

C. Financial Statements

The new business premium for the Company grew by 22% from ₹ 5,179 crore in FY2020 to ₹ 6,313 crore in FY2021. As the Company continues to focus on expanding the distribution network, individual rated new business (IRNB) grew by 28% in FY2021 to ₹ 2,468 crore as compared to ₹ 1,927 crore in FY2020. Group protection business de-grew by 15% in FY2021 to ₹ 1,597 crore compared to ₹ 1,872 crore in previous year.

With strong focus on improving persistency, the renewal premium grew by 25% to ₹ 5,712 crore in FY2021 as compared to ₹ 4,574 crore in previous year. The total gross written premium for FY2021 ended at ₹ 12,025 crore as compared to ₹ 9,753 crore in FY2020 witnessing a growth of 23%.

Investment income for FY2021 on the Policyholders' investments (excluding unit linked funds) is ₹ 2,929 crore (including income on unclaimed fund) as compared to ₹ 2,288 crore in the previous year; growth of 28%. The increase was primarily on account of higher realised gains which were at ₹ 936 crore in FY2021 as compared to ₹ 369 crore in FY2020. Increase in interest, amortisation and dividend is on account of the increase in average Policyholders' (non-linked) AUM and change in asset mix.

Shareholders' investment income has grown by 10% from ₹ 702 crore in FY2020 to ₹ 773 crore in FY2021. The increase was primarily on account of higher realised gains which were at ₹ 282 crore in FY2021 as compared to ₹ 119 crore in FY2020. Interest, amortisation and other income has decreased to ₹ 491 crore in FY2021 from ₹ 584 crore in FY2020 primarily on account of drop in yields partially offset by increase in average AUM and asset mix.

In accordance with the impairment policy of the Company, diminution in the value of investments has been evaluated on the Balance Sheet date. Accordingly, total impairment loss of ₹ 390 crore recognised during the FY2020 and in FY2021 reversal of impairment charged of ₹ 111 crore due to sale of already impaired securities.

The total expenses (including commission but excluding GST on linked charges) of the Company were at ₹ 2,562 crore for FY2021 compared to ₹ 2,232 crore for FY2020. Increase in total expenses is in line with the Company strategy to invest in people, investment in new distribution partnerships, technology and re-branding for the future partially offset by various cost saving initiatives and lockdown.

Benefits paid decreased to ₹ 6,257 crore in FY2021 from ₹ 6,849 crore in FY2020 on account of lower group surrender.

The Company ended FY2021 with a profit after tax of ₹ 580 crore as against ₹ 450 crore for FY2020. The Board of Directors approved at the Board Meeting held on 11 March 2021 an interim dividend of ₹ 11 (Previous year: ₹ Nil) per equity share of face value of ₹ 10 (110% of face value) for FY2021. The dividend amounts to ₹ 166 crore (Previous year: ₹ Nil).

The net-worth of the Company as at 31 March 2021 was ₹ 10,735 crore as compared to ₹ 9,731 crore as at 31 March 2020. The accumulated profits of the Company stood at ₹ 9,076 crore as at 31 March 2021 as compared to ₹ 8,662 crore as at 31 March 2020. The Company has maintained one of the highest solvency margins in the industry at 666% as compared to 745% in the previous year, as against the regulatory mandated minimum level of 150%.

The Assets under Management for the Company as at 31 March 2021 were ₹ 73,773 crore as compared to ₹ 56,085 crore at 31 March 2020; growth of 32%

a. Results from operations: Analysis of Profit and Loss and Revenue Account

The statement below summarises the Company's Revenue and Profit and Loss accounts:

Particulars	₹ in crore)	
	FY2021	FY2020
Net premium income	11,926	9,679
Income from investments (net)	12,265	150
Other income	65	75
Total income	24,256	9,904
Commissions (net) (Including Rewards)	580	420
Operating expenses (including GST on linked charges)	2,105	1,931
Total expenses	2,685	2,351
Provision for diminution in the value of investments	(111)	390
Benefits paid	6,257	6,849
Change in valuation of liability in respect of life policies	14,666	(268)
Taxes	91	51
Amount transferred to Funds for Future Appropriation (undistributed PAR surplus)	88	81
Profit after tax	580	450

