issues where possible, identified basis the inherent skill sets and commercial opportunities for those vocations in and around the adopted villages.

- iv. Health Insurance Awareness
  - a. Health insurance awareness for students in schools and colleges through simple to understand material in identified locations.
  - b. Health insurance awareness to underprivileged in cities.
  - c. Encourage households to enroll in Government promoted health insurance schemes.
- v. Education
  - a. Provide support to schools to promote education by providing books, education aids, black boards and equipment for sports & other extra-curricular activities and basic infrastructure.
  - b. Education support should be provided in villages adopted by the Company and volunteering activities under Pehal.
- vi. NGOs support in above mentioned areas
  - a. Provide support to existing activities of NGOs.
  - b. Involve employees in identifying NGOs in their geographical areas and create tailored volunteering programme within specified budget and timeline.
- vii. Disaster Support  
Provide material and financial support to local communities in case of any disaster.

2. The Composition of the CSR Committee as on date of the Board Report:

SL. No	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dinesh Kumar Mittal	Independent Director	1	1
2	David Martin Fletcher	Non-Executive Director	1	1
3	Rajagopalan Santhanam	Non-Executive Director	1	1
4	Krishnan Ramachandran	CEO & Managing Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The Policy is published in the website of the Company i.e. and published in the website of the Company i.e. <https://transaction.nivabupa.com/about-us/aboutuspages/board-of-directors.aspx>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). **Not applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any **Not applicable**
6. Average net profit of the Company as per section 135(5):



Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number.
Not applicable									

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable **Nil**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) **Nil**

(g) Excess amount for set off, if any **Nil**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	<b>(106)</b>
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
Not applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
Not applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **Not applicable**

**(asset-wise details).**

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **Not applicable**

Sd/-  
Dinesh Kumar Mittal  
(Chairman of CSR Committee)  
DIN: 00040000  
Address:- B-71, Sector-44,Noida, Uttar  
Pradesh Gurgaon – 201301

Sd/-  
Krishnan Ramachandran  
(Managing Director & Chief Executive Officer)  
DIN: 08719264  
Address: K2 705, Central Park 1, Golf Course  
Road, Sector 42, Gurgaon, Haryana 122009

Place: Gurugram  
Date: May 5, 2022

# **NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

*(Formerly Max Bupa Health Insurance Company Limited)*

---

**Annexure-4(b)**

## **CERTIFICATE ON UTILISATION OF FUNDS FOR CSR ACTIVITIES**

The Company has incurred losses for the financial years 2018-19, 2019-20, 2020-21. Since the Company has incurred losses during immediately preceding three financial years (as mentioned above), CSR obligation for FY 2021-22 is NIL and the Company has not incurred any spends towards CSR activities.

Sd/-  
C Anil Kumar  
Chief Financial Officer

Place: Gurugram  
Date: May 5, 2022

**SECRETARIAL AUDIT REPORT**  
**for the FY 2021-22**

**RANJEET PANDEY & ASSOCIATES**  
Company Secretaries

---

**SECRETARIAL AUDIT REPORT**  
For the financial year ended on 31<sup>st</sup> March, 2022

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

To,  
The Members,  
Niva Bupa Health Insurance Company Limited  
(Earlier known as Max Bupa Health Insurance Company Limited)  
C-98, First Floor, Lajpat Nagar, Part 1  
New Delhi - 110024

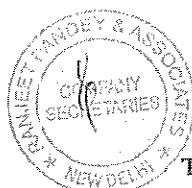
We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Niva Bupa Health Insurance Company Limited" (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification, to the extent possible due to lockdown announced by respective State Governments on account of COVID-19 pandemic, of Niva Bupa Health Insurance Company Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- iv) Insurance Regulatory and Development Authority (IRDA) Act, 1999;
- v) Insurance Act, 1938 and various Rules, Regulations and guidelines issued thereunder including circulars issued from time to time.
- vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
  - a) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.



A-62, Basement, Defence Colony,  
New Delhi-110024

Tel:- 011-46074119, +91-9810558049  
Email-rpa@rpalegal.com; cs.ranjeet@gmail.com



**We further report that:-**

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

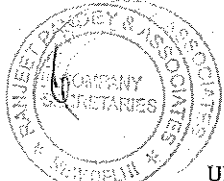
Adequate notice has been given to all directors/members of the committee, as the case may be, to schedule the Board Meetings including committee meetings during the financial year under review, agenda and detailed notes on agenda were sent within prescribed timeline, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the verification of the records and minutes, we report that all the decisions are carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

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

**We further report that**, during the audit period, the Company has:

- a) Changed its name from "Max Bupa Health Insurance Company Limited" to "Niva Bupa Health Insurance Company Limited" after taking necessary approval from its members, Registrar of Companies, NCT of Delhi and Haryana and Insurance Regulatory and Development Authority of India and necessary compliance of the Act was made in this regard.
- b) Approved amendment in 'Max Bupa Employee Stock Option Plan 2020' and necessary compliance of the Act was made in this regard.
- c) Issued and allotted equity shares under Employee Stock Option Plan to employees of the Company and necessary compliance of the Act was made in this regard.
- d) Allotted unsecured, Subordinated, Listed, rated, redeemable, taxable, non-cumulative, non-convertible debentures ('Debentures') and necessary compliance of the Act was made in this regard.

<p>Place: NEW DELHI Date: 26.04.2022</p>	<p style="text-align: right;"><b>FOR RANJEET PANDEY &amp; ASSOCIATES COMPANY SECRETARIES</b></p>  <p style="text-align: right;"><i>Ranjeet Pandey</i> <b>CS RANJEET PANDEY</b> FCS- 5922, CP No.- 6087 UDIN F005922C000175311</p>
--	---

This report is to be read with our letter of even date which is annexed as Annexure-I and forms an integral part of this report.

# RANJEET PANDEY & ASSOCIATES

## Company Secretaries

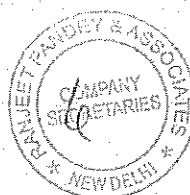
Annexure-I

To,  
The Members,  
Niva Bupa Health Insurance Company Limited  
(Earlier known as Max Bupa Health Insurance Company Limited)  
C-98, First Floor, Lajpat Nagar, Part 1  
New Delhi - 110024

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

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events requiring compliance and reporting etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have tried to verify the physical records, *to the extent possible*, for the period under review in order to verify the compliances, however, reliance was also placed on electronic records for verification due to lockdown announced by respective State Governments on account of COVID-19 pandemic.

FOR RANJEET PANDEY & ASSOCIATES  
COMPANY SECRETARIES



*Ranjeet Pandey*

CS RANJEET PANDEY  
FCS- 5922, CP No.- 6087  
UDIN F005922C000175311

Place: NEW DELHI  
Date: 26.04.2022

**PARTICULARS OF EMPLOYEES**

Information to be provided only on request

**Nangia & Co LLP**  
**Chartered Accountants**  
A-109, Sector-136,  
Noida – 201304  
Uttar Pradesh, India  
Telephone +91 120 2598000

**T R Chadha & Co. LLP**  
**Chartered Accountants**  
B-30, Kuthiala Building,  
Connaught Place  
New Delhi – 110001, India  
Telephone +91 11 43259900

## **INDEPENDENT AUDITOR'S REPORT**

### **To The Members of Niva Bupa Health Insurance Company Limited (Earlier known as Max Bupa Health Insurance Company Limited)**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

1. We have audited the accompanying financial statements of **Niva Bupa Health Insurance Company Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Revenue Account ("the Policyholders' Account"), Profit and Loss Account ("the Shareholders' Account"), and Receipts and Payments Account for the year then ended, notes to financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by The Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 ("the Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 ("the IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority of India ("the IRDAI") and the Companies Act, 2013 ("the Act"), to the extent applicable 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 Balance Sheet, of the state of affairs of the Company as at 31 March 2022;
  - b) in the case of Revenue Account, of the operating profit of the Company for the year ended 31 March 2022;
  - c) in the case of Profit and loss account, of the loss of the Company for the year ended 31 March 2022; and
  - d) in the case of Receipts and Payments Account, of the receipts and profits of the Company for the year ended 31 March 2022.

##### **Basis for Opinion**

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

**Emphasis of matter**

4. We draw attention to Note 16 C (43) to the accompanying statement which describes the management’s assessment of the impact of outbreak of Coronavirus (COVID-19) on the business operations and financial results of the Company, and possible effect of uncertainties on the company’s financial performance as assessment by the management. Such management’s estimates are subject to the future uncertainties as described in the Note 16 C (43) and are dependent on the future developments arising from the full impact of the COVID-19 pandemic.

Our conclusion is not modified in respect of this matter.

**Key Audit Matters**

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

S.no	Key Audit Matters	Auditor’s Response
1.	<p><b>Actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (IBNR), Claims Incurred But Not Enough Reported (IBNER) and Premium Deficiency Reserve (PDR):</b></p> <ul style="list-style-type: none"> <li>• Valuation of liabilities of IBNR/IBNER and PDR involves a significant degree of judgment. The outstanding claims liabilities are based on the estimate ultimate cost of all claims incurred but not settled at March 31, 2022 together with the related claims handling costs.</li> <li>• A range of methods are used to determine these liabilities. Assumptions used by the Company’s Appointed for such valuation should be in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI.</li> </ul>	<p>We have performed following key audit procedures:</p> <ul style="list-style-type: none"> <li>• We reconciled the underlying data with the trial balance and the source systems to ensure completeness and accuracy</li> <li>• We held discussion with the Appointed Actuary in respect of assumptions used.</li> <li>• We obtained and reconciled the provision recognised in the financial statements</li> </ul> <p>Apart from the above, the actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (IBNR), Claims Incurred But Not Enough Reported (IBNER) and Premium deficiency reserve (PDR) is the responsibility of the Appointed Actuary. The actuarial valuation of the outstanding claims reserves (IBNR and IBNER) that are estimated using statistical methods and PDR as at March 31, 2022 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the Appointed Actuary’s</p>

S.no	Key Audit Matters	Auditor's Response
		<p>certificate in this regard for forming our opinion on the Financial Statements of the Company.</p> <p>Considering this matter has been treated as Key Audit Matter here, the same is not reported under Other Matter paragraph.</p>
2.	<p><b>Valuation of Investments</b></p> <p>The carrying values of Investments amounting to INR 2,40,13,151 ('000) (Policyholders and Shareholders) represent 88% of total assets as disclosed in the financial statement.</p> <ul style="list-style-type: none"> <li>• Due to the regulatory prescriptions applicable to recognition, measurement and disclosure of Investments and the assumptions used in the valuation of Investments, we have considered this as a key audit matter.</li> <li>• The valuation of all investments should be as per the investment policy framed by the Company which in turn should be in line with IRDAI Investment Regulations.</li> <li>• The Company has <i>inter alia</i> a policy framework for Valuation and impairment of Investments</li> <li>• The Company performs an impairment review of its investments periodically and recognizes impairment charge when the investments meet the trigger/s for impairment provision as per the criteria set out in the investment policy. Further, the assessment of impairment involves significant management judgement.</li> </ul>	<p>To ensure that the valuation of investments and impairment provision considered in the financial statements is adequate, we have performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Reviewed the manner in which the investments have been made by the Company to ensure that the investments are in accordance with Regulation of Investments as stated in the IRDAI guidelines.</li> <li>• Tested the management oversight and controls over valuation of investments.</li> <li>• Independently test-checked valuation of quoted and unquoted investments.</li> <li>• Reviewed the Fair Value Change Account for specific investments.</li> <li>• Reviewed the basis of provisions accounted in respect of non-performing investments and ensured that the provision meets the IRDAI guidelines.</li> <li>• Reviewed the compliance with the IRDAI guidelines on recording of Income on non-performing investments.</li> <li>• Reviewed and assessed the adequacy with respect to management assessment of impairment charge on investments outstanding at the year end.</li> </ul> <p>Accordingly based on our audit procedures, we noted no reportable matters regarding investments and its valuation.</p>
3.	<p><b>Provision for bad &amp; doubtful debts relating to receivables from other insurance companies (Including Government Receivables), outstanding premium and agent balances:</b></p>	<p>The audit procedures performed by us included the following:</p> <ul style="list-style-type: none"> <li>• Evaluation and testing of controls over the recording, monitoring and ageing of outstanding premium, Agents' Balances and</li> </ul>

S.no	Key Audit Matters	Auditor’s Response
	<ul style="list-style-type: none"> <li>• “Dues from Other entities carrying on insurance business” is INR 885,948 (‘000) as at the year end.</li> <li>• “Outstanding premium” amounting to INR 10,268 (‘000) (net of provision of INR 56,385 (‘000) in relation to premium due from Central Government, State Government and others).</li> <li>• “Agent balances” at the year-end amounted to Nil (net of provision of INR 22,153 (‘000)).</li> </ul>	<p>due from other entities carrying on insurance business</p> <ul style="list-style-type: none"> <li>• Evaluating the adequacy of the process of reconciliation followed by the Company with respect to amounts due from other entities carrying on insurance business</li> <li>• We reviewed the historical provision for bad debts and compared it to the actual amounts written off, to determine whether management’s estimates have been prudent and reasonable.</li> <li>• Reviewed the details of co-insurance transactions uploaded on the ETASS portal by the Company and Other Insurance Companies and reconciled with the transactions accounted by the Company.</li> <li>• We discussed with management and reviewed correspondences, where relevant, to identify disputes, if any, on any of the recoverable balances and review the assessment of the management as to the requirement of provisioning, if any on these disputed dues. Relied on the management estimates with respect to such provisions.</li> </ul> <p>Accordingly, based on our audit procedures, we noted no reportable matter.</p>
4.	<p><b>Information Technology systems:</b></p> <p>The Company is highly dependent on its information technology (IT) systems for carrying out its operations and owing to the significant number of transactions that are processed on daily basis as part of its operations, which impacts key financial accounting and reporting items such as premium income, claims, commission expense and investments among others.</p> <p>The controls implemented by the Company in its IT environment determine the integrity, accuracy, completeness and validity of the data that is processed by the</p>	<p>The audit procedures performed by us included the following:</p> <p>We involved our IT specialists to obtain an understanding of the entity’s IT related control environment, perform risk-based testing and identification of IT applications, databases and operating systems that are relevant to our audit.</p> <p>Our area of focus, for the key IT systems relevant to financial reporting, included Access control, Program Change controls and Network Operations.</p> <p>In this regard -</p> <ul style="list-style-type: none"> <li>• we obtained an understanding of the entity’s IT environment and key changes, if any, during the audit period that may be relevant to the audit;</li> </ul>

S.no	Key Audit Matters	Auditor’s Response
	<p>applications and is ultimately used for financial reporting. These controls contribute to mitigating risk of potential misstatements caused by fraud or error. Further, the prevailing COVID-19 situation has caused the required IT applications to be made accessible to the employees on a remote basis.</p> <p>Accordingly, our audit was focused on key IT systems and controls due to the pervasive impact on the financial statements.</p>	<ul style="list-style-type: none"> <li>• we tested the design, implementation and operating effectiveness of the general IT controls over the key IT systems and applications that are critical to financial reporting.</li> <li>• we tested the entity’s controls to ensure segregation of duties, access rights controls.</li> <li>• we conducted testing of manual and automated IT controls along with related interdependencies, where applicable and critical for financial reporting, to evaluate completeness and accuracy.</li> <li>• we tested the security environment implemented by the entity to prevent, detect and respond to network security incidents; and</li> <li>• we tested compensating controls or performed alternate procedures to assess whether there were any unaddressed IT risks that would impact the controls or completeness and accuracy of data.</li> </ul>

**Information Other than the Financial Statements and Auditor’s Report Thereon**

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

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

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

When we read the Other Information, if, we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance.

**Responsibilities of management and Those Charged with Governance for the Financial Statements**

7. The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), Profit and loss (financial performance) and Receipts and Payments of the Company in accordance with the requirement of the Insurance Act read with IRDA Act, the Regulations, orders/directions/circulars/guidelines/ issued by the Insurance Regulatory and Development Authority of



**Nangia & Co LLP**  
**Chartered Accountants**  
A-109, Sector-136,  
Noida – 201304  
Uttar Pradesh, India  
Telephone +91 120 2598000

**T R Chadha & Co. LLP**  
**Chartered Accountants**  
B-30, Kuthiala Building,  
Connaught Place  
New Delhi – 110001, India  
Telephone +91 11 43259900

India in this regard and in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014, further amended by Companies (Accounting Standards) Amendment Rules, 2016 to the extent applicable and in the manner so required. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards of Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

15. As required by the Regulations, we have issued a separate certificate dated 5 May 2022, certifying matters specified in paragraphs 3 and 4 of the Schedule C to these Regulations.
16. Further, to our comments in the Certificate referred to above, as required under the Regulations, read with Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) As the Company's financial accounting system is centralized at Head office, no returns for the purpose 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) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, further amended by the Companies (Accounting Standards) Amendment Rules, 2016 to the extent they are not inconsistent with the accounting principles prescribed in the regulations and orders/directions issued by the IRDA in this regard;
- f) In our opinion and to the best of our information and according to the explanations given to us, Investments have been valued in accordance with the provisions of the Insurance Act, 1938, the Regulations and/or orders/directions issued by the IRDAI in this regard;
- g) In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Act), and the Rules framed thereunder and with the accounting principles as prescribed by the Regulations and orders/directions issued by the IRDAI in this regard;
- h) On the basis of written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- i) With respect to requirements of section 197(16) of the Act, as amended, we report that managerial remuneration is governed u/s 34A of the Insurance Act, 1938 and requires IRDAI approval. Accordingly, the provisions of Section 197 read with schedule V to the Act are not applicable, and hence reporting under Section 197 (16) is not required;
- j) We have also audited the internal financial control over financial reporting (IFCoFR) of the Company as on 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 5 May 2022 as per "Annexure A" expressed unmodified opinion.
- k) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company, as detailed in Note 16 C (1) to the financial statements, has disclosed the impact of pending litigations on financial position;

**Nangia & Co LLP**  
**Chartered Accountants**  
A-109, Sector-136,  
Noida – 201304  
Uttar Pradesh, India  
Telephone +91 120 2598000

**T R Chadha & Co. LLP**  
**Chartered Accountants**  
B-30, Kuthiala Building,  
Connaught Place  
New Delhi – 110001, India  
Telephone +91 11 43259900

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared any dividend or paid during the year in accordance with Section 123 of the Companies Act 2013.

