

September 23, 2025

The Manager,  
BSE Limited  
Listing Department,  
Wholesale Debt Market,  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Mumbai - 400 001

**Sub: Intimation under Regulation 50(2) and 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Security Code	ISIN
975286	INE312X08026
975526	INE312X08042
975527	INE312X08034

Dear Sir / Madam,

We wish to inform you that the Sixteenth (16<sup>th</sup>) Annual General Meeting ("AGM") of Magma General Insurance Limited ("the Company") is scheduled to be held *at a shorter notice* on Friday, September 26, 2025, at 3:00 P.M., through Video Conferencing ("VC") to transact the businesses as set out in the AGM Notice.

Pursuant to Regulation 50(2) and 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the AGM Notice and Annual Report of the Company for the Financial Year 2024-25.

The above information will also be available on the website of the Company at [www.magmainsurance.com](http://www.magmainsurance.com).

You are requested to kindly take the same on your records.

Thanking You,

Yours Faithfully,

**For Magma General Insurance Limited**  
(Erstwhile Magma HDI General Insurance Company Limited)



**Sidhi Jatkar**  
**Company Secretary and Compliance Officer**  
Membership No. A27539

**NOTICE OF 16<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that, *subject to the consent of the shareholders*, the Sixteenth (16<sup>th</sup>) Annual General Meeting ("AGM") of the Members of Magma General Insurance Limited (Erstwhile Magma HDI General Insurance Company Limited) ("the Company") will be held *at a shorter notice on Friday, September 26, 2025 at 3:00 P.M. (IST)* through Video Conferencing ("VC") to transact the following business(es), as set out in this Notice:

**ORDINARY BUSINESS(ES):**

- 1. To consider and adopt the Audited Financial Statements comprising Balance Sheet as at March 31, 2025, Profit and Loss Account, Statement of Receipts and Payments and Revenue Account for the year ended March 31, 2025, together with the Reports of the Board of Directors' and Auditors' thereon**

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

**"RESOLVED THAT** the Audited Financial Statements comprising Balance Sheet as at March 31, 2025, Profit and Loss Account, Statement of Receipts and Payments and Revenue Account for the year ended March 31, 2025, together with the Reports of the Board of Directors' and Auditors' thereon, as circulated to the Members, be and are hereby considered and adopted."

- 2. To re-appoint Mr. Mayank Poddar (DIN: 00009409), who retires by rotation, and being eligible, offers himself for re-appointment**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, IRDAI (Corporate Governance for Insurers) Regulations, 2024 read with Master Circular on Corporate Governance for Insurers, 2024 and the Articles of Association of the Company, Mr. Mayank Poddar (DIN: 00009409), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, expedient or desirable for giving effect to this resolution."

**SPECIAL BUSINESS**

- 3. To appoint Mr. Jens Wohlthat (DIN: 05245642) as a Non-Executive, Non-Independent Director of the Company, liable to retire by rotation**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and IRDAI (Corporate Governance for Insurers) Regulations, 2024 read with Master Circular on Corporate Governance for Insurers, 2024, the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Jens Wohlthat (DIN: 05245642), who was appointed as an Additional Director of the Company and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of Act and in respect of whom the Company has received a notice in writing from a Member, pursuant to Section 160(1) of the Act, proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Non-Executive, Non-Independent Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, expedient or desirable for giving effect to this resolution."