The Company's results from operations have been analysed below:

i. Premium income

Particulars	FY2021			FY2020			Growth		
	Retail	Group	Total	Retail	Group	Total	Retail	Group	Total
New business premium	2,531	3,783	6,313	1,999	3,180	5,179	27%	19%	22%
Renewal premium	5,683	29	5,712	4,539	34	4,574	25%	-15%	25%
Total gross premium	8,214	3,811	12,025	6,538	3,214	9,753	26%	19%	23%
Reinsurance premium	38	61	99	29	46	74	31%	33%	34%
Net total premium	8,175	3,751	11,926	6,509	3,168	9,679	26%	18%	23%

Total new business premium for FY2021 is ₹ 6,313 crore as compared to ₹ 5,179 crore in the previous year; growth of 22%. Retail rated new business premium is ₹ 2,468 crore as compared to ₹ 1,927 crore in the previous year; growth of 28%. Group New Business premium for FY2021 grew by 19% registering a premium of ₹ 3,783 crore as against ₹ 3,180 crore for FY2020.

Continued focus on renewal collections supported by various initiatives to improve persistency such as driving auto-payment registrations, promoting digital payments, greater distribution ownership and various other initiatives have led to 25% growth compared to previous year.

ii. Investment income

Details of income from investments are given in the table below:

(₹ in crore)

Particulars	FY2021			FY2020		
	Unit	Non-unit	Total	Unit	Non-unit	Total
Interest, dividend and rent*	744	2,483	3,227	780	2,481	3,261
Profit /(loss) on sale of investments (net)	1,325	1,218	2,543	602	488	1,090
Unrealised gain/(loss)	6,511	(16)	6,495	(4,201)	-	(4,201)
Total income/(loss) on investments	8,580	3,685	12,265	(2,819)	2,968	150

* includes accretion of discount/amortisation of premium

As per the requirement of the IRDAI Regulations on preparation of financial statements, income earned from the investments of both unit linked and non-unit linked businesses are required to be disclosed under the income from investments in the Revenue Account even though the unit investment income is neutral to the net results of the segment as the income earned on unit linked investments is correspondingly adjusted with the unit linked fund liabilities in the Revenue Account.

The total income on investments (including the unit linked business) is analysed as follows:

Interest, dividend and rent

During FY2021, interest income, dividend and rent decreased by 1% from ₹ 3,261 crore in FY2020 to ₹ 3,227 crore in FY2021. Of this, the split is as follows:

(₹ in crore)

Particulars	FY2021	FY2020
Interest (including accretion of discount/amortisation of premium)	2,918	3,028
Dividend	303	228
Rent	6	5
Total	3,227	3,261

As can be seen above, interest income decreased by 4% from ₹ 3,028 crore in FY2020 to ₹ 2,918 crore in FY2021 mainly due to lower yields during the year. The table below indicates average debt investments and average yield earned in the respective year.

(₹ in crore)

Particulars	FY2021	FY2020
Average interest earning assets	44,747	40,982
Average yield	6.6%	7.4%

Profit and loss on sale on investments

Profits and losses on sale of investments represents the amount by which the proceeds from the sale of investments exceeds the carrying amount of the investments that were sold. Profits and losses are booked considering the overall market condition and available investment opportunities.

Unrealised gain/loss

The unrealised gain/(loss) in non-par segment pertain to mark to market losses on assets which are valued at fair value. Unrealised gain/(loss) represents the net change in unrealised gains on underlying investments pertaining to the Unit Linked portfolio which is reflected under the head "Transfer/Gain on revaluation/change in fair value" in the Revenue Account with the contra effect in the head "Fund Reserve" in the Revenue Account. Unrealised gains/(losses) in the linked portfolio are in line with the market's performance evidenced from below indicators:

Particulars	FY2021	FY2020
Nifty 50 Index	70.8%	(26.0%)
CRISIL Composite Bond Fund Index (COMPBEX)*	7.7%	12.7%
CRISIL Liquid Fund Index (LIQUIFEX)^	4.1%	6.4%

* CRISIL COMPBEX is a benchmark for debt portfolio

^ CRISIL LIQUIFEX is a benchmark for money market and liquid portfolio

iii. Other income (including fees and charges)

Other income includes interest on policy reinstatement, income from stale cheques (other than customer dues and statutory payouts), income on unclaimed amount of policyholders, fund management charges earned on unclaimed fund within the permitted limits and interest earned on loans given to policyholders. The increase in other income is largely attributable to the growing book and resulting increase in interest earned on loans given to policyholders and interest on reinstatement of policies recovered from policyholders.

iv. Expenses (including commission)

Particulars	FY2021	FY2020
Commission (including rewards to insurance agents and intermediary)	580	420
Operating expenses	2,105	1,931
Total expenses	2,685	2,351

(₹ in crore)

The total expenses are further analysed below:

Commission and rewards expenses

Particulars	FY2021	FY2020
New business	441	312
Renewal business	102	80
Reinsurance commission	-	(1)
Rewards	37	29
Total	580	420

(₹ in crore)

The increase in New Business commission by 42% for FY2021 is broadly in line with the change in product mix from ULIP to traditional products where commissions are much higher, increase in retail new business by 28%, sales of longer premium paying terms which have higher commissions.