For **Nangia & Co LLP**  
Chartered Accountants  
FRN No. 002391C/N500069

For **T R Chadha & Co. LLP**  
Chartered Accountants  
FRN No. 006711N/N500028

**Vikas Gupta**  
Partner  
Membership No. 076879  
UDIN:

**Neena Goel**  
Partner  
Membership No. 057986  
UDIN:

Place: Noida  
Date: 5 May 2022

Place: New Delhi  
Date: 5 May 2022

**Nangia & Co LLP**  
**Chartered Accountants**  
A-109, Sector-136,  
Noida – 201304  
Uttar Pradesh, India  
Telephone +91 120 2598000

**T R Chadha & Co. LLP**  
**Chartered Accountants**  
B-30, Kuthiala Building,  
Connaught Place  
New Delhi – 110001, India  
Telephone +91 11 43259900

## **Annexure ‘A’ to the Independent Auditors’ Report**

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

To the Members of **Niva Bupa Health Insurance Company Limited**

1. We have audited the internal financial controls over financial reporting (“IFCoFR”) of **Niva Bupa Health Insurance Company Limited** as of 31 March 2022 in conjunction with our audit of financial statements of the Company for the year ended on that date.

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

2. The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 including provisions of The Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 (“the Insurance Act”), the Insurance Regulatory and Development Authority Act, 1999 (“the IRDA Act”), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002 (“the Regulations”) in this regard.

#### **Auditors’ Responsibility**

3. Our responsibility is to express an opinion on the Company’s IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s IFCoFR.

**Nangia & Co LLP**  
**Chartered Accountants**  
A-109, Sector-136,  
Noida – 201304  
Uttar Pradesh, India  
Telephone +91 120 2598000

**T R Chadha & Co. LLP**  
**Chartered Accountants**  
B-30, Kuthiala Building,  
Connaught Place  
New Delhi – 110001, India  
Telephone +91 11 43259900

### **Meaning of Internal Financial Controls over Financial Reporting**

6. A Company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such controls were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other matter**

9. The actuarial valuation is liabilities in respect to Claims Incurred But Not Reported (IBNR), including Claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at 31 March 2022 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary, as mentioned in "Other Matter" paragraph of our audit report on the financial statements of the Company as at and for the year ended 31 March 2022. In view of this, we did not perform any procedures relating to internal financial control over financial reporting in respect of the valuation and accuracy of the actuarial valuation of estimate of claims IBNR and claims IBNER.

For **Nangia & Co LLP**  
Chartered Accountants  
FRN No. 002391C/N500069

For **T R Chadha & Co. LLP**  
Chartered Accountants  
FRN No. 006711N/N500028

**Vikas Gupta**  
Partner  
Membership No. 076879  
UDIN:

**Neena Goel**  
Partner  
Membership No. 057986  
UDIN:

Place: Noida  
Date: 5 May 2022

Place: New Delhi  
Date: 5 May 2022

**Nangia & Co LLP**  
**Chartered Accountants**  
A-109, Sector-136,  
Noida – 201304  
Uttar Pradesh, India  
Telephone +91 120 2598000

**T R Chadha & Co. LLP**  
**Chartered Accountants**  
B-30, Kuthiala Building,  
Connaught Place  
New Delhi – 110001, India  
Telephone +91 11 43259900

## **INDEPENDENT AUDITOR'S CERTIFICATE**

### **To The Members of Niva Bupa Health Insurance Company Limited**

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

1. This certificate is issued to comply with the provisions of paragraphs 3 and 4 of Schedule C to be read with Regulation 3 of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "Regulations") and may not be suitable for any other purpose.

### **Management Responsibility**

2. The Company's Board of Directors is responsible for complying with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 ("the Insurance Act"), the Insurance Regulatory and Development Authority of India circular IRDAI/F&A/CIR/FA/059/03/2015 dated 31 March 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI"), which includes the preparation and maintenance of books of account and the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid and applying an appropriate basis of preparation that are reasonable in the circumstances and providing all the relevant information to the IRDAI.

### **Auditors' Responsibility**

3. Our responsibility, for the purpose of this certificate, is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the Regulations.
4. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements issued by the ICAI.

### **Opinion**

6. In accordance with the information, explanations and representations given to us and to the best of our knowledge and belief and based on our audit of financial statements for the year ended 31 March 2022 and joint examination of the books of account and other records maintained by the Company, we certify that:

**Nangia & Co LLP**  
**Chartered Accountants**  
A-109, Sector-136,  
Noida – 201304  
Uttar Pradesh, India  
Telephone +91 120 2598000

**T R Chadha & Co. LLP**  
**Chartered Accountants**  
B-30, Kuthiala Building,  
Connaught Place  
New Delhi – 110001, India  
Telephone +91 11 43259900

- a. We have reviewed the Management Report attached to the financial statements for the year ended 31 March 2022, and on the basis of our review, there are no apparent mistakes in or material inconsistencies with the financial statements;
- b. Based on the management representation and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration stipulated by IRDAI;
- c. We have verified the cash balances, to the extent considered necessary, and securities relating to the Company's investment as at 31 March 2022, by actual inspection or on the basis of certificate / confirmations received from the Custodian and / or Depository Participants appointment by the Company, as the case may be;
- d. We have been given to understand by the management that the Company is not a trustee of any trust; and
- e. 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.

#### **Restriction on Use**

7. This certificate is issued solely in compliance with the requirements of Schedule C of the Insurance Regulatory and Development Authority (Presentation of Financial Statements and Auditors' 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. Accordingly, we do not accept or assume any liability or any duty of care of for any other purpose or to any other party to whom it is shown or into whose hand it may come without our prior consent in writing.

For **Nangia & Co LLP**  
Chartered Accountants  
FRN No. 002391C/N500069

For **T R Chadha & Co. LLP**  
Chartered Accountants  
FRN No. 006711N/N500028

**Vikas Gupta**  
Partner  
Membership No. 076879  
UDIN:

**Neena Goel**  
Partner  
Membership No. 057986  
UDIN:

Place: Noida  
Date: 5 May 2022

Place: New Delhi  
Date: 5 May 2022



## FORM-B-RA

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**  
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

## REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in 000's)

Particulars	Schedule	For the year ended March 31, 2022	For the year ended March 31, 2021
1 Premiums earned (Net)	1	1,75,25,098	1,15,08,667
2 Profit on sale/redemption of Investments		53,360	22,366
(Loss) on sale/redemption of Investments		-	-
3 Others-			
Contribution from Shareholders Funds towards Excess EOM* (Refer Note 25)		27,17,166	17,62,362
Accretion/Amortisation of (Premium)/Discount		(40,313)	(23,664)
4 Interest, Dividend & Rent – Gross		8,59,920	5,65,620
<b>Total (A)</b>		<b>2,11,15,231</b>	<b>1,38,35,351</b>
1 Claims Incurred (Net)	2	1,08,86,260	64,55,551
2 Commission (Net)	3	12,04,197	6,34,807
3 Operating Expenses related to Insurance Business	4	85,73,944	54,95,421
4 Premium Deficiency		-	-
<b>Total (B)</b>		<b>2,06,64,400</b>	<b>1,25,85,779</b>
<b>Operating Profit/(Loss) [C= (A - B)]</b>		<b>4,50,831</b>	<b>12,49,572</b>
<b>Appropriations</b>			
Transfer to Shareholders' Account		4,50,831	12,49,572
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
<b>Total (C)</b>		<b>4,50,831</b>	<b>12,49,572</b>

Significant Accounting Policies and Notes to Accounts

16

The Schedules and accompanying notes referred to herein form an integral part of the Revenue Account

\*As required by Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016, expenses of management incurred during period ended March 31, 2022 in respect of Miscellaneous insurance business transactions in India by the Company have been fully recognized in the revenue account as expenses to the extent allowable as per regulations. As per the directions from IRDAI, expenses in excess of allowable limits, as per the Regulations have been charged to Shareholders Accounts.

As per our Audit Report of even date attached

**For Nangia & Co LLP**  
Chartered Accountants  
ICAI Firm Registration No. 002391C/N500069

For and on behalf of the Board of Directors  
**Niva Bupa Health Insurance Company Limited**

**Vikas Gupta**  
Partner  
Membership No. 076879  
Place: Noida

**Dinesh Kumar Mittal**  
Director  
DIN: 00040000

**Krishnan Ramachandran**  
CEO & Managing Director  
DIN:08719264

**For T R Chadha & Co LLP**  
Chartered Accountants  
ICAI Firm Registration No. 006711N/ N500028

**Rajat Sharma**  
Company Secretary  
Mem No. FCS7069

**C Anil Kumar**  
Chief Financial Officer

**Neena Goel**  
Partner  
Membership No. 057986  
Place: Delhi

Place: Gurugram  
Date: May 05, 2022

CIN - U66000DL2008PLC182918

## FORM-B-PL

## NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly known as Max Bupa Health Insurance Company Limited)

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in 000's)

Particulars	Schedule	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>1 Operating Profit/(Loss)</b>			
(a) Miscellaneous Insurance		4,50,831	12,49,572
<b>2 Income From Investments</b>			
(a) Interest, Dividend and Rent – Gross		3,75,441	2,97,261
(b) Profit on sale/redemption of Investments		9,408	12,811
(Loss) on sale/redemption of Investments		-	-
(c) Accretion/Amortisation of (Premium)/Discount		(9,434)	(14,984)
<b>3 Other Income</b>			
(a) Gain/(Loss) on Foreign Exchange Fluctuation		(1,270)	(2,544)
(b) Interest Income on FD		2,125	1,108
(c) Provisions written back		71,077	1,769
<b>Total (A)</b>		<b>8,98,178</b>	<b>15,44,992</b>
<b>4 Provisions (Other than Taxation)</b>			
(a) For diminution in the value of investments (Refer Note 13)		(1,99,774)	(25,226)
(b) For doubtful debts		2,21,707	2,83,451
(c) Penalty		-	-
(d) Others		-	-
<b>5 Other Expenses</b>			
(a) Expenses other than those related to Insurance Business			
(i) Managerial Remuneration		24,378	21,794
(ii) Interest on Subordinated Debentures		65,226	-
(iii) Others		34,725	-
(b) Contribution to policyholders Funds towards Excess EOM		27,17,166	17,62,362
(c) Bad debts written off		-	-
(d) CSR Expenses		-	-
<b>Total (B)</b>		<b>28,63,428</b>	<b>20,42,381</b>
<b>Profit/(Loss) Before Tax</b>		<b>(19,65,250)</b>	<b>(4,97,389)</b>
Provision for Taxation		-	-
<b>Profit/(Loss) After Tax</b>		<b>(19,65,250)</b>	<b>(4,97,389)</b>
<b>Appropriations</b>			
(a) Interim dividends		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution tax		-	-
(d) Debenture Redemption Reserve		-	-
(e) Transfer to any Reserves or Other Accounts		-	-
		-	-
<b>Balance of Profit/(Loss) brought forward from last year/period</b>		<b>(82,98,344)</b>	<b>(78,00,955)</b>
<b>Balance carried forward to Balance Sheet</b>		<b>(1,02,63,594)</b>	<b>(82,98,344)</b>
<b>Basic Earning/ (Loss) per Share of Rs. 10/- each ( Refer Note 22)</b>		<b>(1.42)</b>	<b>(0.43)</b>
<b>Diluted Earning/ (Loss) per Share of Rs. 10/- each (Refer Note 22)</b>		<b>(1.41)</b>	<b>(0.43)</b>
Significant Accounting Policies and Notes to Accounts	16		

The Schedules and accompanying notes referred to herein form an integral part of the Profit and Loss Account

As per our Audit Report of even date attached

For Nangia & Co LLP  
Chartered Accountants  
ICAI Firm Registration No. 002391C/N500069

For and on behalf of the Board of Directors  
Niva Bupa Health Insurance Company Limited

Vikas Gupta  
Partner  
Membership No. 076879  
Place: Noida

Dinesh Kumar Mittal  
Director  
DIN: 00040000

Krishnan Ramchandran  
CEO & Managing Director  
DIN:08719264

For T R Chadha & Co LLP  
Chartered Accountants  
ICAI Firm Registration No. 006711N/ N500028

Rajat Sharma  
Company Secretary  
Mem No. FCS7069

C Anil Kumar  
Chief Financial Officer

Neena Goel  
Partner  
Membership No. 057986  
Place: Delhi

Place: Gurugram  
Date: May 05, 2022

CIN - U66000DL2008PLC182918

## FORM-B-BS

## NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly known as Max Bupa Health Insurance Company Limited)

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

## BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in 000's)

Particulars	Schedule	As at March 31, 2022	As at March 31, 2021
<b>Sources of Funds</b>			
Share Capital	5	1,40,86,022	1,34,97,298
Reserves and Surplus	6	12,54,023	5,67,872
Fair Value Change Account			
Shareholders		(20,026)	1,299
Policyholders		91	65
Borrowings	7	25,00,000	-
<b>Total</b>		<b>1,78,20,110</b>	<b>1,40,66,534</b>
<b>Application of Funds</b>			
Investments - Shareholders	8	86,96,182	63,73,698
Investments - Policyholders	8A	1,53,16,969	98,41,907
Loans	9	-	-
Fixed Assets	10	4,96,767	4,75,202
<b>Current Assets:</b>			
Cash and Bank Balances	11	5,88,129	3,04,073
Advances and Other Assets	12	22,86,293	19,95,570
<b>Sub-total (A)</b>		<b>28,74,422</b>	<b>22,99,643</b>
Current Liabilities	13	89,10,907	63,60,792
Provisions	14	1,09,16,916	68,61,468
<b>Sub-total (B)</b>		<b>1,98,27,823</b>	<b>1,32,22,260</b>
<b>Net Current Assets (C) = (A - B)</b>		<b>(1,69,53,401)</b>	<b>(1,09,22,617)</b>
Miscellaneous Expenditure	15	-	-
(To the extent not written off or adjusted)			
Debit Balance in Profit and Loss Account		1,02,63,594	82,98,344
<b>Total</b>		<b>1,78,20,110</b>	<b>1,40,66,534</b>
Significant Accounting Policies and Notes to Accounts	16		
(please refer note no 1 in Schedule 16 for Contingent Liabilities)			

The Schedules and accompanying notes referred to herein form an integral part of the Balance Sheet

As per our Audit Report of even date attached

**For Nangia & Co LLP**  
Chartered Accountants  
ICAI Firm Registration No. 002391C/N500069

For and on behalf of the Board of Directors  
**Niva Bupa Health Insurance Company Limited**

**Vikas Gupta**  
Partner  
Membership No. 076879  
Place: Noida

**Dinesh Kumar Mittal**  
Director  
DIN: 00040000

**Krishnan Ramachandran**  
CEO & Managing Director  
DIN:08719264

**For T R Chadha & Co LLP**  
Chartered Accountants  
ICAI Firm Registration No. 006711N/ N500028

**Rajat Sharma**  
Company Secretary  
Mem No. FCS7069

**C Anil Kumar**  
Chief Financial Officer

**Neena Goel**  
Partner  
Membership No. 057986  
Place: Delhi

Place: Gurugram  
Date: May 05, 2022

CIN - U66000DL2008PLC182918

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash Flows from the Operating activities</b>		
1. Premium received from Policyholders, including Advance Receipts	3,40,64,307	2,12,01,569
2. Other Receipts	-	-
3. Payment to the reinsurers, net of commissions and claims	(1,89,307)	(19,66,427)
4. Payments to co-insurers, net of claims recovery	-	-
5. Payments of claims	(1,34,73,308)	(59,54,507)
6. Payments of commission and brokerage	(32,74,735)	(21,63,306)
7. Payments of Other Operating Expenses	(1,10,64,071)	(66,23,206)
8. Preliminary and Pre-operative Expenses	-	-
9. Deposits, Advances and Staff Loans	(2,38,195)	(8,545)
10. Income Taxes Paid (Net)	-	-
11. GST paid	(24,46,560)	(19,14,598)
12. Other Payments	-	-
13. <b>Cash Flows before Extraordinary Items</b>	<b>33,78,131</b>	<b>25,70,980</b>
14. Cash flow from extraordinary operations	-	-
15. <b>Net Cash flows from operating activities</b>	<b>33,78,131</b>	<b>25,70,980</b>
<b>B. Cash flows from investing activities</b>		
1. Purchase of fixed assets	(2,87,856)	(2,83,875)
2. Proceeds from sale of fixed assets	-	-
3. Purchase of investments	(2,52,22,467)	(1,90,61,655)
4. Loans disbursed	-	-
5. Sales of investments	1,68,89,800	1,48,62,275
6. Repayments received	-	-
7. Rents/Interests/ Dividends received	10,12,306	7,43,463
8. Investments in money market instruments and in liquid mutual funds (Net)	-	-
9. Expenses related to investments	-	-
10. <b>Net Cash flows from investing activities</b>	<b>(76,08,217)</b>	<b>(37,39,792)</b>
<b>C. Cash flows from financing activities</b>		
1. Proceeds from issuance of Share Capital	12,72,287	28,04,827
2. Proceeds from borrowing	25,00,000	-
3. Repayments of borrowing	-	-
4. Interest/dividends paid	-	-
5. Other expenses	(34,725)	-
6. <b>Net cash flow from financing activities</b>	<b>37,37,562</b>	<b>28,04,827</b>
<b>D. Effect of foreign exchange rates on cash and cash equivalents, net</b>	-	-
<b>E. Net Increase/(decrease) in cash and cash equivalents</b>	<b>(4,92,524)</b>	<b>16,36,015</b>
Cash and cash equivalents at the beginning of the period	19,57,032	3,21,017
Cash and cash equivalents at the end of the period	14,64,508	19,57,032
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>(4,92,524)</b>	<b>16,36,015</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet at the end of the period</b>		
Cash and Bank Balances (Refer Schedule 11)	5,88,129	3,04,073
Short term liquid investments (Refer Schedule 8: Investments Shareholder's Fund)	8,35,145	11,89,334
Short term liquid investments (Refer Schedule 8A: Investments Policyholder's Fund)	41,233	63,625
Fixed Deposit having original maturity less than 90 days	-	4,00,000
<b>Cash and cash equivalents at the end of the period</b>	<b>14,64,508</b>	<b>19,57,032</b>