Place: Mumbai  
Date: September 22, 2025

**By order of the Board of Directors**

**Registered Office:**  
Development House  
24, Park Street,  
Kolkata – 700 016

**For Magma General Insurance Limited  
(Erstwhile Magma HDI General Insurance Company Limited)**

  
**Sidhi Jatkar**  
Company Secretary  
Membership No. A27539

**NOTES:**

1. The Ministry of Corporate Affairs ("MCA"), has vide MCA General Circular No. 20/2020 dated May 5, 2020, read with subsequent circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 (collectively referred to as "MCA Circulars") permitted the companies to conduct their Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue, subject to the fulfilment of conditions as specified in the MCA Circulars. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Further, for the purpose of technical compliance of the provisions of Section 96(2) of the Act, the deemed place of the AGM shall be the place where the Company is domiciled i.e., the Registered Office of the Company.
2. In compliance with the aforesaid MCA Circulars, copies of the financial statements (including the Board's report, Auditor's report or other documents required to be attached therewith) have been sent electronically to those members who have registered their emails addresses with the Depository Participant of the Company. The Members may note that the Notice will also be available on the Company's website at [www.magmainsurance.com](http://www.magmainsurance.com).
3. The relevant explanatory statement pursuant to Section 102 of the Act read with applicable rules, setting out material facts and reasons in respect of the special business, specified under Item No. 3 of this Notice, is annexed herewith.
4. Pursuant to Section 152 and other applicable provisions of the Act, only the Non-Independent Directors would be reckoned for the purpose of retirement by rotation. Accordingly, Mr. Mayank Poddar (DIN: 00009409), Non-Executive Director of the Company, retires by rotation. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his appointment.

Mr. Mayank Poddar and his relatives are deemed to be interested in the Ordinary Resolution set out at Item No. 2 of the Notice with regard to his appointment. Save and except the above, none of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out in Agenda Item Nos. 1 and 2.

The details of Director(s) retiring by rotation/seeking appointment/ re-appointment at this Meeting are provided in the "**Annexure**" to the Notice.

5. The Members can attend the meeting through VC from their laptop/mobile. Members are requested to follow the steps mentioned in the file named '**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC**' which is enclosed with the Notice of the AGM and shall also be attached separately on the e-mail, with the Notice of the AGM.
6. The Company shall provide VC facility via **MS TEAMS** in order to make it convenient for the Members to attend the Meeting. Members are required to use the following link or details to join the meeting through VC facility of MS Teams:

<b>Video Conferencing Link</b>	<a href="https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZDVjZmQwYzctMic2ZC00ZTEwLTgwODYtNTcxZmE0OGMzZTQ1%40thread.v2/0?context=%7b%22Tid%22%3a%2291dcfa83-d4e3-437a-bef0-d0a57d0e92a0%22%2c%22Oid%22%3a%22bf9c5da9-b2d9-4032-8bdb-9d93af499c54%22%7d">https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZDVjZmQwYzctMic2ZC00ZTEwLTgwODYtNTcxZmE0OGMzZTQ1%40thread.v2/0?context=%7b%22Tid%22%3a%2291dcfa83-d4e3-437a-bef0-d0a57d0e92a0%22%2c%22Oid%22%3a%22bf9c5da9-b2d9-4032-8bdb-9d93af499c54%22%7d</a>
<b>Meeting ID</b>	461 721 665 263 4
<b>Password</b>	3Hd7H8qr

7. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
8. Corporate Members are requested to send a duly certified scanned copy (PDF/JPG Format) of the Board Resolution/Power of Attorney authorizing their representative(s) pursuant to Section 113 of the Act to attend and vote on their behalf at the AGM through email to [companysecretary@magmainsurance.com](mailto:companysecretary@magmainsurance.com).
9. Documents for Inspection:

The Members desiring to inspect the Statutory Registers and other relevant documents referred in the accompanying notice are required to send request on the Company Secretary's email address: [companysecretary@magmainsurance.com](mailto:companysecretary@magmainsurance.com). An extract of such documents would be sent to the members at their registered email address. The same will also be made available for inspection by the members at the Meeting in electronic mode.

Members seeking any information regarding the matters to be placed at the AGM, are requested to write to the Company Secretary at [companysecretary@magmainsurance.com](mailto:companysecretary@magmainsurance.com). The same shall be taken up in the AGM and replied by the Company suitably.

Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170, Register of Contracts and Arrangements in which Directors are interested, maintained under Section 189 of the Act read with Rules issued thereunder and the Certificate from Secretarial Auditors of the Company certifying that Magma - Employee Stock Option Plan – 2018 has been implemented in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be made available for inspection by the Members at the Meeting in electronic mode.