Operating expenses

The total operating expenses of the Company are analysed as follows:

Particulars	(₹ in crore)	
	FY2021	FY2020
Employee's remuneration and welfare benefits	1,203	1,072
Printing, Stationary and Communication expenses	66	84
Office running expenses	71	78
Advertisement and publicity	210	162
Information technology cost	76	70
Marketing expenses & business development expenses	57	49
Training expenses	6	31
Policy stamps and Medical costs	54	43
Travel, conveyance and vehicle running expenses	8	33
Depreciation	39	36
CSR expenses	13	17
Legal and professional charges and Audit fees	98	71
Interest and Bank charges	8	7
Others	72	59
Total	1,981	1,812

Notes:

- Also includes shareholder expenses
- Does not include GST charge on linked charges of ₹ 123 crore (previous year ₹ 118 crore) which though routed through Revenue Account has no impact on the surplus as this is set off against a contra entry in fund reserves in the Revenue Account and provision on policy loans in cases where the surrender value of the policy became lower than the outstanding loan amount inclusive of interest
- Also includes provisions for doubtful debts and bad debts written off

The total operating expenses of the company were at ₹ 1,981 crore for FY2021 as compared to ₹ 1,812 crore for FY2020. Increase in total expenses is in line with the Company strategy to invest in people, technology and re-branding for the future partially offset by various cost saving initiatives and lockdown.

v. Benefits paid

A summary of benefits paid is provided below:

Particulars	(₹ in crore)	
	FY2021	FY2020
Surrenders, withdrawals and foreclosures	2,865	3,277
Mortality (Death) claims	1,374	1,211
Maturity and annuity claims	1,522	1,823
Survival and other benefits	436	406
Interim and terminal bonus	149	135
Interest on unclaimed amount	17	49
Amount recovered from reinsurer	(105)	(52)
Total claims	6,257	6,849

Benefits paid represent amounts paid to Policyholders or their legal heirs, on occurrence of an insured event as per the contractual terms of insurance contract.

Group surrender decreased by 43% in FY2021. Surrenders in unit linked individual assurance portfolio increased by 7% from ₹ 1,594 crore to ₹ 1,711 crore.

Individual and group mortality increased by 33% and 7% respectively in FY2021 mainly due to Covid-19 related claims.

Maturities in the unit linked individual assurance portfolio decreased from ₹ 1,249 crore in FY2020 to ₹ 607 crore in FY2021. Maturities are as per contractual cash flows agreed with customers in each contract sold in the past.

Interest on unclaimed amount represents the additional amount paid to the policyholder from unclaimed fund which was earned by the fund and credited to the amount due to policyholders as per the IRDAI Regulations.

vi. Change in valuation of liability in respect of life policies

Particulars	(₹ in crore)	
	FY2021	FY2020
Change in non-unit reserves		
- Participating	2,246	1,753
- Non participating (Non-par)	3,131	1,412
- Linked (non-unit)	(8)	(37)
- Appreciation in unclaimed balances	(2)	(26)
Change in unit reserves	9,299	(3,370)
Total	14,666	(268)

Change in valuation of liability represents the change in actuarial liability set up in respect of policies in force and for policies in respect of which premium has been discontinued but liability still exists. Change in reserves charged to the Revenue Account is the difference between policy liabilities as on two Balance Sheet dates.

Reserves on both participating and non-participating policies are calculated using the gross premium valuation method and unearned premium reserve method, wherever applicable, using assumptions for interest, mortality, lapses/surrender, expense, inflation and, in the case of participating policies, future bonuses together with allowance for taxation and allocation of profits to shareholders. These assumptions are derived from analysis of actual experience, with allowance for prudent margins for adverse deviation.

Increase in non-unit reserves on the non-par portfolio is on account of the introduction of the new non-par retail product launched in December 2019 and enhanced focus on non-par saving products.