As per our Audit Report of even date attached

For Nangia & Co LLP

Chartered Accountants

ICAI Firm Registration No. 002391C/N500069

Vikas Gupta

Partner

Membership No. 076879

Place: Noida

For T R Chadha & Co LLP

Chartered Accountants

ICAI Firm Registration No. 006711N/ N500028

Neena Goel

Partner

Membership No. 057986

Place: Delhi

For and on behalf of the Board of Directors

Niva Bupa Health Insurance Company Limited

Dinesh Kumar Mittal

Director

DIN: 00040000

Rajat Sharma

Company Secretary

Mem No. FCS7069

Krishnan Ramachandran

CEO & Managing Director

DIN:08719264

C Anil Kumar

Chief Financial Officer

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

**(Formerly known as Max Bupa Health Insurance Company Limited)**

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in 000's)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>SCHEDULE – 1</b>		
<b>PREMIUM EARNED [NET OF GST]</b>		
Premium from direct business written	2,80,99,713	1,75,07,779
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	<u>65,23,426</u>	<u>40,22,530</u>
<b>Net Premium</b>	<b><u>2,15,76,287</u></b>	<b><u>1,34,85,249</u></b>
Less: Adjustment for change in reserve for unexpired risks	<u>40,51,189</u>	<u>19,76,582</u>
<b>Total Premium Earned (Net)*</b>	<b><u><u>1,75,25,098</u></u></b>	<b><u><u>1,15,08,667</u></u></b>
*All premium written, less reinsurance, is from business in India.		
<b>SCHEDULE – 2</b>		
<b>CLAIMS INCURRED [NET]</b>		
<b>Claims paid*</b>		
Direct	1,34,67,664	64,66,919
Add: Re-insurance accepted	-	-
Less: Re-insurance Ceded	<u>29,55,675</u>	<u>12,76,583</u>
<b>Net Claims paid</b>	<b><u>1,05,11,989</u></b>	<b><u>51,90,336</u></b>
Add: Claims Outstanding at the end of the year	26,86,105	23,11,834
Less: Claims Outstanding at the beginning of the year	<u>23,11,834</u>	<u>10,46,619</u>
<b>Total Claims Incurred**</b>	<b><u><u>1,08,86,260</u></u></b>	<b><u><u>64,55,551</u></u></b>
*In case of in house TPA, IRDAI Expense of Management Regulations, 2016 permits an insurer to consider expense not exceeding 3% of Premium as a part of claim cost, accordingly amount of claim paid includes an amount of certain expenses aggregating to Rs. 8,42,991 thousands (previous year ended March 31, 2021 Rs.5,25,233 thousands) allocated to claim handling charges. This amount primarily includes employee and other related costs.		
** Includes an amount of Rs.63,183 thousands during the year ended March 31, 2022 (previous year ended March 31, 2021 Rs. 28,018 thousands) on account of expenses incurred towards product related benefit paid to policyholders.		
<b>SCHEDULE – 3</b>		
<b>COMMISSION</b>		
<b>Commission paid</b>		
Direct*	33,64,965	21,71,628
Add: Commission on Re-insurance accepted	-	-
Less: Commission on Re-insurance Ceded	<u>21,60,768</u>	<u>15,36,821</u>
<b>Net Commission</b>	<b><u><u>12,04,197</u></u></b>	<b><u><u>6,34,807</u></u></b>
*includes an amount of Rs 5,05,282 thousands during the year ended March 31, 2022 ( previous year ended March 31, 2021 Rs. 307,113 thousand s) towards Reward or Remuneration to Agents & Brokers.		
<b>Break up of commission paid to procure business:</b>		
Agents	16,04,539	10,77,008
Brokers	6,51,935	4,02,837
Corporate Agency	<u>11,08,491</u>	<u>6,91,783</u>
	<b><u><u>33,64,965</u></u></b>	<b><u><u>21,71,628</u></u></b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**

**(Formerly known as Max Bupa Health Insurance Company Limited)**

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in 000's)

Particulars	For the year ended March 31, 2022			
	Health	Personal Accident	Travel	Total
<b>SCHEDULE – 1A</b>				
<b>PREMIUM EARNED [NET OF GST]</b>				
Premium from direct business written	2,74,90,353	6,07,569	1,791	2,80,99,713
Add: Premium on reinsurance accepted	-	-	-	-
Less: Premium on reinsurance ceded	63,95,973	1,26,386	1,067	65,23,426
<b>Net Premium</b>	<b>2,10,94,380</b>	<b>4,81,183</b>	<b>724</b>	<b>2,15,76,287</b>
Less: Adjustment for change in reserve for unexpired risks	41,70,255	(1,19,428)	362	40,51,189
<b>Total Premium Earned (Net) *</b>	<b>1,69,24,125</b>	<b>6,00,611</b>	<b>362</b>	<b>1,75,25,098</b>

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

**SCHEDULE – 2A**

**CLAIMS INCURRED [NET]**

**Claims paid\***

Direct

1,33,65,554

1,02,109

-

1,34,67,664

Add: Re-insurance accepted

-

-

-

-

Less: Re-insurance Ceded

29,28,886

26,790

-

29,55,675

**Net Claims paid**

**1,04,36,669**

**75,320**

**-**

**1,05,11,989**

Add: Claims Outstanding at the end of the period

25,80,671

1,05,434

-

26,86,105

Less: Claims Outstanding at the beginning of the period

21,85,959

1,25,875

-

23,11,834

**Total Claims Incurred\*\***

**1,08,31,381**

**54,879**

**-**

**1,08,86,260**

\*In case of in house TPA, IRDAI Expense of Management Regulations, 2016 permits an insurer to consider expense not exceeding 3% of Premium as a part of claim cost, accordingly amount of claim paid includes an amount of certain expenses aggregating to Rs. 8,42,991 thousands (previous year ended March 31, 2021 Rs.5,25,233 thousands) allocated to claim handling charges. This amount primarily includes employee and other related costs.

\*\* Includes an amount of Rs.63,183 thousands during the year ended March 31, 2022 (previous year ended March 31, 2021 Rs. 28,018 thousands) on account of expenses incurred towards product related benefit paid to policyholders.

**SCHEDULE – 3A**

**COMMISSION**

**Commission paid**

Direct\*

32,81,781

82,915

269

33,64,965

Add: Re-insurance accepted

-

-

-

-

Less: Commission on Re-insurance Ceded

21,27,784

32,697

287

21,60,768

**Net Commission**

**11,53,997**

**50,218**

**-**

**12,04,197**

\*includes an amount of Rs 5,05,282 thousands during the year ended March 31, 2022 ( previous year ended March 31, 2021 Rs. 307,113 thousand s) towards Reward or Remuneration to Agents & Brokers.

**Break Up of expenses incurred to procure business:**

Agents	15,61,809	42,730	-	16,04,539
Brokers	6,48,672	2,994	269	6,51,935
Corporate Agency	10,71,300	37,191	-	11,08,491
	<b>32,81,781</b>	<b>82,915</b>	<b>269</b>	<b>33,64,965</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(Rs. in 000's)

	For the year ended			
	March 31, 2021			
	Health	Personal Accident	Travel	Total
<b>SCHEDULE – 1A</b>				
<b>PREMIUM EARNED [NET OF GST]</b>				
Premium from direct business written	1,69,55,947	5,51,832	-	1,75,07,779
Add: Premium on reinsurance accepted	-	-	-	-
Less : Premium on reinsurance ceded	39,45,219	77,311	-	40,22,530
<b>Net Premium</b>	<b>1,30,10,728</b>	<b>4,74,521</b>	-	<b>1,34,85,249</b>
Less: Adjustment for change in reserve for unexpired risks	18,76,552	1,00,030	-	19,76,582
<b>Total Premium Earned (Net) *</b>	<b>1,11,34,176</b>	<b>3,74,491</b>	-	<b>1,15,08,667</b>

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

<b>SCHEDULE – 2A</b>				
<b>CLAIMS INCURRED [NET]</b>				
<b>Claims paid*</b>				
Direct	64,18,522	48,397	-	64,66,919
Add: Re-insurance accepted	-	-	-	-
Less: Re-insurance Ceded	12,73,039	3,544	-	12,76,583
<b>Net Claims paid</b>	<b>51,45,483</b>	<b>44,853</b>	-	<b>51,90,336</b>
Add: Claims Outstanding at the end of the period	21,85,959	1,25,875	-	23,11,834
Less: Claims Outstanding at the beginning of the period	9,67,393	79,226	-	10,46,619
<b>Total Claims Incurred**</b>	<b>63,64,049</b>	<b>91,502</b>	-	<b>64,55,551</b>

\*In case of in house TPA, IRDAI Expense of Management Regulations, 2016 permits an insurer to consider expense not exceeding 3% of Premium as a part of claim cost, accordingly amount of claim paid includes an amount of certain expenses aggregating to Rs. 8,42,991 thousands (previous year ended March 31, 2021 Rs.5,25,233 thousands) allocated to claim handling charges. This amount primarily includes employee and other related costs.

\*\* Includes an amount of Rs.63,183 thousands during the year ended March 31, 2022 (previous year ended March 31, 2021 Rs. 28,018 thousands) on account of expenses incurred towards product related benefit paid to policyholders.

<b>SCHEDULE – 3A</b>				
<b>COMMISSION</b>				
<b>Commission paid</b>				
Direct*	20,95,867	75,761	-	21,71,628
Add: Re-insurance accepted	-	-	-	-
Less: Commission on Re-insurance Ceded	15,15,142	21,679	-	15,36,821
<b>Net Commission</b>	<b>5,80,725</b>	<b>54,082</b>	-	<b>6,34,807</b>

\*includes an amount of Rs 5,05,282 thousands during the year ended March 31, 2022 ( previous year ended March 31, 2021 Rs. 307,113 thousand s) towards Reward or Remuneration to Agents & Brokers.

<b>Break Up of expenses incurred to procure business:</b>				
Agents	10,60,669	16,339	-	10,77,008
Brokers	4,00,447	2,390	-	4,02,837
Corporate Agency	6,34,750	57,033	-	6,91,783
	<b>20,95,867</b>	<b>75,761</b>	-	<b>21,71,628</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**  
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010  
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

**SCHEDULE – 4**

**OPERATING EXPENSES RELATED TO INSURANCE BUSINESS**

*(Rs. in 000's)*

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1 Employees' remuneration and welfare benefits	44,30,887	28,81,247
2 Travel, conveyance and vehicle running expenses	1,25,819	67,544
3 Training expenses	8,413	55,234
4 Rents, rates and taxes	1,42,452	1,02,046
5 Repairs	77,308	79,234
6 Printing and stationery	5,106	5,638
7 Communication	1,11,117	67,089
8 Legal and professional charges	1,66,116	1,80,733
9 Auditors' fees, expenses etc	-	-
(a) as auditor	4,589	2,995
(b) as adviser or in any other capacity, in respect of	-	-
(i) Taxation matters	220	900
(ii) Insurance matters	-	-
(iii) Management services; and	-	-
(c) in any other capacity	-	-
(i) Tax Audit Fees	225	-
(ii) Certification Fees	450	175
10 Advertisement and publicity	29,55,175	15,61,320
11 Interest and bank charges	96,576	59,384
12 Others	-	-
(a) Business and Sales Promotion	4,471	1,840
(b) Information Technology Expenses	1,50,895	1,89,663
(c) Membership and Subscription	3,538	3,399
(d) Insurance	12,750	5,434
(e) Sitting Fee	6,600	6,300
(f) Board Meeting Expenses	545	553
(g) Miscellaneous Expenses	2,471	88
13 Depreciation	2,67,649	2,20,531
14 Goods and Service Tax A/c	572	4,074
<b>Total</b>	<b>85,73,944</b>	<b>54,95,421</b>



**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**  
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010  
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

**SCHEDULE – 4A**  
**OPERATING EXPENSES RELATED TO INSURANCE BUSINESS**

(Rs. in 000's)

Particulars	For the year ended			
	March 31, 2022			
	Personal			Total
Health	Accident	Travel		
1 Employees' remuneration and welfare benefits	43,34,800	95,804	282	44,30,887
2 Travel, conveyance and vehicle running expenses	1,23,090	2,720	8	1,25,819
3 Training expenses	8,230	182	1	8,413
4 Rents, rates and taxes	1,39,363	3,080	9	1,42,452
5 Repairs	75,632	1,672	5	77,308
6 Printing and stationery	4,996	110	0	5,106
7 Communication	1,08,708	2,403	7	1,11,117
8 Legal and professional charges	1,62,514	3,592	11	1,66,116
9 Auditors' fees, expenses etc	-	-	-	-
(a) as auditor	4,489	99	0	4,589
(b) as adviser or in any other capacity, in respect of	-	-	-	-
(i) Taxation matters	215	5	0	220
(ii) Insurance matters	-	-	-	-
(iii) Management services; and	-	-	-	-
(c) in any other capacity	-	-	-	-
(i) Tax Audit Fees	220	5	0	225
(ii) Certification Fees	440	10	0	450
10 Advertisement and publicity	28,91,090	63,896	188	29,55,175
11 Interest and bank charges	94,481	2,088	6	96,576
12 Others	-	-	-	-
(a) Business and Sales Promotion	4,374	97	0	4,471
(b) Information Technology Expenses	1,47,623	3,263	10	1,50,895
(c) Membership and Subscription	3,461	76	0	3,538
(d) Insurance	12,474	276	1	12,750
(e) Sitting Fee	6,457	143	0	6,600
(f) Board Meeting Expenses	533	12	0	545
(g) Miscellaneous Expenses	2,418	53	0	2,471
13 Depreciation	2,61,845	5,787	17	2,67,649
14 Goods and Service Tax A/c	560	12	0	572
<b>Total</b>	<b>83,88,012</b>	<b>1,85,385</b>	<b>546</b>	<b>85,73,944</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**  
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010  
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

**SCHEDULE – 4A**  
**OPERATING EXPENSES RELATED TO INSURANCE BUSINESS**

(Rs. in 000's)

Particulars	For the year ended March 31, 2021			
	Health	Accident	Travel	Total
1 Employees' remuneration and welfare benefits	27,90,432	90,815	-	28,81,247
2 Travel, conveyance and vehicle running expenses	65,415	2,129	-	67,544
3 Training expenses	53,493	1,741	-	55,234
4 Rents, rates and taxes	98,830	3,216	-	1,02,046
5 Repairs	76,737	2,497	-	79,234
6 Printing and stationery	5,460	178	-	5,638
7 Communication	64,974	2,115	-	67,089
8 Legal and professional charges	1,75,036	5,697	-	1,80,733
9 Auditors' fees, expenses etc	-	-	-	-
(a) as auditor	2,901	94	-	2,995
(b) as adviser or in any other capacity, in respect of	-	-	-	-
(i) Taxation matters	872	28	-	900
(ii) Insurance matters	-	-	-	-
(iii) Management services; and	-	-	-	-
(c) in any other capacity	-	-	-	-
(i) Tax Audit Fees	-	-	-	-
(ii) Certification Fees	169	6	-	175
10 Advertisement and publicity	15,12,108	49,212	-	15,61,320
11 Interest and bank charges	57,512	1,872	-	59,384
12 Others	-	-	-	-
(a) Business and Sales Promotion	1,782	58	-	1,840
(b) Information Technology Expenses	1,83,685	5,978	-	1,89,663
(c) Membership and Subscription	3,292	107	-	3,399
(d) Insurance	5,263	171	-	5,434
(e) Sitting Fee	6,101	199	-	6,300
(f) Board Meeting Expenses	536	17	-	553
(g) Miscellaneous Expenses	85	3	-	88
13 Depreciation	2,13,580	6,951	-	2,20,531
14 Goods and Service Tax A/c	3,946	128	-	4,074
<b>Total</b>	<b>53,22,210</b>	<b>1,73,211</b>	<b>-</b>	<b>54,95,421</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**  
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010  
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

**SCHEDULE – 5**  
**SHARE CAPITAL**

(Rs. in 000's)

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>1 Authorised Capital</b>		
1,50,00,00,000 (Previous year 1,50,00,00,000) Equity Shares of Rs 10 each	1,50,00,000	1,50,00,000
<b>2 Issued Capital</b>		
1,40,86,02,228 (Previous year 1,34,97,29,800) Equity Shares of Rs 10 each	1,40,86,022	1,34,97,298
<b>3 Subscribed Capital</b>		
1,40,86,02,228 (Previous year 1,34,97,29,800) Equity Shares of Rs 10 each	1,40,86,022	1,34,97,298
<b>4 Called-up Capital</b>		
1,40,86,02,228 (Previous year 1,34,97,29,800) Equity Shares of Rs 10 each	1,40,86,022	1,34,97,298
Less: Calls unpaid		
Add: Equity Shares forfeited (Amount originally paid up)	-	-
Less: Par Value of Equity Shares bought back	-	-
Less: Preliminary Expenses	-	-
Less: Expenses including commission or brokerage on underwriting or subscription of shares	-	-
<b>Total</b>	<b>1,40,86,022</b>	<b>1,34,97,298</b>

**Note:** Out of the above 77,22,65,272 (Previous year 74,37,01,120) Equity Shares of Rs. 10/- each are held by the holding company along with its nominees.