Change in unit reserve in respect of linked business pertains to net amount contributed / withdrawn to / from the fund by the policyholder on payment of premium or when policy becomes out of force and also the change in value of the units standing to the credit of policyholders' basis the movement in the Net Asset Value (NAV) over the period.

b. Financial condition

The following table sets forth, on the dates indicated, the summarised Balance Sheet.

(₹ in crore)

Particulars	As at 31 March	
	2021	2020
Sources of funds		
Equity capital and reserves (Shareholders' funds)	10,735	9,731
Policyholders' funds	62,624	46,307
Funds for future appropriations	1,071	983
Current liabilities and provisions	2,026	2,130
Total	76,456	59,151
Application of funds		
Investments		
- Shareholders'	10,057	9,237
- Policyholders'	34,860	27,228
Asset held to cover linked liabilities	28,561	19,262
Fixed assets	365	342
Current assets, loans and advances	2,613	3,081
Total	76,456	59,151

Sources of funds

i. Equity capital and reserves (Shareholders' funds)

Equity capital

Shareholding pattern and transfer of shares

The shareholding pattern of the Company is as follows:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Percentage of holding	No. of shares	Percentage of holding
Bajaj Finserv Limited	111,524,660	74%	111,524,660	74%
Allianz SE	39,184,340	26%	39,184,340	26%
Total	150,709,000	100%	150,709,000	100%

There has been no transfer of shares during the year and the shareholding pattern is in accordance with the statutory and regulatory requirements. The share capital stood at ₹ 151 crore.

The Company is required to maintain minimum solvency margin at 150% as prescribed by IRDAI. The solvency margin was 666% at 31 March 2021 as against 745% at 31 March 2020.

Reserves and surplus

A summary of reserves and surplus is provided in the table below:

Particulars	(₹ in crore)	
	As at 31 March	
	2021	2020
Share premium	1,060	1,060
Revaluation reserve	54	48
Balance of profit in Profit and Loss account	9,076	8,662
Total	10,190	9,769

The increase in revaluation reserve is attributable to the revaluation of investment properties during the year in accordance with the IRDAI (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002. The value of investment property is required to be disclosed at the revalued amount in the Balance Sheet and the change in carrying amount is classified under revaluation reserve. The value of the property is based on valuation performed by an independent valuer.

The increase in Profit and Loss Account balance represents the profit generated during the year.

The shareholder's fund include fair value changes of ₹ 394 crore at FY2021 as compared to ₹ (189) crore for FY2020. Fair value change account represents unrealised gain/(loss) (net) as on the Balance Sheet date on equity and mutual fund securities pertaining to Shareholders' investments. Such mark to market treatment of equity and mutual fund securities as on the reporting date is in line with requirements of IRDAI (Preparation of Financial Statements and Auditor's report of Insurance Companies) Regulations, 2002 which require equity and mutual fund assets to be reflected at their current fair value in the Balance Sheet and the mark to market adjustment being reflected under "Fair value change account" on

the liability side of the Balance Sheet. Movement in fair value change account is a function of performance of the equity markets and the mix of equity and mutual funds in the portfolio.

The net-worth of the Company grew by 10% to ₹ 10,735 crore at 31 March 2021 up from ₹ 9,731 crore at 31 March 2020.

ii. Policyholders' funds

A summary of Policyholders' funds is provided in the table below:

Particulars	(₹ in crore)	
	As at 31 March	
	2021	2020
Fair value change account	1,798	149
Policy liabilities	32,264	26,896
Provision for linked liabilities	26,873	18,133
Funds for discontinued policies	1,688	1,129
Total	62,624	46,307

Fair value change account represents unrealised gain/(loss) (net) as on the Balance Sheet date on equity and mutual fund securities pertaining to Policyholders' non-linked investments. Such mark to market treatment of equity and mutual fund securities as on the reporting date is in line with requirements of IRDAI (Preparation of Financial Statements and Auditor's report of Insurance Companies) Regulations, 2002 which require equity and mutual fund assets to be reflected at their current fair value in the Balance Sheet and the mark to market adjustment being reflected under "Fair value change account" on the liability side of the Balance Sheet. Movement in fair value change account is a function of performance of the equity markets and the mix of equity and mutual funds in the portfolio.

The movement in policy liabilities is a consequence of various factors such as receipt of premium (both new business and renewal), surrenders & other claims, various actuarial assumptions and other factors varying on a product to product basis. The reserves on traditional policies are estimated by using prospective gross premium valuation method. Mathematical reserves are calculated based on future assumptions having regard to current and future experience e.g. interest rates, mortality, morbidity and expense. For movement in policy liabilities and provisions for linked liabilities refer the explanation furnished under point a. vi above on "Change in valuation of liability in respect of life policies".

Funds for discontinued policies represent funds pertaining to lapsed or surrendered linked policies which have not completed the minimum lock in period and hence parked in a separate fund as per the guidelines issued by IRDAI in this respect.

iii. Funds for future appropriations (FFA)

FFA for the Participating segment indicates the amount of unappropriated profits held in the Balance Sheet based on the recommendation of the Appointed Actuary. During the year, a sum of ₹ 88 crore has been transferred to FFA.

iv. Current liabilities and Provisions

Current liabilities

A summary of current liabilities is provided in the table below:

Particulars	As at 31 March	
	2021	2020
Amount pertaining to Policyholders'		
- Unclaimed amount of Policyholders'	294	358
- Policyholders' claims payable	213	198
- Unallocated premium	162	73
- Premium received in advance	19	11
Sundry creditors and payables for expenses	402	230
Pending unitisation	129	124
Payables for unsettled investment contracts	147	366
Payable to agents (Agents balances)	81	74
Taxes payable	22	16
Derivative Liability	18	-
Other liabilities (including GST payable)	132	275
Total	1,619	1,725

(a) The unclaimed amount to policyholder is ₹ 294 crore as at 31 March 2021 as compared to ₹ 358 crore as at 31 March 2020. The break-up of the said amount is summarised below:

- Claims settled but not paid due to reasons other than litigation: ₹ 11 crore was outstanding at 31 March 2021. Of this ₹ 5 crore is pending due to unclear title which is in dispute between the nominees
- Sums due to the insured/policyholders on maturity or otherwise: ₹ 38 crore was outstanding at 31 March 2021. Of this ₹ 31 crore is pending from customer to submit annuity option on vesting of a pension contract and from existing annuitants to submit annuities certificate of existence
- Cheques issued but not encashed by the policyholder/insured: ₹ 230 crore was outstanding at 31 March 2021 – these pertain to cases where cheques have been sent to customer but are lying uncashed
- Appreciation in unclaimed balances: ₹ 16 crore represents the increase in value of the unclaimed balances basis the income earned by the segregated fund formed for unclaimed balances starting FY2017 as per IRDAI circular reference IRDA/F&A/CIR/MISC/282/11/2020 dated 17 November 2020

(b) Policyholders' claims payable represent amounts payable to the policyholders that are intimated to the Company and are outstanding as a part of the normal claims process or pending due to incomplete documentation from the policyholders or pending investigations or may be under litigation.

(c) Unallocated premium mainly includes amount received toward proposed insurance contract that will be recognised as premium post underwriting or fulfilment of requirements by the customer. This also includes monies kept with the Company by Group policyholders to take care of ongoing additions to the Group policy.

- (d) Premium received in advance is held in accordance with the IRDAI guidelines and as per file and use and will be recognised as premium income on the due date of the policy.
- (e) Sundry creditors and payables for expenses represent amounts payable to various service providers towards goods and services availed by the Company along with the provision for the services availed/goods received but bills not received.
- (f) Pending unitization represents sums received towards unit linked contracts on the last day which are transferred to the unit fund subsequently and hence held as a current liability on date of the Balance Sheet.
- (g) Payable for unsettled investment contracts represents amount outstanding towards investment trades of last few days that are not due for settlement.
- (h) Agents' balances represent amount payable to agents towards commission as on the Balance Sheet date. This also includes commission on new business though accrued in the books will be paid only subject to the prescribed persistency criteria being met.
- (i) Taxes payable represent tax deducted and payable under various tax rules and regulations, such taxes will be paid in due course within their due dates.
- (j) Derivative Liability represent Mark to Market loss on the interest rate derivative on reporting date.
- (k) Other liabilities primarily include bank overdraft as per the books of accounts of ₹ 13 crore (31 March 2020: ₹ 177 crore); this overdraft is merely a book overdraft backed by sufficient bank balance. The balance amount includes GST payable of ₹ 72 crore (31 March 2020: ₹46 crore) which was not due for payment to the government as on the date of the Balance Sheet.