**SCHEDULE – 5A**  
**PATTERN OF SHAREHOLDING**  
[As certified by the Management]

Shareholders	As at		As at	
	March 31, 2022		March 31, 2021	
	Number of Shares	% of holding	Number of Shares	% of holding
Promoters				
- Indian-Fettle Tone LLP	77,22,65,272	54.82%	74,37,01,120	55.10%
- Foreign-Bupa Singapore Holdings Pte. Ltd	62,93,05,094	44.68%	60,60,28,680	44.90%
Others	70,31,862	0.50%	-	-
<b>Total</b>	<b>1,40,86,02,228</b>	<b>100.00%</b>	<b>1,34,97,29,800</b>	<b>100.00%</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in 000's)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>SCHEDULE – 6</b>		
<b>RESERVES AND SURPLUS</b>		
1 Capital Reserve	-	-
2 Capital Redemption Reserve	-	-
3 Share Premium	-	-
Opening Balance	5,67,529	-
Additions during the period	6,83,563	5,67,529
4 General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilized for Buy-back	-	-
5 Catastrophe Reserve	-	-
6 Other Reserves	-	-
Debenture Redemption Reserve	-	-
Employee Stock Option Reserve	-	-
Opening Balance	343	-
Additions during the period	2,588	343
7 Balance of Profit in Profit & Loss Account	-	-
<b>Total</b>	<b>12,54,023</b>	<b>5,67,872</b>

**SCHEDULE – 7**

**BORROWINGS**

1 Debentures/ Bonds (Refer Note 18)	25,00,000	-
2 Banks	-	-
3 Financial Institutions	-	-
4 Others	-	-
<b>Total</b>	<b>25,00,000</b>	<b>-</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**  
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010  
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

**SCHEDULE – 8**

**INVESTMENTS - SHAREHOLDERS**

*(Rs. in 000's)*

Particulars	As at March 31, 2022	As at March 31, 2021
<b>LONG TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	22,74,580	15,17,601
2 Other Approved Securities	10,45,096	5,06,009
3 Other Investments	-	-
(a) Shares	-	-
(i) Equity	-	-
(ii) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	19,54,376	5,99,744
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	11,65,237	14,22,220
5 Other than Approved Investments (Net of provision)	-	-
<b>SHORT TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	1,01,838	2,00,122
2 Other Approved Securities	-	-
3 Other Investments	-	-
(a) Shares	-	-
(i) Equity	30,931	-
(ii) Preference	-	-
(b) Mutual Funds (refer note (b) below)	8,35,145	11,89,334
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	6,00,225	1,99,868
(e) Other Securities - Fixed Deposits	4,17,900	7,38,800
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	2,00,123	-
5 Other than Approved Investments (Net of provision)	70,732	-
<b>Total</b>	<b>86,96,182</b>	<b>63,73,698</b>

**Notes:**

- a. Aggregate amount of shareholder's investments other than listed equity securities and derivative instruments is Rs. 86,25,450 thousand (Previous year ended as on 31st March 2021 Rs. 63,73,698 thousand . Market value of such investments is Rs. 85,37,719 thousand (Previous year ended as on 31st March, 2021 Rs. 64,18,176 thousand .
- b. The historical cost of investments in mutual funds and equity which have been valued on fair value basis is Rs.9,56,835 thousand (Previous year ended 31st March 2021 Rs. 11,88,035 thousand .

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**  
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010  
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

**SCHEDULE – 8A**

**INVESTMENTS - POLICYHOLDERS**

*(Rs. in 000's)*

Particulars	As at March 31, 2022	As at March 31, 2021
<b>LONG TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	31,22,871	19,23,065
2 Other Approved Securities	8,56,528	4,57,055
3 Other Investments	-	-
(a) Shares	-	-
(i) Equity	-	-
(ii) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	55,36,549	30,69,037
(e) Other Securities	1,98,200	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	44,44,969	23,42,455
5 Other than Approved Investments	5,021	-
<b>SHORT TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	3,47,793	4,00,546
2 Other Approved Securities	50,472	1,50,804
3 Other Investments	-	-
(a) Shares	-	-
(i) Equity	-	-
(ii) Preference	-	-
(b) Mutual Funds (refer note (b) below)	41,233	63,625
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	3,51,140	5,03,216
(e) Other Securities - Fixed Deposits	3,12,000	2,78,600
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	50,193	6,53,504
5 Other than Approved Investments	-	-
<b>Total</b>	<b>1,53,16,969</b>	<b>98,41,907</b>

**Notes:**

- a. Aggregate amount of shareholder's investments other than listed equity securities and derivative instruments is Rs. 1,53,16,969 thousand (Previous year ended as on 31st March 2021 Rs 98,41,907 thousand . Market value of such investments is Rs.1,54,30,392 thousand (Previous year ended as on 31st March, 2021 Rs. 1,00,65,902 thousand
- b. The historical cost of investments in mutual funds which have been valued on fair value basis is Rs. 46,163 thousand (Previous year ended 31st March 2021 Rs. 63,560 thousand) .

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED****(Formerly known as Max Bupa Health Insurance Company Limited)**

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

**SCHEDULE – 9****LOANS***(Rs. in 000's)*

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>1 Security-Wise Classification</b>		
Secured		
(a) On mortgage of property	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities	-	-
(c) Others	-	-
Unsecured	-	-
<b>Total</b>	-	-
<b>2 Borrower-Wise Classification</b>		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial Undertakings	-	-
(e) Others	-	-
<b>Total</b>	-	-
<b>3 Performance-Wise Classification</b>		
(a) Loans classified as standard	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) Non-performing loans less provisions	-	-
(aa) In India	-	-
(bb) Outside India	-	-
<b>Total</b>	-	-
<b>4 Maturity-Wise Classification</b>		
(a) Short Term	-	-
(b) Long Term	-	-
<b>Total</b>	-	-
	-	-
	-	-

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED  
(Formerly known as Max Bupa Health Insurance Company Limited)  
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010  
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

SCHEDULE – 10  
FIXED ASSETS

(Rs. in 000's)

SN	Particulars	Cost/ Gross Block				Depreciation				Net Block	
		As at March 31, 2021	Additions	Deductions	As at March 31, 2022	Upto March 31, 2021	For the year	On Sales/ Adjustments	Upto March 31, 2022	As at March 31, 2022	As at March 31, 2021
1	Goodwill	-	-	-	-	-	-	-	-	-	-
2	Intangibles	-	-	-	-	-	-	-	-	-	-
	a) Softwares	10,23,443	1,49,728	-	11,73,172	7,42,860	1,78,983	-	9,21,843	2,51,328	2,80,583
	b) Website	11,258	-	-	11,258	11,258	-	-	11,258	-	-
3	Land-Freehold	-	-	-	-	-	-	-	-	-	-
4	Leasehold Property	1,33,659	41,114	2,438	1,72,335	63,504	14,350	2,173	75,681	96,653	70,155
5	Buildings	-	-	-	-	-	-	-	-	-	-
6	Furniture & Fittings	39,809	20,869	384	60,294	27,183	15,552	315	42,419	17,875	12,626
7	Information Technology Equipment (Other Devices)	1,59,671	3,242	0	1,62,913	1,42,552	8,431	-	1,50,983	11,930	17,119
8	Information Technology Equipment (End User Devices)	1,60,478	46,443	12,815	1,94,105	1,18,134	31,827	12,783	1,37,178	56,927	42,344
9	Vehicles	-	-	-	-	-	-	-	-	-	-
10	Office Equipment	1,01,792	39,365	2,054	1,39,103	65,737	18,505	2,031	82,211	56,892	36,055
11	Others	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>16,30,110</b>	<b>3,00,760</b>	<b>17,692</b>	<b>19,13,179</b>	<b>11,71,228</b>	<b>2,67,649</b>	<b>17,303</b>	<b>14,21,574</b>	<b>4,91,605</b>	<b>4,58,882</b>
12	Capital work in progress	16,320	8,575	19,733	5,163	-	-	-	-	5,163	16,320
	<b>Grand total</b>	<b>16,46,430</b>	<b>3,09,336</b>	<b>37,425</b>	<b>19,18,341</b>	<b>11,71,228</b>	<b>2,67,649</b>	<b>17,303</b>	<b>14,21,574</b>	<b>4,96,767</b>	<b>4,75,202</b>
	<b>Previous Year (March-21)</b>	<b>14,97,771</b>	<b>4,08,803</b>	<b>2,60,144</b>	<b>16,46,430</b>	<b>10,85,932</b>	<b>2,20,532</b>	<b>1,35,236</b>	<b>11,71,228</b>	<b>4,75,202</b>	

Note :

Leasehold property consists of civil and other improvements at premises taken on long term lease by the Company.



**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in 000's)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>SCHEDULE – 11</b>		
<b>CASH AND BANK BALANCES</b>		
1 Cash (including cheques, drafts and stamps)	13,690	12,383
2 Bank		-
(a) Deposit Accounts		-
(aa) Short-term (due within 12 months)	1,83,000	86,500
(bb) Others	-	-
(b) Current Accounts*	3,91,439	2,05,190
(c) Others	-	-
3 Money at Call and Short Notice		-
(a) With Banks	-	-
(b) With other Institutions	-	-
4 Others	-	-
<b>Total</b>	<b>5,88,129</b>	<b>3,04,073</b>

\*Balances with non-scheduled banks included in 2 above is Rs. 149 thousand (Previous year ended March 31, 2021 Rs. 212 thousand.)

**SCHEDULE – 12**

**ADVANCES AND OTHER ASSETS**

**ADVANCES**

1 Reserve deposits with ceding companies	-	-
2 Application money for investments	-	-
3 Prepayments	1,88,575	55,921
4 Advances to Directors/Officers	-	-
5 Advance tax paid and taxes deducted at source	26,483	4,684
6 Others		-
Advance to Suppliers	95,758	76,230
Less: Provisions	(2,379)	(3,426)
Sub-total	93,379	72,804
<b>Total (A)</b>	<b>3,08,437</b>	<b>1,33,409</b>

**OTHER ASSETS**

1 Income accrued on investments	6,62,755	4,37,540
2 Outstanding Premiums*	66,653	62,275
Less: Provisions	(56,385)	(50,012)
Sub-total	10,268	12,263
3 Agents' Balances	22,153	5,998
Less: Provisions	(22,153)	(5,998)
Sub-total	-	-
4 Foreign Agencies Balances	-	-
5 Due from other entities carrying on insurance business	8,85,948	10,33,440
Less: Provisions made	-	-
Sub-total	8,85,948	10,33,440
6 Due from subsidiaries/ holding company	-	-
7 Deposit with Reserve Bank of India [Pursuant to section 7 of Insurance Act, 1938]	-	-
8 Others		
(a) Rent and other deposits	73,680	63,921
(b) GST unutilized credit	3,04,146	2,37,536
(c) Deposits against unclaimed amount of policyholders	26,298	26,298
(d) Interest accrued on deposits against unclaimed amount	2,706	1,163
(e) Other Receivables (refer note no 8 in Schedule 16)	7,18,690	7,56,409
Less: Provisions	(7,06,634)	(7,06,409)
Sub-total	12,056	50,000
<b>Total (B)</b>	<b>19,77,856</b>	<b>18,62,161</b>
<b>Total (A+B)</b>	<b>22,86,293</b>	<b>19,95,570</b>

\*Includes receivable from Central / State Government on account of premium under RSBY & BSKY Scheme

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED**  
**(Formerly known as Max Bupa Health Insurance Company Limited)**

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in 000's)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>SCHEDULE – 13</b>		
<b>CURRENT LIABILITIES</b>		
1 Agents' balances	2,56,332	1,68,277
2 Balances due to other insurance companies	20,94,886	13,73,694
3 Deposits held on re-insurance ceded	-	-
4 Premiums received in advance	2,01,681	1,21,679
5 Unallocated premium	2,57,887	2,26,229
6 Sundry creditors	24,31,497	16,74,829
7 Due to subsidiaries/ holding company	-	-
8 Claims Outstanding	26,86,105	23,11,834
9 Unclaimed amount of policyholders	12,831	15,697
10 Due to Officer/ Director	-	-
11 Others	-	-
(a) Tax deducted at source	1,72,496	94,437
(b) GST liability	5,33,676	2,52,992
(c) Advance from Corporate Clients	1,59,816	92,580
(d) Interest accrued and not due on Subordinated Debentures	65,226	-
(e) Interest on unclaimed amount of Policyholders	5,211	4,733
(f) Other statutory dues	33,264	23,811
<b>Total</b>	<b>89,10,907</b>	<b>63,60,792</b>

**SCHEDULE – 14**

**PROVISIONS**

1 Reserve for Unexpired Risk*	1,08,12,718	67,61,529
2 For taxation (less advance tax paid and taxes deducted at source)	-	-
3 For proposed dividends	-	-
4 For dividend distribution tax	-	-
5 Others	-	-
(a) Provision for Employee Benefits	1,04,198	99,939
(b) Premium Deficiency Reserve	-	-
<b>Total</b>	<b>1,09,16,916</b>	<b>68,61,468</b>

\* Includes provision for freelook cancellation Rs. 5,689 thousand (Previous year ended March 31, 2021 Rs. 6,636 thousand)

**SCHEDULE – 15**

**MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

1 Discount Allowed in issue of shares/ debentures	-	-
2 Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

**SCHEDULE 16**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2022**

**A. BACKGROUND**

Niva Bupa Health Insurance Company Limited (“The Company”) was incorporated in India on 5<sup>th</sup> September, 2008 and received the Certificate of Commencement of Business on 23<sup>rd</sup> December 2008.

The Company is a joint venture between Fettle Tone LLP and Bupa Singapore Holding Pte, Singapore. As on date, Holding company is Fettle Tone LLP.

The Company underwrites primarily Health Insurance business which includes Personal accident and Critical illness.

The Company obtained regulatory approval to undertake Health Insurance business on 15<sup>th</sup> February 2010 from Insurance Regulatory and Development Authority of India (IRDAI) under section 3(2A) of the Insurance Act, 1938. The Company had started selling Policies in March 2010.

**B. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Preparation of Financial Statements**

The accompanying financial statements are prepared and presented under the historical cost convention, unless otherwise stated, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India (Indian GAAP). The Company has prepared the financial statements in compliance with the accounting standards notified under section 133 of the Companies Act 2013 read together with paragraph 7 of the Companies (Accounts) Amendments Rules 2016 as amended and Companies (Accounting Standards) Amendment Rules 2016 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed there under, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India. Accounting policies applied have been consistent with previous year except where differential treatment is required as per new pronouncements made by the regulatory authorities.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

**(b) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, Management believes that the estimated used in the preparation of financial statements are prudent and reasonable uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Actual results may differ from the estimates and assumption and any revision to accounting estimates is recognized in the year in which they actually materialize.

**(c) Revenue Recognition**

**(i) Premium Income**

Premium (net of GST) is recognized as income on the commencement of risk after adjusting for unearned premium (unexpired risk). Any subsequent revision or cancellation of premiums are accounted for in the year in which they occur.

**Unearned Premium Reserve**

Unearned Premium Reserve (UPR) means an amount representing that part of the premium written (net of reinsurance ceded) which is attributable and to be allocated to the succeeding accounting periods. In accordance with IRDAI circular dated April 4, 2016 reserve for unexpired is calculated at 50% of the net premium of preceding twelve months.

**Premium Deficiency**

Premium Deficiency Reserve is recognized for the company at a segment level and means the reserve held in excess of the unearned premium reserve, which allows for any expectation that the unearned premium reserve will be insufficient to cover the cost of claims and related expenses incurred during the period of unexpired risk. Computation of unexpired premium risk for the purpose of premium deficiency is based on the 1/365 method. Assessment of expected claim cost and related expenses is certified by the Appointed/Panel Actuary in accordance with IRDAI (Assets, Liabilities and Solvency margin of General Insurance Business) Regulation, 2016.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

**Unallocated Premium**

Unallocated premium includes premium deposit and premium which has been received but for which risk has not commenced.

**(ii) Reinsurance ceded**

Reinsurance premium ceded is accounted in the year in which the risk commences and over the period of risk in accordance with the treaty arrangement with the reinsurers. Any subsequent revision to, refunds or cancellations of premium are recognized in the year in which they occur.

**(iii) Commission on Reinsurance Premium**

Commission on reinsurance ceded is recognized as income on ceding of reinsurance premium.

Profit commission under reinsurance treaties, wherever applicable, is recognized as income in the year of final determination of the profits and as intimated by the Reinsurer.

**(iv) Interest / Dividend Income**

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

**(v) Premium/discount on purchase of investments**

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

**(vi) Profit/Loss on Sale/Redemption of Investments**

Profit and Loss on sale/redemption of investments, being the difference between sale consideration/redemption values and carrying value of investments (i.e. weighted average value) is credited or charged to Revenue or/and Profit and Loss account as applicable. The profit/loss on sale of investment includes accumulated changes in the fair value previously recognized in 'Fair Value Change Account' in respect of a particular security. Sale consideration for the purpose of realized gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

**(d) Acquisition Cost of Insurance Contracts**

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

**(e) Premium received in advance**

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

**(f) Claims/Benefits Incurred**

Claims incurred comprises of claims/benefits paid, change in estimated liability for outstanding claims, change in estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) and specific settlement costs comprising legal and other directly attributable expenses.

Provision is made for estimated value of outstanding claims/benefits at the Balance Sheet date net of claims recoverable from reinsurance. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim/benefits, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

Claims/benefits (net of amounts receivable from reinsurers/coinsurers) are recognized on the date of intimation based on estimates from insured in the respective revenue accounts

**IBNR and IBNER**

The estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) is estimated by the Appointed/Panel Actuary in compliance with guidelines issued by IRDAI vide circular No. 11/IRDA/ACTL/IBNR/2005-06 dated June 8, 2005 and ALSM Regulation 2016 with applicable provisions of Actuarial Practice Standards 21 issued by the Institute of Actuaries of India. The Appointed/Panel Actuary uses generally accepted actuarial methods for each product category as considered appropriate depending upon the availability of past data.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, for claims that have been incurred but are not enough reported (IBNER). The provision for IBNR and IBNER is based on actuarial estimate duly certified by the Appointed/Panel Actuary of the Company.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

Provision is made for estimated value of outstanding claims which have not been reported to the Company at the Balance Sheet date net of reinsurance, and other recoveries. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

**(g) Allocation of Investment Income**

Investment income earned on policyholders' investments funds at Balance Sheet date have been credited to Revenue Account and investment income earned on shareholders' investments funds at balance sheet date have been credited to Profit & Loss Account.

Investment income which is not directly identifiable has been allocated on the basis of the ratio of directly attributable investment income earned on shareholders' investments funds and policyholders' investments funds.

Investment income across segments within the Revenue account has also been allocated on the basis of segment-wise gross written premium.

**(h) Investments**

Investments are made and accounted for in accordance with the Insurance Act, 1938, Insurance Regulatory & Development Authority (Investment) Regulations, 2000 & 2016 as amended and various other circulars/notifications issued by the IRDA in this context from time to time.

Investments are recorded at cost including acquisition charges (such as brokerage, transfer charges, stamps etc) if any and exclude interest accrued up to the date of purchase. Debt securities, including Government securities are considered as 'held to maturity' and accordingly stated at historical cost subject to amortization of premium or accretion of discount on constant yield to maturity basis in the Revenue Account and in the Profit and Loss Account over the period of maturity/holding.

Investment that are notionally earmarked, are allocated to policyholder's or shareholder's as applicable.

Listed and actively traded securities are stated at fair value as at the Balance Sheet date being the lowest of the last quoted closing price of the stock exchanges where the securities are listed. Unrealized gain/losses due to change in fair value of listed securities is credited/debited to 'Fair Value Change Account'.

Unlisted Securities are stated at cost. The realized gain or loss on the listed and actively traded securities and mutual funds is the difference between the sale consideration and

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

the carrying cost as on the date of sale, determined on a first in first out 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 loss or gain is transferred to Revenue account or/and Profit and Loss Account as applicable on the trade date.

The Company, at each balance sheet date, assesses investments for any impairment and necessary provisions are made for the same where required.

Investments in units of Mutual funds are valued at Net Asset Value (NAV) as at Balance Sheet date. Unrealized gains/losses are credited/debited to the 'Fair Value Change Account'.

Investments maturing within twelve months from the balance sheet date and investments made with specific intention to dispose off within twelve months are classified as Short Term Investments. Other Investments are classified as Long Term Investments.

**Investment Impairment Policy**

The Company assesses at each balance sheet date whether any impairment has occurred in respect of investment in equity, Investment property, units of mutual fund and bonds. The impairment loss if any, is recognized in the profit and loss account and the carrying value of such investment is reduced to its recoverable value, If on the assessment at the balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the Profit and Loss Account and the investment is restated to that extent.

**(i) Fair Value Change Account**

'Fair Value Change Account' represents unrealized gains or losses due to change in fair value of traded securities and mutual fund units outstanding at the close of the year. The balance in the account is considered as a component of policyholder's fund and shareholder's funds respectively basis on mutual fund mapped and not available for distribution as dividend. As per the IRDAI circular dated January 12, 2017 fair value changes has been bifurcated between shareholder and policyholder.

**(j) Fixed Assets and Depreciation**

**Tangible assets and depreciation**

Fixed assets are stated at cost of acquisition (including incidental expenses relating to acquisition and installation of assets) and expenses directly attributable to bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment of assets, if any.



**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset and past history of replacement.

<b>Nature of Fixed Assets</b>	<b>Management Estimate of Useful Life in Years</b>	<b>Useful Life as per the limits prescribed in Schedule II of the Companies Act, 2013 in Years</b>
Furniture & Fixture	5	10
Information Technology equipment - End User Devices	3	3
Information Technology equipment - Servers and Networks	4	6
Office Equipments	5	5
Intangibles (including Software)	4	NA
Leasehold Improvements	Lease period	NA

All assets including intangibles individually costing up to Rs 5,000 are fully depreciated/ Amortized in the year in which they are acquired.

**Intangibles**

Intangible assets comprising software are stated at cost less amortization. Significant expenditure on improvements to software are capitalized when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably. Subsequent expenditures are amortized over the remaining useful life of original software. Software expenses are amortized using SLM over a period of four years from the date of being ready to use

**Capital work in progress**

Assets not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

**Impairment of Assets**

The carrying values of assets forming part of any cash generating units at Balance Sheet date are reviewed for impairment at each Balance Sheet date. If any indication for such impairment exists, the recoverable amounts of those assets are estimated and impairment

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

loss is recognized, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

**(k) Taxation**

Income tax expense comprises current tax (i.e. amount of tax payable on the taxable income for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the period) Current income tax is the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961.

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 only to an extent that there is 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 future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain as the case may be that sufficient future tax assets can be realized.

**(l) Employee Benefits**

Employees' benefits have been recognized in accordance with the relevant provisions of the Accounting Standard 15.

**(i) Short Term Employee Benefits:-**

All employee benefits payable within 12 months of rendering the services are classified as short term employee benefits. Benefits such as salaries, bonus and other short term benefits are recognized in the period which the employee rendered the services. All short term employee benefits are accounted on undiscounted basis.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

**(ii) Long Term Employee Benefits:-**

The Company has both defined contribution and defined benefit plan. The plans are financed by the company and in the case of some defined contribution plans, by the company along with the employee.

**(a) Defined Contribution Plan**

The Company makes monthly contributions to the "Max Financial Services Ltd EPF Trust" which is based on a specified percentage of the covered employees' salary. The fund is administered through trustees and the Company's contribution thereto is charged to Revenue Account or Profit and Loss Account as applicable.

**(b) Defined Benefit Plans**

- a. The liability in respect of Gratuity is provided for on the basis of an actuarial valuation carried out at the year-end using the Projected Unit Credit Method. Actuarial gain and loss are recognized in full in the Revenue Account or/and Profit and Loss Account as applicable for the year in which they occur. The Company has a recognized Trust for Gratuity benefits, "Niva Bupa Health Insurance Ltd Employees' Group Gratuity Fund" to administer the Gratuity funds. The Trust has taken master policy with the Max Life Insurance Company Limited" to cover its liabilities towards employees' Gratuity. The Gratuity obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of the gratuity fund.
- b. The liability in respect of long term accumulating leave encashment is provided for on the basis of actuarial valuation carried out at the yearend for long term compensated absences using Projected Unit Credit Method. Actuarial gains and losses are recognized in full in the Revenue Account or/and Profit and Loss Account, as applicable for the year in which they occur. Short term compensated absences are provided for based on estimates. Non-accumulated compensated absences are accounted for as and when availed / encashed.
- c. Deferred compensation, which is a long term employee benefit, is provided for based on the independent actuarial valuation carried out as at the Balance Sheet date and charged to Revenue Account or Profit and Loss Account, as applicable based on services rendered by employees.

**(c) Long term incentive plan**

Employee benefit in form of long term incentive plan is another long term employee benefit. The cost of providing benefit under his plan are determined on the basis of actuarial valuation at end of each year end using projected unit credit

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

method. Actuarial gains and losses for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

**(m) Provisions and Contingent Liabilities**

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

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.

**(n) Earnings per Share (EPS)**

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 on 'Earnings per Share' issued by the Institute of Chartered Accountants of India. Basic earnings per share are computed by dividing the net Profit and Loss for the year by weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net Profit and Loss for the year by the weighted average number of equity shares outstanding during the year as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

**(o) Leases**

Lease of assets/software under which all the risks and benefits of ownership are effectively retained by the lessor is classified as Operating Leases. Operating Lease rentals including escalation are recognized in the Revenue account or/and Profit and Loss account, as the case may be, on a straight line basis over the period of the lease.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

**(p) Foreign Currency Transactions**

Initial recognition: Foreign currency transactions are recorded in Indian Rupees, by applying to the foreign currency amount the exchange rate between the Indian Rupee and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences: Exchange differences are recognized as income or as expenses in the period in which they arise.

**(q) Allocation of Operating Expenses**

The Company has Board approved policy for allocation and apportionment of expenses of management amongst various business segments as required by IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016. The expenses are segregated between those which can be directly attributed to a particular business segment and those which cannot be so attributed. Operating expenses which are directly attributable to a particular business segment and identifiable as such are allocated directly to that segment. In accordance with the Board Approved policy Operating expenses which are not directly identifiable to any business segment, are allocated in the proportionate of gross written premium, claim incurred and number of lives enrolled, depending on the nature and type of expenses there has to be allocated.

For Operating Expenses (Schedule 4), expense allocation in Health and PA have been done basis on gross written premium.

**(r) Rationale of Expenses allocation between Revenue Account and Profit & Loss Account**

Expenses pertaining to Policyholders have been shown in Revenue Account as per the limit prescribed in Expenses of Management Regulations 2016 and excess over the limit has been debited in the Profit & Loss Account.

**(s) GST**

GST collected is considered as a liability against which GST paid for eligible inputs services or goods, 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 for

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA  
HEALTH INSURANCE COMPANY LIMITED)**  
**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

adjustment in subsequent periods. GST paid for eligible input services not recoverable by way of credits are recognized in the Revenue account as expense.

**(t) Receipts and Payments Account**

- (i) Receipts and Payments Account is prepared and reported as per AS-3 Cash flow statements using the Direct Method, in conformity with para 2.2 of the Master Circular on Preparation of Financial Statements - General Insurance Business dated October 5, 2012, issued by the IRDA.
- (ii) Cash and cash equivalents for the purpose of Statement of Receipts and Payments include cash and cheques in hand, deposits with banks, bank balances, liquid mutual funds and other short term investments with original maturity of three months or less which are subject to insignificant risk of changes in value.
- (iii) The components of Cash and Cash Equivalents are presented with reconciliation of the amounts in its Cash Flow Statement with the equivalent items reported in the Balance Sheet.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**C. NOTES FORMING PART OF ACCOUNTS**

**1. Contingent Liabilities**

*(Rs. in 000's)*

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Partly Paid up Investments	-	-
Claims, other than those under Policies, not acknowledged as Debts by the Insurer	-	-
Underwriting Commitments Outstanding	-	-
Guarantees given by or on behalf of the Insurer	-	-
Statutory Demands in Dispute, not provided for	1,20,172	1,18,605
Reinsurance Obligations to the Extent Not provided for in Accounts	-	-
Others- Claims, under policies, not acknowledged as debts*	2,61,356	2,40,831
<b>Total</b>	<b>3,81,528</b>	<b>3,59,436</b>

\* Includes compensation raised by policyholders against rejected claims

**Note:** (1) The company has disputed the demand raised by Income Tax Authorities of Rs. 30,990 thousands (previous year Rs. 30,990 thousands) the appeals of which are pending before the appropriate authorities. This excludes income tax demand related to Assessment Year 2013-14 and 2014-15 in respect of which the Company has received the favorable appellate order, which is pending for effect to be given by Assessing Authority. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2022.

(2) Includes demand of Rs. 4,363 thousands (previous year Rs. Nil) from Goods & Service Tax authorities, for which show cause notice is yet to be issued by the department.

**Pending Litigations**

The Company's pending litigations comprise of claims against the Company primarily by customers and proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2022.

**2. Actuarial Assumptions**

The appointed actuary has certified to the Company that actuarial estimates for Premium deficiency reserve and IBNR (including IBNER) are in compliance with the IRDA (Assets , Liabilities and Solvency Margin of General Insurance Business ) Regulations 2016 and guidelines issued by the Institute of Actuaries of India.

Depending upon the Business segment, a suitable actuarial method like Basic Chain Ladder Method , Bornhuetter Ferguson Method, or a mixture of these have been used for IBNR calculations

The Company's Appointed Actuary has determined valuation assumptions in respect of 'Reserve for Unexpired Risk' and 'Claims incurred But Not Reported' (IBNR) amounting to Rs. 193.29 crore (Previous year Rs. 142.12 crore) that conform with Regulations issued by the IRDAI and professional guidance notes issued by the Institute of Actuaries of India.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

- a. As at March 31, 2022, the Company has not made any provision towards provider reconciliation reserve based on actuarial estimates (Previous year Rs. Nil) and the same is also not included as a part of IBNR reserves.
- b. As at March 31, 2022, the Company has made a provision of Rs. 61.43 crore (Previous year Rs. 41.10 crore) towards litigation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.
- c. As at March 31, 2022, the Company has provided appropriate IBNR with respect to multiyear policies including policies exceeding 4 years.

**3. Encumbrances on Assets**

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

**4. Capital Commitments**

Estimated amount of commitments pertaining to contracts remaining to be executed in respect of fixed assets (net of advances) is Rs. 75,294 thousand (previous year: Rs. 49,851 thousand) .

**5. Other Commitments**

Commitment in respect of loans as on March 31, 2022 is Rs. Nil (previous year: Rs. Nil) and Investment is Rs. Nil (previous year: Rs. Nil)

**6. Claims, less Reinsurance paid to Claimants are as under\*:**

*(Rs. in 000's)*

Class of Business	In India		Outside India	
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Health	1,25,27,406	46,42,934	1,548	4,526
Personal Accident	95,718	33,131	-	-
Travel	-	-	-	-
<b>Total</b>	<b>1,26,23,124</b>	<b>46,76,065</b>	<b>1,548</b>	<b>4,526</b>

\*Excluding claim handling expense



**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**7. Age-wise Breakup of Claims Outstanding\*:**

*(Rs. in 000's)*

Class of Business	Outstanding for more than six months		Outstanding for six months or less	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Health	21,967	6,506	6,89,117	8,60,774
Personal Accident	-	937	42,158	22,384
Travel	-	-	-	-
<b>Total</b>	<b>21,967</b>	<b>7,443</b>	<b>7,31,275</b>	<b>8,83,158</b>

\*Excluding IBNR provision.

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

**Claims where the claim payment period exceeds four years:**

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

In this context, no claims have been valued on the basis of a contractually defined benefit amount payable in monthly installments

**8. Number of Claims intimated, disposed off and pending:**

Particulars	As at March 31, 2022				As at March 31, 2021			
	Health	Personal Accident	Travel	Total	Health	Personal Accident	Travel	Total
Claims pending at the beginning	3,571	31	-	3,602	1,082	10	-	1,092
Claims intimated	2,99,990	699	-	3,00,689	1,40,306	265	-	1,40,571
Claims paid	2,70,378	337	-	2,70,715	1,24,978	76	-	1,25,054
Claims rejected	27,196	315	-	27,511	12,839	168	-	13,007
Claims pending at the closing	5,987	78	-	6,065	3,571	31	-	3,602

**Ageing of Pending Claims**

Particulars	As at March 31, 2022				As at March 31, 2021			
	Health	Personal Accident	Travel	Total	Health	Personal Accident	Travel	Total
30 days	5,234	55	-	5,289	3,118	22	-	3,140
30 days to 6 Months	753	23	-	776	453	9	-	462
6 months to 1 year	-	-	-	-	-	-	-	-
1 year to 5 years	-	-	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,987</b>	<b>78</b>	<b>-</b>	<b>6,065</b>	<b>3,571</b>	<b>31</b>	<b>-</b>	<b>3,602</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**9. A) Premium less Reinsurance Written During the Year:**

*(Rs. in 000's)*

Class of Business	Year ended March 31, 2022	Year ended March 31, 2021
Health	2,10,94,380	1,30,10,728
Personal Accident	4,81,183	4,74,521
Travel	724	-
<b>Total</b>	<b>2,15,76,287</b>	<b>1,34,85,249</b>

**B)** All premiums net of Re-insurance are written and received in India.

**C)** No premium income is recognized on “varying risk” pattern basis.

**10. Extent of Risk Retained and Reinsured:**

Extent of risk retained and reinsured with respect to gross written premium is set out below:

Class of Business	Basis	Gross Premium	Year Ended March 31, 2022 <i>(Rs. in 000's)</i>			
			Risk Retained		Risk Reinsured	
			Amount	% age	Amount	% age
Health	Value at Risk	2,74,90,353	2,10,94,380	76.73%	63,95,973	23.27%
Personal Accident	Value at Risk	6,07,569	4,81,183	79.20%	1,26,386	20.80%
Travel	Value at Risk	1,791	724	40.42%	1067	59.58%

Class of Business	Basis	Gross Premium	Year Ended March 31, 2021 <i>(Rs. in 000's)</i>			
			Risk Retained		Risk Reinsured	
			Amount	% age	Amount	% age
Health	Value at Risk	1,69,55,947	1,30,10,728	76.73%	39,45,219	23.27%
Personal Accident	Value at Risk	5,51,832	4,74,521	85.99%	77,311	14.01%
Travel	Value at Risk	-	-	-	-	-

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**11. As per Circular on unclaimed amount of policyholders dated 17<sup>th</sup> November 2020 IRDAI Master**

**Form A: Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders as on March 31, 2022.**

*(Rs. in 000's)*

Particulars	Total Amount	Age-wise Analysis (in months)							More than 120
		0-6	7-12	13-18	19-24	25-30	31-36	37-120	
Claims settled but not paid to the policyholders / beneficiaries due to any reasons except under litigation from the policyholders / beneficiaries.	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Sum due to the policyholders / beneficiaries on maturity or otherwise	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any Excess collection of the premium / tax or any other charges which is refundable to the policyholders / beneficiaries either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	416 (2,097)	- (110)	- (1,988)	- (-)	287 (-)	129 (-)	- (-)	- (-)	- (-)
Cheques issued but not encashed by the policyholder/ beneficiaries	12,415 (13,599)	1,546 (1,675)	861 (462)	272 (1,113)	618 (763)	519 (119)	536 (64)	8,063 (9,403)	- (-)

Figures in brackets are for previous year.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**Form C- Details of Unclaimed Amount with Investment Income**

*(Rs. in 000's)*

Particulars	Year ended as on March 31, 2022		Year ended as on March 31, 2021	
	Policy Dues	Income Accrued	Policy Dues	Income Accrued
Opening Balance	15,697	4,733	13,517	3,528
Add: Amount transferred to unclaimed amount	3,001	-	6,996	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (only stale cheques)	-	-	-	-
Add: Investment Income on unclaimed fund	-	1,543	-	1,357
Less: Amount of claims paid during the year	5,356	668	4,817	152
Less: Amount transferred to SCWF(net of claims paid in respect of amount transferred earlier)	511	397	-	-
<b>Closing Balance of Unclaimed Amount*</b>	<b>12,831</b>	<b>5,211</b>	<b>15,697</b>	<b>4,733</b>

\*Separate Fixed Deposits has been earmarked for payment of unclaimed amount of policyholder disclosed under head Schedule 12- Advances and Other Assets. This amount includes Interest on unclaimed amount of Policyholders amounting to Rs. 5,211 thousand (previous year Rs. 4,733 thousands)

**12. Premium Deficiency Reserve**

The Appointed Actuary has reviewed the Unearned premium reserve (UPR) posted in the Financial statements against the estimated liability of the Company under unexpired obligations (including claim, claim related expenses and unexpired loyalty points) towards policyholders (URR) for all business segments. The UPR provided in the financials is sufficient to the cover the URR at company level thus; no premium deficiency reserve has been created.