Provisions

A summary of provisions is provided in the table below:

Particulars	(₹ in crore)	
	As at 31 March	
	2021	2020
Income tax	371	367
Provision for leave encashment, long term incentive plan and gratuity	37	38
Total	407	405

Company's liability towards leave encashment, long term incentive plan and gratuity is actuarially valued and is as per the requirements of revised Accounting Standard 15 (Revised) on Employee Benefits.

Application of funds

i. Investments

A statement of total investments made by the Company is given below:

Particulars	(₹ in crore)	
	As at 31 March	
	2021	2020
Investments		
- Shareholders'	10,057	9,237
- Policyholders'	34,860	27,228
Asset held to cover linked liabilities	28,561	19,262
Total	73,478	55,728

Total investments grew by 32% from ₹ 55,728 crore as at 31 March 2020 to ₹ 73,478 crore as at 31 March 2021. The Shareholders' investments grew by 9% from ₹ 9,237 crore as at 31 March 2020 to ₹ 10,057 crore as at 31 March 2021. The Policyholders' non linked funds grew by 28% from ₹ 27,228 crore as at 31 March 2020 to ₹ 34,860 crore as at 31 March 2021 which is largely attributable to net inflows into the fund. Linked funds grew by 48% from ₹ 19,262 crore as at 31 March 2020 to ₹ 28,561 crore as at 31 March 2021.

ii. Fixed Assets

A statement of movement of fixed assets is given below

Particulars	(₹ in crore)	
	As at 31 March	
	2021	2020
Gross block	537	538
Less: Accumulated depreciation	220	221
Net block	317	317
Add: Capital work in progress (CWIP)	48	24
Net fixed assets	365	342

Net block of fixed assets has increased from ₹ 342 crore as at 31 March 2020 to ₹ 365 crore as at 31 March 2021. Increase in fixed assets (mainly in CWIP) is due to payments towards new Policy Admin System (McCamish) ₹ 18 crore and payment towards purchase of building amounting to ₹ 9 Crore. Such expenses until capitalised are part of CWIP.

iii. Current assets, loans and advances

A summary of current assets, loans and advances is provided in the table below:

Particulars	(₹ in crore)	
	As at 31 March	
	2021	2020
Income accrued on investments	865	1,159
Assets held to cover unclaimed funds	294	358
Cash and bank balances	395	283
Policyholders' loans	466	417
Outstanding premium	253	298
Pending unitisation	31	4
Unsettled investment contract receivable	7	336
GST unutilized credit	129	112
Deposits	59	59
Prepayments	22	13
Derivative Assets	4	-
Other advances and receivables	88	41
Total	2,613	3,081

- (a) Income accrued on investments represents interest income accrued but not due as at 31 March 2021. This largely pertains to interest on fixed deposits, Government securities and debentures. The increase is attributable to the increase in the debt investments of the Company.
- (b) Assets held to cover unclaimed funds are assets segregated for unclaimed policyholders and invested in money market instruments in line with the IRDAI regulations.
- (c) Cash and bank balances represent amounts collected during last few days of the financial year and also includes cheques on hand and cheques deposited but not cleared.
- (d) Policyholders' loan represents the loans to policyholders' as per the terms of the insurance contract. The amount outstanding includes the principal and accumulated interest thereon. The amount has primarily increased on account of additional disbursements during the financial year.
- (e) Outstanding premium represents premium income (primarily renewal) accrued on traditional products which are due within the grace period.
- (f) Pending unitization represents amount of unit receivable from the linked fund for de-unitisation of the last day which became recoverable from the unit fund on the date of the Balance Sheet and hence held as a current asset.
- (g) Unsettled investment contract receivable represents amount receivable from counter-parties for investment trades done on the last few days of the year where settlement is not due.
- (h) GST unutilized credits represents the credit of GST available with the Company which can be used to offset the GST liability of the Company.

- (i) Deposits represent deposits placed for premises taken on lease as well as for leased accommodations for employees. It also includes deposits to service providers for electricity, telephone and other utilities services and paid to the Service Tax Authorities with regard to appeals filed with Central Excise and Service Tax Tribunal (CESTAT).
- (j) Prepayments includes amounts paid in advance as per contractual terms with vendors for services to be utilised in the future.
- (k) Derivative assets represent Mark to Market gain on the interest rate derivative on reporting date.
- (l) Other advances and receivables primarily include advances made in the ordinary course of business for services to be availed in the future and recoverable from reinsurers.