**13. Investments**

- a. There are no contracts outstanding in relation to Purchases where deliveries are pending and Sales where payments are overdue respectively.
- b. The Company does not have any investment in Real Estate as at March 31, 2022 or March 31, 2021.
- c. All investments are made in accordance with Insurance Act, 1938 and IRDAI (Investment) Regulations, 2016, except:
  1. Commercial papers issued by ILFS Ltd aggregating to Rs. 3,00,000 thousand that remained unpaid as on March 31, 2022. In accordance with IRDAI regulations, the Company had made a 100% provision of Rs. 3,00,000 thousand and presented as "Other Receivables".

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

2. Bonds issued by Reliance Capital aggregating to Rs. 1,00,000 thousand that remained unpaid as on March 31, 2022. In accordance with IRDAI regulations, the Company had made a 100% provision of Rs. 1,00,000 thousand and presented as "Other Receivables".
3. Bonds issued by IFIN aggregating to Rs. 3,00,000 thousand, that remained unpaid as on March 31, 2022. In accordance with IRDAI regulations, the Company had made a 100% provision of Rs. 3,00,000 thousand and presented as "Other Receivables".
4. In the context of amount receivable of DHFCL Bonds aggregating to Rs. 250,000 thousand, the Company has received Rs. 54,929 thousand as Cash and Rs. 66,077 thousand Bonds of Piramal Capital and Housing Finance Ltd as per the approved Resolution Plan of Piramal Capital Housing Finance Company Ltd. The Company is not pursuing this matter further as the settlement has been approved by NCLT and accordingly excess provision (net of recovery) of Rs. 71,077 thousand has been written back during the year ended March 31, 2022.

d. Historical cost of investments which are valued at Fair Value is:

*(Rs. in 000's)*

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Reported/ Fair Value	Historical Cost	Reported/ Fair Value	Historical Cost
Mutual Funds & AIF	8,81,400	8,79,894	12,52,959	12,51,595
Equity	1,01,663	1,23,104	-	-
<b>Total</b>	<b>9,83,063</b>	<b>10,02,998</b>	<b>1,31,748</b>	<b>1,31,565</b>

#### 14. Managerial Remuneration

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

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

*(Rs. in 000's)*

Particulars	Year ended March,31 2022	Year ended March,31 2021
Salaries & Allowances	37,071	70,922
Contribution to Provident and other funds	2,216	1,291
Perquisites	11,395	76
<b>Total</b>	<b>50,682</b>	<b>72,289</b>

Managerial remuneration amounting to Rs. 15,000 thousands for Managing Director has been charged to Revenue Accounts and balance has been transferred to Profit and Loss account. Additionally, the CEO is granted options pursuant to Company's Employee Stock Option Scheme.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

B) The details of remuneration of Key Managerial persons other than MD and CEO as per the terms of appointment are as under:

*(Rs. in 000's)*

<b>Particulars</b>	<b>Year ended March,31 2022</b>	<b>Year ended March,31 2021</b>
Salaries & Allowances	1,60,158	2,25,416
Contribution to Provident and other funds	5,691	6,330
Perquisites	1,062	606
<b>Total</b>	<b>1,66,911</b>	<b>2,32,352</b>

**Note:** Provision towards gratuity, leave encashment provision and short term and long term incentive plan are determined actuarially on an overall Company basis annually and accordingly have not been considered for the above disclosure, therefore the above disclosure is on paid basis. Additionally, the KMP's based on entitlements are granted options pursuant to Company's Employees Stock Option Scheme.

**15. Expenditure in Foreign Currency**

*(Rs. in 000's)*

<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Software License Fees	19,648	29,673
Board Meeting Expenses	786	1,526
Director Sitting Fees	2,500	2,900
Claim Fees	174	475
Training Fees	61	1040
Claim Payment	2,064	4,765
Other-Membership Fees	16	-
<b>Total</b>	<b>25,249</b>	<b>40,379</b>

**16. Operating Lease Commitments**

The Company has taken on lease office premises under various agreements with various expiration dates extending up to nine years. Lease payments made under operating lease agreements have been fully recognized in the books of accounts. The lease rental charged under operating leases during the current year and maximum obligation on such leases at the balance sheet date are as follows:

*(Rs. in 000's)*

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Payable not later than one year	1,29,283	98,014
Payable later than one year and not later than five years	5,52,805	4,70,559
Payable later than five years	3,41,050	4,54,386
<b>Total</b>	<b>10,23,138</b>	<b>10,22,959</b>

Aggregate lease rentals charged to Revenue Accounts is Rs. 1,27,352 thousands (previous year Rs. 1,15,016 thousands) and there are no sub leases.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**17. Foreign Currency Exposures**

Foreign currency exposures which are not hedged as at the Balance Sheet date are:

*(Rs. in 000's)*

Particulars	As at March 31, 2022	As at March 31, 2021
Payable in <b>GBP</b>	-	253

**18. Terms of Borrowings**

(A) Terms of Issue are as follows

ISIN	INE995S08010
Type , Nature and Security of the Instrument	Unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible debentures
Face value per security	Rs. 10,00,000
Issue size (Rs. in '000.)	Rs. 15,00,000
Issue date / Allotment date	November 15, 2021
Coupon rate	10.70%
Coupon payment frequency	Annual
Redemption date	November 15, 2031
Listing	Debt market segment on NSE
Credit Rating	"CARE A / Stable"

ISIN	INE995S08028
Type , Nature and Security of the Instrument	Unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible debentures
Face value per security	Rs. 10,00,000
Issue size (Rs. in '000.)	Rs. 10,00,000
Issue date / Allotment date	March 15, 2022
Coupon rate	10.70%
Coupon payment frequency	Annual
Redemption date	March 15, 2032
Listing	Debt market segment on NSE
Credit Rating	"CARE A / Stable"

**(B) Maturity Pattern of Borrowings**

*(Rs. in '000's)*

Maturity Bucket	Amount
1-5 years	-
Above 5 years	25,00,000

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**(C) Debenture Redemption Reserve**

The Company is required to make Debenture Redemption Reserve pursuant to amendment vide Ministry of Corporate Affairs notification no G.S.R 574 (E) dated August 16, 2019 of Companies (Share Capital and Debentures ) rules 2014 , however since the Company has incurred losses during the year ended March 31, 2022 no amount has been transferred to Debenture Redemption Reserve.

**19. Related Parties & Transactions:**

- (i) As per the Accounting Standard (AS) 18 on 'Related Party Disclosures', the related parties of the Company are as follows:

SN	Description of Relationship	Name of Party
(a)	Ultimate Holding Company	True North fund VI LLP
(b)	Holding Company	Fettle Tone LLP
(c)	Significant Influence	Bupa Singapore Holdings Pte Limited
(d)	Key Management Personnel (KMP)	Mr. Krishnan Ramachandran, Managing Director and CEO (w.e.f. 1 <sup>st</sup> May 2020) Mr. C Anil Kumar, CFO (w.e.f. 19 <sup>th</sup> August 2020) Mr. Rajat Sharma, CS Mr. Ashish Mehrotra, Managing Director and CEO (till 30 <sup>th</sup> April 2020) Mr. Rahul Ahuja, CFO (till 3 <sup>rd</sup> May 2020)

- (ii) Details of transaction with related parties for the year ended March 31, 2022 are given below:

<i>(Rs. in 000's)</i>					
SN	Transactions	Name of the Related Party	Description	For the year ended March 31, 2022	For the year ended March 31, 2021
1	Employee's Remuneration	Mr. Krishnan Ramachandran MD & CEO	Key Management Personnel	50,682	34,090
2	Employee's Remuneration	Mr. C Anil Kumar CFO	Key Management Personnel	13,252	7,819
3	Employee's Remuneration	Mr. Rajat Sharma, CS	Key Management Personnel	3,269	3,145
4	Employee's Remuneration	Mr. Ashish Mehrotra, MD & CEO	Former Key Management Personnel <sup>(Till 30 Apr 2020)</sup>	-	38,199



**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

5	Employee's Remuneration	Mr. Rahul Ahuja , CFO	Former Key Management Personnel <sup>(Till 03 May 2020)</sup>	-	24,598
6	Issuance of Share capital	Fettle Tone LLP	Holding company	2,85,642	11,78,300
7	Issuance of Share capital	Bupa Singapore Holdings Pte Limited	Investing Party	2,32,764	10,58,998
8	Share premium received	Fettle Tone LLP	Holding company	3,75,558	2,96,655
9	Share premium received	Bupa Singapore Holdings Pte Limited	Investing Party	3,06,036	2,70,874
10	ESOP	Mr. Krishnan Ramachandran MD & CEO	Key Management Personnel	17,500	-
11	ESOP	Mr. C Anil Kumar CFO	Key Management Personnel	3,471	-

(iii) Details of outstanding balances with related parties are as given below:

*(Rs. in 000's)*

SN	Outstanding Balances	Name of the Related Party	Description	As at March 31, 2022	As at March 31, 2021
1	Equity Share Capital	Fettle Tone LLP	Holding company	77,22,653	74,37,011
2	Equity Share Capital	Bupa Singapore Holdings Pte Limited	Investing Party	62,93,051	60,60,287

**20. Segment Information**

**a) Business Segments**

The Company's primary reportable segments are identified in accordance with the AS-17- Segment Reporting read with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002. Segment revenue and segment results have been incorporated in the financial statements.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

*(Rs. in 000's)*

<b>Year ended March 31, 2022</b>					
<b>Particulars</b>	<b>Health</b>	<b>Personal Accident</b>	<b>Travel</b>	<b>Unallocated</b>	<b>Total</b>
Segmental Revenue	1,69,24,125	6,00,611	362	8,72,967	1,83,98,065
Segmental Result	(34,48,712)	3,09,576	(166)	35,90,133	4,50,831
Segmental Liabilities	1,55,37,664	4,16,114	1,429	63,72,616	2,23,27,823
Segmental Assets	8,81,526	14,403	287	2,64,88,124	2,73,84,340

*(Rs. in 000's)*

<b>Year ended March 31, 2021</b>					
<b>Particulars</b>	<b>Health</b>	<b>Personal Accident</b>	<b>Travel</b>	<b>Unallocated</b>	<b>Total</b>
Segmental Revenue	1,11,34,176	3,74,491	-	5,64,322	1,20,72,989
Segmental Result	(11,32,808)	55,696	-	23,26,684	12,49,572
Segmental Liabilities	1,01,27,730	5,33,586	-	25,60,994	1,32,22,260
Segmental Assets	11,94,002	7,254	-	1,77,89,194	1,89,90,450

**b) Geographical Segment**

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

**21. Employee Benefits**

**A. Defined Contribution Plans – Provident and Pension Fund**

During the year the Company has recognized the following amounts in the Revenue and/or Profit and Loss Account:

*(Rs. In '000)*

<b>Provident Fund</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Employers Contribution to Provident and Pension Fund	1,62,866	109,309

**B. Defined Benefit Plans – Gratuity**

The gratuity liability arises on retirement, withdrawal, resignation or death of an employee. The aforesaid liability is calculated on the basis of actuarial valuation as per the projected unit credit method. The Gratuity plan has been funded through a policy taken from Max Life Insurance Company Limited. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**i. Assumptions Used:**

Particulars	As at March 31, 2022	As at March 31, 2021
Mortality	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Interest/Discount Rate (Per Annum)	5.45% p.a.	5.10% p.a.
Rate of increase in compensation	8.00% p.a.	7.00% p.a.
Withdrawal rate:	40% for frontline staff and 20% for other staff	40% for frontline staff and 20% for other staff

**ii. Changes in Present value of benefit obligation during the year:**

*(Rs. in 000's)*

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Present value of obligations at the beginning of the year	73,709	78,315
Current Service Cost	19,083	16,087
Interest cost	3,055	3,657
Benefits Paid	(27,621)	(24,836)
Actuarial loss/(gain) on obligation	18,087	486
Benefits paid directly by the enterprise		
Present value of obligations at end of year	<b>86,314</b>	<b>73,709</b>

**Change in Fair Value of Plan Assets during the year:**

*(Rs. in 000's)*

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Fair Value of Plan Assets at beginning of year	60,614	53,670
Contributions	12,923	24,645
Expected Return on Plan Assets	2,716	2,973
Actuarial gain/(loss) on obligation	13,711	4,161
Benefits Paid	(27,621)	(24,836)
Benefits paid directly by the enterprise	-	-
Fair Value of Plan Assets at end of year	<b>62,344</b>	<b>60,614</b>

**iii. Amounts recognized in Revenue or/and Profit & Loss Account:**

*(Rs. in 000's)*

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Current Service Cost	19,083	16,087
Interest Cost	3,055	3,657
Expected Return on Plan Assets	(2,716)	(2,973)
Actuarial (Gain)/loss on obligation	4,376	(3,675)
Amount recognized in Revenue or/and Profit & Loss Account	<b>23,798</b>	<b>13,096</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**iv. Amounts recognized in Balance Sheet:**

*(Rs. In 000's)*

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Present value of obligations at end of Year (DBO)*	86,314	73,709
Fair Value of Plan Assets at end of Year	62,344	60,614
Funded Status (Deficit)/Surplus	23,970	13,096
Net Asset/(Liability) recognized in the balance sheet	<b>23,970</b>	<b>13,096</b>

\* The DBO as on 31 March 2022 includes unpaid gratuity benefit payment of INR 1,509 thousands which was not yet settled as on 31 March 2022

**v. Balance Sheet Reconciliation:**

*(Rs. In 000's)*

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Opening Net Liability/(Asset)	13,096	24,645
Expenses recognized in Profit & Loss Account	23,798	13,096
Contribution Paid	(12,923)	(24,645)
Acquisition/Business Combination/Divestiture	-	-
Closing Net Liability/(Asset)	<b>23,970</b>	<b>13,096</b>

The Gratuity Fund is managed by Max Life Insurance Company Limited and it has been invested in Linked Group Gratuity- Balanced fund and Linked Group Gratuity-Conservative fund.

**C. Compensated Absences:**

The Company has recognized liability towards cost of accumulating compensated absences. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

**i. Assumptions Used:**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Mortality	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Interest/Discount Rate (Per Annum)	5.45% p.a.	5.10% p.a.
Rate of increase in compensation	8.00% p.a.	7.00% p.a.
Withdrawal rate:	40% for frontline staff and 20% for other staff	40% for frontline staff and 20% for other staff

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**ii. Changes in Present value of benefit obligation during the year:**

*(Rs. in 000's)*

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Defined Benefit Obligation, Beginning of year	53,021	44,996
Current Service Cost	22,223	16,938
Interest Cost	2,164	2,051
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	5,776	5,131
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	(21,162)	(16,095)
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
<b>Defined Benefit Obligation at end of year</b>	<b>62,022</b>	<b>53,021</b>

**iii. Change in Fair Value of Plan Assets during the year:**

*(Rs. in 000's)*

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Fair Value of Plan Assets at beginning of year	-	-
Expected Return on Plan Assets	-	-
Actual Enterprise's Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
Acquisition/Business Combination/Divestiture	-	-
Changes in Foreign Currency Exchange Rates	-	-
Liabilities Extinguished on Settlements	-	-
<b>Fair Value of Plan Assets at end of year</b>	<b>-</b>	<b>-</b>

**iv. Amounts recognized in Revenue or/and Profit & Loss Account:**

*(Rs. in 000's)*

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Current Service Cost	22,223	16,938
Interest Cost	2,164	2,051
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/loss	5,776	5,131
<b>Amount recognized in Revenue or/and Profit &amp; Loss Account</b>	<b>30,163</b>	<b>24,120</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**v. Amounts recognized in Balance Sheet:**

*(Rs. in 000's)*

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Defined benefit obligations (DBO)	62,022	53,021
Fair Value of Plan Assets at end of Year	-	-
Funded Status (Deficit)/Surplus	62,022	53,021
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognised Asset due to Limit in Para 59(B)	-	-
<b>Net Asset/(Liability) recognized in the balance sheet</b>	<b>62,022</b>	<b>53,021</b>

**vi. Balance Sheet Reconciliation:**

*(Rs. in 000's)*

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Opening Net Liability/(Asset)	53,021	44,996
Expenses recognized in Revenue or/and Profit & Loss Account	30,163	24,120
Actual Benefits Paid	(21,162)	(16,095)
Acquisition/Business Combination/Divestiture	-	-
<b>Closing Net Liability/(Asset)</b>	<b>62,022</b>	<b>53,021</b>

**D. Sick Leave**

The Company has recognized liability towards cost of accumulating sick leave. The Company has initiated recognition of actuarial liability towards sick leave from current financial year onwards. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

**i. Assumptions Used:**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Mortality	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Interest/Discount Rate (Per Annum)	5.45% p.a.	5.10% p.a.
Rate of increase in compensation	8.00% p.a.	7.00% p.a.
Withdrawal rate:	40% for frontline staff and 20% for other staff	40% for frontline staff and 20% for other staff

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**ii. Changes in Present value of benefit obligation during the year:**

*(Rs. in 000's)*

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Defined Benefit Obligation, Beginning of year	7,483	5,807
Current Service Cost	2,631	1,726
Interest Cost	382	322
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	(607)	(371)
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	-	-
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
<b>Defined Benefit Obligation at end of year</b>	<b>9,889</b>	<b>7,483</b>

**iii. Change in Fair Value of Plan Assets during the year:**

*(Rs. in 000's)*

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Fair Value of Plan Assets at beginning of year	-	-
Expected Return on Plan Assets	-	-
Actual Enterprise's Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
Acquisition/Business Combination/Divestiture	-	-
Changes in Foreign Currency Exchange Rates	-	-
Liabilities Extinguished on Settlements	-	-
<b>Fair Value of Plan Assets at end of year</b>	<b>-</b>	<b>-</b>

**iv. Amounts recognized in Revenue or/and Profit & Loss Account:**

*(Rs. in 000's)*

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Current Service Cost	2,631	1,726
Interest Cost	382	322
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/loss	(607)	(371)
<b>Amount recognized in Revenue or/and Profit &amp; Loss Account</b>	<b>2,406</b>	<b>1,677</b>

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**v. Amounts recognized in Balance Sheet:**

*(Rs. in 000's)*

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Defined benefit obligations (DBO)	9,889	7,483
Fair Value of Plan Assets at end of Year	-	-
Funded Status (Deficit)/Surplus	9,889	7,483
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognised Asset due to Limit in Para 59(B)	-	-
Net Asset/(Liability) recognized in the balance sheet	<b>9,889</b>	<b>7,483</b>

**vi. Balance Sheet Reconciliation:**

*(Rs. in 000's)*

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Opening Net Liability/(Asset)	7,483	5,807
Expenses recognized in Revenue or/and Profit & Loss Account	2,406	1,677
Actual Benefits Paid	-	-
Acquisition/Business Combination/Divestiture	-	-
Closing Net Liability/(Asset)	<b>9,889</b>	<b>7,483</b>

**E. Long term Incentive Benefits**

The Company has schemes for Long Term Performance incentive plan & Guaranteed Payout plan. The Company has determined the liability on the basis of Actuarial valuation as under:

**Assumptions Used:**

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate	3.90%	3.85%
Individual Performance	G2: 30%, G3: 70%	G2: 30%, G3: 70%
Salary Escalation Rate	N/A	N/A
Employee Turnover Rate	10%	10%
Mortality Rates	Indian Assured Lives Mortality (2012-14) U1t.	Indian Assured Lives Mortality (2012-14) U1t.

**Amounts recognized in Balance Sheet:**

*(Rs. in 000's)*

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Defined benefit obligations (DBO)	9,826	26,339
Fair Value of Plan Assets at end of Year	-	-
Net Asset/(Liability) recognized in the balance sheet	<b>9,826</b>	<b>26,339</b>



**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**22. Earnings Per Share**

Basic earnings per equity share have been computed by dividing net profit/(loss) after tax by the weighted average number of equity shares outstanding for the year.

	Particulars	Units	Year ended March 31, 2022	Year ended March 31, 2021
a.	Profit/(loss) available to equity shareholder's	Rs. in 000's	(19,65,250)	(4,97,389)
b.	Weighted average of number of equity shares used in computing basic earnings per share	No. of shares in 000's	13,87,377	11,62,744
c.	Weighted average of number of potential equity shares*	No. of shares in 000's	1,716	662
d.	Nominal Value per share	in Rs.	10	10
e.	Basic earnings per share [a/b]	in Rs.	(1.42)	(0.43)
f.	Diluted earnings per share [a/(b+c)]	in Rs.	(1.41)	(0.43)

\* For the purpose of calculating weighted average number of potential equity shares, share valuation report as on June 30, 2021 has been considered.

**23. Disclosures on Audit Fees**

As per the clause 7.1 (g) of Corporate Governance Guidelines issued by IRDAI on May 18, 2016 the services of the statutory auditors are disclosed below:

**A) Work as Statutory Auditors**

*(Rs. in 000's)*

Name of the Auditor	Services Rendered	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Nangia & Co. LLP	Statutory Audit fees	2,100	1,400
	Out of pocket expenses	182	30
T R Chadha & Co. LLP	Statutory Audit fees	2,100	1,400
	Out of pocket expenses	207	30

**B) Additional work entrusted to Statutory Auditors**

*(Rs. In 000's)*

Name of the Auditor	Services Rendered	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Nangia & Co. LLP	Tax Audit fees	225	-
	Certification fees	150	175
	Taxation matters	220	210

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

T R Chadha & Co. LLP	Certification fees	300	-
	GST Audit Matters	-	690

**24. Pursuant to Circular 067 dated 28<sup>th</sup> March, 2008 issued by IRDAI, following operating expenses are separately disclosed:**

*(Rs. in 000's)*

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Outsourcing Expenses*	20,09,563	15,00,016
Marketing Support	28,53,901	15,61,320
Business Development	4,471	1,840

\*Outsourcing expenses have been calculated basis on the Outsourcing guidelines issued by IRDAI. The outsourcing expenses are inclusive of GST

**25. Expenses of Management**

The Company had filed an application with IRDA on October 15, 2018 for forbearance for exceeding the Expenses of Management (EOM) over the allowable limit up to FY 2024-25 along with a convergence plan. An approval for forbearance has been received for the FY 2019-20 to FY 2021-22 and in accordance with Expense of Management Regulations 2016, a sum of Rs. 27,17,166 thousand (Previous year Rs. 17,62,362 thousand) which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account.

**26. Sector Wise Business**

Disclosure as per Schedule B Part II Point c (3) of the Insurance Regulatory and Development Authority of India (preparation of financial statements and auditor's report of insurance companies) regulations, 2002.

The total Gross Written Premium for the financial year is Rs. 2,80,99,713 thousands (Previous year Rs. 1,75,07,779 thousands), out of which the bifurcation of Rural and social sector business is as under:

Business Sector	Year ended March 31, 2022			Year ended March 31, 2021		
	GDPI (Rs.'000s)	No of Policy	% of Policy	GDPI (Rs.'000s)	No of Policy	% of Policy
Rural	26,59,689	2,10,679	14.43%	13,90,753	1,19,650	12.10%
Social	1,769	2	0.00%	1,351	2	0.00%
Urban	2,54,38,255	12,49,253	85.57%	1,61,15,674	8,69,374	87.90%
Total	2,80,99,713	14,59,934	100%	1,75,07,779	9,89,026	100%

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**Disclosure as per Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015 is as under:**

**Rural Sector**

Financial Year	Gross Premium for the year (Rs.'000s)	Amount of Premium procured in Rural Sector (Rs.'000s)	Rural Sector Premium as % to Column (1)	Required % as per the above Regulations	Compliance with the above Regulations
2021-22	2,80,99,713	26,59,689	9.47%	3.50%	Yes
2020-21	1,75,07,779	13,90,753	7.94%	3.50%	Yes

**Social Sector**

Financial Year	Total Business (lives) in the Preceding Financial Year	Number of Lives covered under Social Sector in the Financial Year	Social Sector Lives as % to the Column (1)	Required % as per the above Regulations	Compliance with the above Regulations
2021-22	40,87,738	2,10,075	5.14%	5.00%	Yes
2020-21	32,01,190	1,67,750	5.24%	5.00%	Yes

**27. Micro Small and Medium Enterprises**

As at March 31, 2022, there is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days. In respect of MSME creditors, where there have been delays in payments during the year, no interest is paid/payable as the payment was made within the agreed credit period. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at March 31, 2022	As at March 31, 2021
a)The principal amount remaining unpaid to any supplier at the end of the year	NIL	NIL
b)Interest due remaining on above amount	NIL	NIL
c)The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	NIL	NIL
d)The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day	NIL	NIL

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

during the year) but without adding the interest specified under the MSMED Act, 2006		
e)The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	NIL	NIL

**28. Penal Actions Details by Various Government Authorities**

IRDAI circular no 005/IRDAI/F&A/CIR/MAY-09 requires disclosure as per given format in respect of penal actions taken by various Government Authorities.

SN	Authority	Non-Compliance/ Violation	Amount in Rs. thousand		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	- (-)	- (-)	- (-)	- (-)
2	Goods and Service Tax Authorities	- (-)	- (-)	- (-)	- (-)
3	Income Tax Authorities	- (-)	- (-)	- (-)	- (-)
4	Any Other Tax Authorities	- (-)	- (-)	- (-)	- (-)
5	Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA	- (-)	- (-)	- (-)	- (-)
6	Registrar of Companies/ NCLT/ CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013.	- (-)	- (-)	- (-)	- (-)
7	Penalty awarded by any Court/ tribunal for any matter including claim settlement but excluding Compensation	- (-)	- (-)	- (-)	- (-)
8	Securities and Exchange Board of India	- (-)	- (-)	- (-)	- (-)
9	Competition Commission of India	- (-)	- (-)	- (-)	- (-)
10	Any other Central/State/local Government/ Statutory Authority	- (-)	- (0.18)	- (-)	- (-)

Figures in brackets pertain to year ended March 31, 2021

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**29. Summary of Financial Statements**

*(Rs. in Lakhs)*

SN	Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
<b>OPERATING RESULTS</b>						
1	Gross Direct Premiums	2,80,997	1,75,078	1,24,289	94,702	75,447
2	Net Premium Income (net of reinsurance)	2,15,763	1,34,852	95,368	73,140	58,774
3	Income from Investments (net)	8,730	5,643	4,114	3,371	2,995
4	Other Income	-	-	-	-	-
5	Total Income	2,24,493	1,40,496	99,482	76,511	61,768
6	Commission (Net) including brokerage	12,042	6,348	4,288	3,085	2,267
7	Operating Expenses (net of amount transferred from shareholder account{EOM Impact})*	58,568	37,331	27,210	22,097	18,394
8	Net incurred claims	1,08,863	64,556	45,007	35,564	28,902
9	Premium Deficiency	-	-	-	-	-
10	Change in unexpired risk reserve	40,512	19,766	11,261	7,192	1,188
11	Operating Profit/(Loss)	4,508	12,496	11,716	8,573	11,017
<b>NON OPERATING RESULTS</b>						
12	Total income under shareholder's account (net of expenses)	(24,161)	(17,470)	(17,871)	(13,411)	(8,733)
13	Profit /(loss) before tax	(19,653)	(4,974)	(6,155)	(4,839)	2,284
14	Provision for Tax	-	-	-	-	-
15	Profit/(Loss) after tax	(19,653)	(4,974)	(6,155)	(4,839)	2,284
<b>MISCELLANEOUS</b>						
16	Policyholder's Account:					
	a) Total funds	1,53,170	98,419	66,435	48,563	36,573
	b) Total Investments	1,53,170	98,419	66,435	48,563	36,573
17	Shareholder's Account					
	a) Total funds	86,962	63,737	40,286	32,994	30,006
	b) Total Investments	86,962	63,737	40,286	32,994	30,006
18	Paid Up Equity Capital	1,40,860	1,34,973	1,12,600	98,100	92,600
19	Net Worth	50,765	57,668	34,590	26,246	25,584
20	Total Assets	2,73,843	1,89,904	1,23,731	99,950	82,084
21	Yield on total investments	6.60%	6.91%	7.77%	7.76%	7.90%
22	Basic Earnings Per Share (Rs.)**	(1.42)	(0.43)	(0.58)	(0.51)	0.25
	Diluted Earnings Per Share (Rs.)**	(1.41)	(0.43)	(0.58)	(0.51)	0.25
23	Book value per Share (Rs.)	3.60	4.27	3.07	2.68	2.76
24	Total Dividend	-	-	-	-	-
25	Dividend Per share (Rs.)	-	-	-	-	-

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

\*A sum of Rs.27,172 Lakh (Previous year Rs. 17,624 Lakh) which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account in accordance with the circular no. IRDAI/Reg./12/124/2016.

\*\*Weighted average number of equity shares for Basic EPS is 13,874 Lakh (previous year 11,627 Lakh) and weighted average number of equity shares for Diluted EPS is 13,891 Lakh (previous year 11,634 Lakh) is used in computing earnings per share.

**30. Accounting Ratios**

<b>Performance Ratios</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>
Gross Direct Premium Growth Rate (Overall)	60%	41%	31%	26%	27%
Gross Direct Premium Growth Rate (Health)	62%	44%	29%	23%	26%
Gross Direct Premium Growth Rate (Personal Accident)	10%	(14%)	96%	190%	274%
Gross Direct Premium to Net Worth Ratio	5.54 times	3.04 times	3.59 times	3.61 times	2.95 times
Growth Rate of Net Worth	(12%)	67%	32%	3%	10%
Net Retention Ratio (Overall)	77%	77%	77%	77%	78%
Net Retention Ratio (Health)	77%	77%	76%	77%	78%
Net Retention Ratio (Personal Accident)	79%	86%	83%	81%	70%
Net Commission Ratio (Overall)	6%	5%	4%	4%	4%
Net Commission Ratio (Health)	5%	4%	4%	4%	4%
Net Commission Ratio (Personal Accident)	10%	11%	12%	12%	8%
Expenses of Management to Gross Direct Premium Ratio (Note-2)	42%	44%	46%	50%	50%
Expenses of Management to Net written Premium Ratio (Note-2)	55%	57%	60%	64%	64%
Net incurred claims to Net earned premium	62%	56%	54%	54%	50%
Combined Ratio	107%	102%	102%	107%	104%
Technical Reserves to Net Premium Ratio	0.63 times	0.67 times	0.61 times	0.62 times	0.60 times
Underwriting Balance Ratios	(0.18) times	(0.09) times	(0.08) times	(0.13) times	(0.05) times
Operating Profit Ratio	3%	11%	14%	13%	19%
Liquid Assets to Liability Ratio	0.30 times	0.52 times	0.54 times	0.75 times	0.75 times
Net Earnings Ratio	(9%)	(4%)	(6%)	(7%)	4%
Return on Net Worth Ratio	(39%)	(9%)	(18%)	(18%)	9%
Reinsurance Ratio	23%	23%	23%	23%	22%
Available Solvency margin Ratio to Required Solvency Margin Ratio (times) (Note-3)	1.72	2.09	1.77	1.77	2.11
NPA Ratio	2.83%	4.95%	7.43%	7.03%	NA

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

**Notes:**

- 1) Ratios are calculated as per IRDAI Master Circular on Preparation of Financial Statements 2012.
- 2) Expense of Management ratio is computed on basis of Gross Direct Commission.
- 3) Required Solvency Margin Ratio (times) is 1.50.

**31. Corporate Social Responsibility**

As required under Section 135 of the Companies Act, 2013 and IRDAI Corporate Governance Guidelines 2016, the Board of the Company has a "Corporate Social Responsibility Committee" (CSR Committee) which comprises of four members of the Board. The CSR Committee is primarily responsible for formulating and recommending to the Board of Directors from time to time the CSR activities and the amount of expenditure to be incurred on the activities pertaining and monitoring CSR Projects. The Company has formulated the Corporate Social Responsibility Policy which has been adopted by the CSR Committee and Board. As the Company has registered a negative profit based on the preceding three years' average net profit, the Company has no obligation towards CSR activities during FY 2021-2022.

**32. Provision for Free Look period**

The provision for Free Look period is Rs. 5,689 thousand (previous year Rs. 6,636 thousand), as certified by the Appointed Actuary.

- 33.** (A) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/ accounting standard

(B) As at March 31, 2022, the Company did not have any outstanding long term derivative contracts. (previous year Rs. Nil).

**34. Investor Education & Protection Fund**

For the year ended March 31, 2022 the Company has transferred Rs. Nil (previous year Rs. Nil) to the Investor Education & Protection Fund.

- 35.** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 36.** No funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 37.** The Company has not declared or paid any dividend during the year ended March 31, 2022.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

**38. Risk Management Architecture –**

The Board and other stakeholders of Niva Bupa get assurance on risk management processes and its effectiveness from internal audit, risk management, compliance and fraud investigation function. The Company's risk management framework comprises of the following elements:

- Risk Strategy and Appetite (including Risk Policy framework and Governance structure)
- Strategic Risk Assessment (Business Plan)
- Risk Categorization
- Risk Registers
- Risk Control and Assurance
- Risk Reporting
- Risk Management design and effectiveness review

**Risk Management roles and responsibilities:**

To improve coordination and eliminate duplication, Niva Bupa has adopted 'Three Line of Defence' model. The model defines clear set of responsibilities for each group of risk and control professionals.

- a) First Line: Involved in day to day risk management, in accordance with agreed risk policies, appetite and controls, at the operational level. This role is performed by Functional Heads and Process owners.
- b) Second Line: Responsible for risk oversight, risk guidance and risk reporting. This role is performed by Risk Management team, Compliance & Fraud Investigation team.
- c) Third Line: Independent assurance to the Board and Senior Management of the effectiveness of risk management processes. This role is performed by Internal and External Auditors.

A Risk Management team headed by Chief Risk Officer is in place to support for and challenge on the completeness and accuracy of risk identification, measurement, management, monitoring and reporting, and adequacy of, and progress against, mitigation plans.

**Risk Appetite Statements:**

To help define the level of risk that Niva Bupa is willing to take, a set of Risk Appetite Statements have been defined which state in both quantitative and qualitative terms the Niva Bupa Board's desired risk profile. The statements are reviewed and approved annually by the Board. The risk appetite statements are aligned with risk strategy and the Business Plan approved by the Board.

Status update against the defined risk appetites are monitored and reported to the Risk Committee on a quarterly basis.

**Strategic Risk Assessment:**

Niva Bupa identifies the need for explicitly considering risk in the strategic and planning process. For the purpose, a strategic risk assessment process has been documented which will ensure that while developing business plans and/ or implementing major change initiatives, the business should include a "challenge phase", where the business including the risk team consider the impact of planned changes on the existing and future risk profile and the control environment.



**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

**Risk Identification and Assessment process:**

Niva Bupa has categorized risk into six (6) broad Level 1 categories – Strategic risk, Insurance risk, financial risk, Operational risk, Regulatory risk and Reputational risk. Each of such 6 categories is further broken down into 27 Level 2 sub risk categories. These risk categories are observed throughout the risk management journey.

Company has documented functional risk registers to identify and assess inherent risks against such risk categories. Each identified risk is mapped to existing controls to mitigate such risk. After identification of existing (As is) controls, functional heads along with their teams assess the risk based on their impact and likelihood using the laid down parameters. Remediation actions are identified for control gaps, if any.

A consolidated risk register against the defined risk categories is prepared on a quarterly basis to include key risks for the quarter. A Management Risk Committee chaired by the CEO and attended by Senior Leadership Team reviews the risks in their respective domains on a quarterly basis and updates the consolidated register. CRO along with the Risk Management Team overviews and challenges the entire process of risk identification and rating.

**Risk Reporting:**

Status update on the remedial actions identified against the risks captured in the consolidated risk register is reported to Risk Committee on quarterly basis along with the Key Risk Summary and the Organizational Risk Heat Map.

The company has compiled the data for the purpose of aforesaid disclosure from its risk management framework and policies and has been furnished by the management, which has been relied upon by the auditors.

**39. Statement containing names, descriptions, occupations of and directorships held by the persons in charge of management of the business under section 11 (3) of Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015)**

Name of person in-charge	Mr. Krishnan Ramachandran
Designation of person in-charge	Managing Director and Chief Executive Officer
Occupation of person in-charge	Service
Directorships held by the person In-charge during the year or at March 31, 2022	Niva Bupa Health Insurance Company Limited

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**40. REPO/Reverse repo transactions –**

*(Rs.in '000)*

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31, 2022
<b>Securities sold under repo</b>				
Government securities	- (-)	- (-)	- (-)	- (-)
Corporate Debt Securities	- (-)	- (-)	- (-)	- (-)
<b>Securities purchased under reverse repo</b>				
Government securities	- (-)	- (-)	- (-)	- (-)
Corporate Debt Securities	- (-)	- (-)	- (-)	- (-)

Figures in bracket pertains to year ended March 31, 2021

**41. Share Capital and Allotment**

Authorized share capital of the company as on March 31, 2022 is 15,000,000 thousand. During the year the company has allotted 5,88,72,428 equity shares (previous year 22,37,29,800 equity shares) out of which equity shares 70,31,862 (previous year Nil) were allotted under ESOP which includes 71,162 shares issued under right issue. During the year Company has not made any preferential allotment (previous year: Rs. Nil).

**42.** The Insurance Regulatory and Development Authority (IRDAI) on 07 January 2022 issued an inspection report for the year ended March 31, 2021 under Section 14 (2) of the IRDA Act 1999. The Board of the Company has taken cognizance of the report. Further, the Company has submitted it's responses as per the directions received from regulator (IRDAI) during the quarter. The Company does not foresee any material adjustment in these financial results and operations of the Company.

**43. Global Pandemic**

In light of the outbreak of COVID-19 pandemic, its continuous effect and information available up to the date of approval of these financial results, the Company has assessed the impact of pandemic on its business and financial results including recoverability of its assets, investment and receivable from other insurance companies, and the settlement of its liabilities including valuation of claims Incurred But Not Reported (IBNR), claims Incurred But Not Enough Reported (IBNER) and Premium Deficiency Reserve (PDR). The Company has used principles of prudence in applying judgments, made estimates and assumptions. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and does not anticipate any material adjustment in these financial results. Given the uncertainty over the potential economic conditions, the ultimate outcome of impact of global health pandemic may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions and will recognize the impact if any, prospectively in future periods.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**44. ESOP**

The company had introduced "Employee Stock Option Plan - 2020 (ESOP 2020)" in the financial year 2020-21 effective from 01<sup>st</sup> June 2020 (date of grant). Under the ESOP 2020 the company has given options to eligible employees to acquire equity shares in the company. The options have been granted under following tranches.

Series	Date of grant	Number granted	Contractual Life (Month)	Vesting conditions	Exercise price per option	Estimated fair value of share granted
Series-I	01-Jun-20	5,91,00,000	60	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 3 <sup>rd</sup> anniversary from date of grant 20% at 4 <sup>th</sup> anniversary from date of grant 20% at 5 <sup>th</sup> anniversary from date of grant	10	10
Series-II	01-Sep-20	37,50,000	60	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 1 <sup>st</sup> June 2023 20% at 1 <sup>st</sup> June 2024 20% at 1 <sup>st</sup> June 2025	10	10
Series-III	05-Sep-20	2,50,000	57	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 1 <sup>st</sup> June 2023 20% at 1 <sup>st</sup> June 2024 20% at 1 <sup>st</sup> June 2025	10	10
Series-IV	06-Oct-20	2,50,000	56	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 1 <sup>st</sup> June 2023 20% at 1 <sup>st</sup> June 2024 20% at 1 <sup>st</sup> June 2025	10	10

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

<b>Series-V</b>	10-Oct-20	4,00,000	56	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 1 <sup>st</sup> June 2023 20% at 1 <sup>st</sup> June 2024 20% at 1 <sup>st</sup> June 2025	10	10
<b>Series-VI</b>	02-Nov-20	10,00,000	56	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 1 <sup>st</sup> June 2023 20% at 1 <sup>st</sup> June 2024 20% at 1 <sup>st</sup> June 2025	10	10
<b>Series-VII</b>	23-Feb-21	29,50,000	52	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 1 <sup>st</sup> June 2023 20% at 1 <sup>st</sup> June 2024 20% at 1 <sup>st</sup> June 2025	10	12.66
<b>Series-VIII</b>	01-Apr-21	2,00,000	50	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 1 <sup>st</sup> June 2023 20% at 1 <sup>st</sup> June 2024 20% at 1 <sup>st</sup> June 2025	10	12.66
<b>Series-IX</b>	11-Jun-21	14,50,000	60	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 1 <sup>st</sup> June 2024 20% at 1 <sup>st</sup> June 2025 20% at 1 <sup>st</sup> June 2026	12.66	12.66
<b>Series-X</b>	13-Oct-21	67,85,000	60	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 3 <sup>rd</sup> anniversary from date of grant 20% at 4 <sup>th</sup> anniversary from date of grant 20% at 5 <sup>th</sup> anniversary from date of grant	23.46	23.46

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

Series- XI	01-Nov-21	12,50,000	60	20% at 1 <sup>st</sup> anniversary from date of grant 20% at 2 <sup>nd</sup> anniversary from date of grant 20% at 3 <sup>rd</sup> anniversary from date of grant 20% at 4 <sup>th</sup> anniversary from date of grant 20% at 5 <sup>th</sup> anniversary from date of grant	23.46	23.46
---------------	-----------	-----------	----	---	-------	-------

\*All the grants mentioned above to be settled in equity only.

Scheme	Number of options outstanding as on 1 <sup>st</sup> April 2021	Issued during the year	Cancellation of options due to resignation/ surrender FY 21-22	Options Exercised FY 21-22	Number of options outstanding as on 31 <sup>st</sup> March 2022	Exercisable as at 31 <sup>st</sup> March 2022
ESOP Scheme Tranche-1	5,91,00,000	-	-	59,44,200	5,31,55,800	12,30,160
ESOP Scheme Tranche-2	37,50,000	-	11,59,800	3,81,900	22,08,300	-
ESOP Scheme Tranche-3	2,50,000	-	-	33,500	2,16,500	-
ESOP Scheme Tranche-4	2,50,000	-	-	33,500	2,16,500	-
ESOP Scheme Tranche-5	4,00,000	-	-	53,600	3,46,400	-
ESOP Scheme Tranche-6	10,00,000	-	-	1,34,000	8,66,000	-
ESOP Scheme Tranche-7	29,50,000	-	3,00,000	3,80,000	22,70,000	1,14,000
ESOP Scheme Tranche-8	-	2,00,000	-	-	2,00,000	40000
ESOP Scheme Tranche-9	-	14,50,000	-	-	14,50,000	-
ESOP Scheme Tranche-10	-	67,85,000	2,95,000	-	64,90,000	-
ESOP Scheme Tranche-11	-	12,50,000	-	-	12,50,000	-

For options outstanding, the exercise price ranges between Rs.10 to Rs. 23.46 and weighted average remaining contractual life of these grants ranges between 3 to 5 years.

The weighted average price of options exercised during the year ended on 31st March, 2022 is Rs.10

**The Key assumptions used to estimate the fair value of options granted during the year ended March 31 2022 are as under:**

The fair value of equity shares of the company for the purpose of computing compensation cost of ESOP's. has been calculated by taking weighted average of fair values arrived at by using income approach methodology and market approach methodology.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

The Company follows the intrinsic method for computing the compensation cost, for options granted under the scheme(s). The difference between the fair value and the grant price, being the compensation cost is recognized as deferred stock option expense and is charged to Revenue Account and Profit and Loss Account on straight line basis over the vesting period of options.

Had the Company followed fair value method based on Black-Scholes model valuing its options, compensation cost for the year ended would have been higher by Rs. 1,88,773 thousand and the profit /loss after tax would have been lower by Rs. 1,88,713 thousand and the Company's basic and diluted earnings per share would have been Rs. (1.55) and Rs. (1.55) respectively.

**45. Disclosure of Fire and Marine Revenue accounts**

As the company operates in single insurance business class viz. health insurance business, the reporting requirements as prescribed by IRDA with respect to presentation of Fire and Marine insurance revenue accounts are not applicable.

**46. Taxation**

<b>Deferred Tax Assets</b>	<b>As on March 31 ,2022</b>	<b>As on March 31 ,2021</b>
Expenditures covered by Section 43B of Income Tax Act 1961	77,368	72,546
Carry Forward of Unabsorbed Depreciation	2,79,552	2,66,018
Carry Forward of Losses	77,815	34,346
Provision for doubtful Investments and receivables	-	2,30,630
Excess of Depreciation/Amortization of Fixed Assets Provided in books of accounts over Depreciation/Amortization as per Income Tax Act	57,408	55,247
<b>Total Deferred Tax Assets (A)</b>	<b>4,92,142</b>	<b>6,58,788</b>
Deferred Tax Liability	-	-
<b>Total Deferred Tax Liability (B)</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax Assets (Liability) (A-B)</b>	<b>4,92,142</b>	<b>6,58,788</b>
<b>Net Deferred Tax assets recognized in books of accounts*</b>	<b>NIL</b>	<b>NIL</b>

\* In the absence of virtual certainty regarding availability of sufficient future taxable Income to set off the taxable accumulated business losses in future, within, the deferred tax assets on account of timing differences as stipulated in Accounting Standard 22 on "Accounting for Taxes on Income" has not been recognized. Further, the Government of India on December 12, 2019 vide the Taxation Laws (Amendment) Act 2019 inserted a new section 115BAA in the Income Tax Act 1961, which provides an option to the company for paying Income Tax at reduced rates as per provisions/conditions defined in said section. The company has exercised the said option and therefore has disclosed the deferred tax assets as above, as per rates prescribed in new tax regime.

**NIVA BUPA HEALTH INSURANCE COMPANY LIMITED (FORMERLY KNOWN AS MAX BUPA HEALTH INSURANCE COMPANY LIMITED)**

**REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

---

**47. Code on Social Security , 2020**

The Code on Social Security, 2020 ('Code') relating to employee benefits, during employment and post-employment, received presidential assent on September 28, 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment has released a draft rules ("Rules") for the code on November 13, 2020, the final Rules and Effective date is awaited. In view of this, the Company will assess and record the financial impact of the Code when it comes into effect.

**48. Comparative Figures**

Previous period figures have been regrouped and reclassified wherever necessary to conform to current period's presentation.

**As per our report of even date  
For Nangia & Co. LLP  
Chartered Accountants**

**For and on behalf of the Board of Directors  
Niva Bupa Health Insurance Company Limited**

**Vikas Gupta  
Partner  
Membership No:076879  
Place Noida**

**Director  
Dinesh Kumar Mittal  
DIN: 00040000**

**CEO & Managing Director  
Krishnan Ramachandran  
DIN: 08719264**

**For T R Chadha & Co. LLP  
Chartered Accountants**

**Neena Goel  
Partner  
Membership No:057986  
Place: Delhi**

**Company Secretary  
Rajat Sharma  
Membership No. FCS 7069**

**Chief Financial Officer  
C Anil Kumar**

Date: May 05, 2022

Place: Gurugram

## NIVA BUPA HEALTH INSURANCE COMPANY LIMITED

### MANAGEMENT REPORT

---

Niva Bupa Health Insurance Company Limited ("The Company") was incorporated in India on 5th September, 2008 and received the Certificate of Commencement of Business on 23rd December 2008. The Company is a joint venture between Fettle Tone LLP and Bupa Singapore Holding Pte. Singapore. Fettle Tone LLP is the holding company of Niva Bupa Health Insurance Company Limited as on balance sheet date.

In accordance with Part IV Schedule B of the Insurance Regulatory and Development Authority (IRDAI) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulation) the following Management Report for the year ended March 31, 2022 is submitted:

1. The Company obtained Regulatory approval to undertake Health & Personal Accident Insurance business on 15<sup>th</sup> Feb 2010 from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration.
2. We certify that all the dues payable to the statutory authorities have been duly paid.
3. We confirm that the shareholding pattern and transfer of shares are in accordance with the statutory and regulatory requirements.
4. The management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.
5. The Company is maintaining the required solvency margins under the Insurance Act, 1938.
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 aggregate at amounts not exceeding their realizable or market value under the heading – "Loans", "Investments" (wherever applicable), "Agents Balances", "Outstanding Premiums", "Interest, Dividend and Rents Outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and several items specified under "Other Accounts".



7. The Company is exposed to a variety of risks associated with its insurance business operations and the investment portfolio. To help define the level of risk that the Company is willing to take, a set of Risk Appetite Statements have been defined which state in both quantitative and qualitative terms the Company's desired risk profile / overall level of risk exposure. These risk appetite statements are reviewed and approved by the Board to ensure alignment of the Company's risk strategy to the business plan approved by the Board.

To execute the risk strategy and manage the overall risk exposure, the Company has adopted "Three Line of Defence" model with clearly defines responsibilities for each group of risk and control professionals including but not limited to internal audit, risk management, compliance, and fraud investigation function. Risk management activities are supervised on behalf of the Board by the Risk Committee, whose responsibilities conform to those prescribed by the IRDAI. The Chief Risk Officer assists the Board Committee in overseeing the risk management activities across the Company through a well-defined Risk Management Framework, which defines its approach to enterprise wide risk management. The implementation is a continuous cycle of improvement over the Company's existing risk management elements which are progressively integrated into the framework. The Company has the vision of a matured state of risk culture whereby every individual takes responsibility of risks and has a thorough understanding of all risk tolerances.

The Company maintains a diversified product portfolio between the retail and group business and undertakes an underwriting philosophy appropriate for its products, distribution channels, geographies and target market segments. In addition, the Company has kept its risk exposure at a level commensurate with its capacity through an appropriate reinsurance program. The investment portfolio is diversified within the limits set under IRDAI regulations as well as governed by the various internal policies and norms as set out the Investment Committee of the Company. Operational risks are sought to be managed by a system of limits, internal controls, and segregation of duties, wherever feasible. All key risks are regularly reviewed and acted on as appropriate by the management team.

The Company has an Information Security Committee to oversee the information security and cyber risk exposure and all such risks are monitored with appropriate mitigation measures implemented under the guidance of a Chief Information Security Officer. The Company has a robust internal audit function and all relevant internal controls, key operational risks and compliances are reviewed and audited on a regular basis.

8. We confirm that there were no operations of the Company outside India during the year ended March 31, 2022.

9. Ageing analysis of claims outstanding(excluding provision for IBNR / IBNER and claims relating to inward re-insurance) is as under:

Particulars	FY 2021-22*		FY 2020-21*		FY 2019-20		FY 2018-19		FY 2017-18	
	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)
30 days	5,289	3,888	3,140	2,445	1,050	721	3,359	2542	3,484	1,732
30 days to 6 Months	776	1090	462	936	40	27	538	572	127	220
6 months to 1 year	-	-	-	-	2	1	26	19	2	2
1 year to 5 years	-	-	-	-	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-	-	-

\*Includes only Claim outstanding but does not include Pre-Auth outstanding.

Average claims settlement time during the preceding five years is as under:

Line of Business	FY 2021-22		FY 2020-21		FY 2019-20		FY 2018-19		FY 2017-18	
	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)
Health	2,70,378	9 days	1,24,978	13 days	1,32,750	10 days	79,010	16 days	70,723	17 Days
Personal Accident	337	8 days	76	6 days	59	20 days	21	13 days	10	11 Days

10. As at March 31, 2022, the investments of the Company are mainly in Government Securities including Central and State Government bonds, Debt Securities including Corporate Bonds, Bank Deposits and Mutual Funds. As per the IRDA guidelines, all Debt securities are considered as held to maturity and valued at historical cost subject to amortization of premium/discount. Further, the market value for debt securities as at 31st March, 2022 has been calculated as per guidelines issued by SEBI approved rating agency (CRISIL)

Mutual fund Investments are stated at fair value, being the closing net assets value as at balance sheet date.

Acquisition cost of Debt Securities is Rs. 2,03,394 lakhs (Previous year Rs. 1,42,021 lakhs), amortized value is Rs. 2,02,666 lakhs (Previous year Rs. 1,41,450 lakhs) and market value at Rs. 2,03,015 lakhs (Previous year Rs. 1,44,134 lakhs).

11. Investments are in accordance with the Insurance Act, 1938 and Insurance Regulatory & Development Authority (Investment) Regulations, 2000 and subsequent amendments. Investment Portfolio consists of Central and State Government Securities, Infrastructure Bonds (AAA), Housing Sector Bonds (AAA), Corporate Bonds (AAA, AA+, AA and D), Liquid Mutual Funds, Equity Securities, Alternate Investment Funds and Deposits with various Scheduled Banks.

The Investment Risk is managed by creating a portfolio of different asset classes and of varied maturities so as to spread the risk across a wide category of Investee companies in line with regulatory requirements. The Company has constituted an Investment Committee, which acts as the policy making body for the Investment operations. The Investment Committee lays down various internal policies and norms governing the functioning of the Investment Department. The Investment Committee periodically discusses the Investment strategy, portfolio structures, performance of the portfolio and related issues. The Investment policy is reviewed semi-annually in order to align the same with the Company business plans.

12. We also confirm:

- a. That the Financial Statements have been prepared in accordance with generally accepted accounting principles and policies, applicable accounting standards and current practices prevailing in the Insurance Industry and there are no material departures.
- b. That the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Operating Profit or Loss and of the Profit or Loss of the Company for the year.
- c. That the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 and Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That the management has prepared the Financial Statements on a Going concern basis.
- e. Company actual solvency ratio is 1.72 times against the required solvency ratio of 1.50 times.
- f. That there is an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

13. Payments made to 'companies and organizations in which Directors are interested during the financial year 2021-22 are as under:

<b>SN</b>	<b>Name of the Director</b>	<b>Entity in which Director is interested</b>	<b>Interested as</b>	<b>Payment made (Rs. Lakhs)</b>
1	Mr. Dinesh Kumar Mittal	Bharti Airtel Limited	Director	135
2	Mr. Pradeep Pant	Max Life Insurance Company Limited	Independent Director	231

**For and on behalf of the Board of Directors**  
**Niva Bupa Health Insurance Company Limited**

**Director**  
**Dinesh Kumar Mittal**  
DIN: 00040000

**CEO & Managing Director**  
**Krishnan Ramachandran**  
DIN – 08719264

**Company Secretary**  
**Rajat Sharma**  
Membership No.- FCS7069

**Chief Financial Officer**  
**C Anil Kumar**

Place: Gurugram  
Date: May, 05, 2022