10. Members holding shares in electronic form are advised to keep their bank details updated with the respective Depositories, viz., NSDL and CDSL.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
12. Members attending the AGM through VC/OAVM shall be counted for the purpose of quorum under Section 103 of the Act.
13. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

Magma General Insurance Limited (erstwhile Magma HDI General Insurance Company Ltd.) Head Office: Equinox Business Park, Tower- 3, 2nd Floor, Unit Number 1B&2B, LBS Marg, Kurla (West), Mumbai, Maharashtra - 400 070. Registered office: Development House, 24 Park Street, Kolkata - 700 016 | [www.magmainsurance.com](http://www.magmainsurance.com) | Email: [companysecretary@magmainsurance.com](mailto:companysecretary@magmainsurance.com) | Toll-free No.: 1800 - 266 - 3202 | IRDAI Registered No. 149, Dated 22nd May 2012 | CIN: U66000WB2009PLC136327 | Phone: +91 22 6912 3000

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 3**

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, and pursuant to the provisions of Section 161 of the Companies Act, 2013 ("the Act") read with the Articles of Association of the Company has appointed Mr. Jens Wohlthat (DIN: 05245642), as an Additional Director of the Company with effect from August 30, 2025. In accordance with the provisions of the Act, Mr. Jens Wohlthat will hold office till the date of this Annual General Meeting.

In terms of Section 160 of the Act, the Company has received notice in writing from a Member of the Company proposing the candidature of Mr. Jens Wohlthat for the office of Non-Executive, Non-Independent Director of the Company.

The Company has received necessary declarations/ disclosures from Mr. Jens Wohlthat, confirming that he meets the criteria as prescribed under the Act and applicable provisions of Insurance Regulatory and Development Authority of India, for the purpose of appointment as a Director and he is not disqualified from being appointed as a Director under the provisions of Section 164 of the Act. Further, the Company has received his consent to act as Director of the Company.

The details of Mr. Jens Wohlthat, pursuant to the Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India, are provided in the "**Annexure**" to the Notice.

In the opinion of the Board, Mr. Jens Wohlthat fulfils the conditions for appointment as a director as specified in the Act. The Board believes that Mr. Jens Wohlthat possesses relevant expertise, skills, knowledge and experience for being appointed as Director of the Company and considers his association to be of immense benefit to the Company.

Accordingly, the approval of Members is sought for the appointment of Mr. Jens Wohlthat as a Non-Executive, Non-Independent Director of the Company.

Except for Mr. Jens Wohlthat and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 above.

The Board of Directors recommends the Resolution proposed at Item No. 3 of this Notice for approval of the Members of the Company by way of an Ordinary Resolution.

Place: Mumbai

Date: September 22, 2025

**By order of the Board of Directors**

**Registered Office:**  
Development House  
24, Park Street,  
Kolkata – 700 016

**For and on behalf of Magma General Insurance Limited  
(Erstwhile Magma HDI General Insurance Company Limited)**



**Sidhi Jatkar  
Company Secretary  
Membership No. A27539**

Annexure
Information about Directors pursuant to Secretarial Standard 2, issued by the Institute of Company Secretaries of India

Particulars	Mr. Mayank Poddar (Agenda Item No. 2)	Mr. Jens Wohlthat (Agenda Item No. 3)
DIN	00009409	05245642
Designation	Non – Executive Director	Non – Executive, Non-Independent Director
Age	72	68
Date of first appointment on the Board	June 26, 2009	May 19, 2012*
Shareholding in the Company (including shareholding as beneficial owner) as on the date of this Notice	Nil	Nil
Qualifications	Commerce Graduate	Versicherungsfachwirt ("Specialist in Insurance") {German Qualification as Insurance Expert recognized via the Chamber of Commerce (also the examining body)}
Experience	45 years	40 years
Brief resume	<p>Mr. Mayank Poddar is a pioneering entrepreneur and visionary leader with over 50 years of experience in finance, real estate, and diversified industries. He began his entrepreneurial journey at a remarkably young age, launching an automobile business during his teenage years. He took over and successfully expanded his late father's businesses in hire purchase, financing, and property development.</p> <p>He envisioned the dramatic growth of the Indian economy,</p>	<p>Mr. Wohlthat joined HDI-Gerling Industrie Versicherung AG, Hannover (HDI) in 1980, Germany's third largest insurance group and has since served in various capacities in industrial liability, underwriting and international operations. In 2006, he was appointed as a Member of the Executive Board (Director) of HDI, responsible for international operations.</p> <p>Mr. Wohlthat superannuated from HDI on 30 September 2022. He continued to serve as the Nominee Director representing HDI interest till his resignation consequent upon</p>

	some four decades ago. He is the driving force behind the brand – “Celica” today, overseeing its expansion and strategic direction as the Chairman of Celica Developers Private Limited and he holds Directorship in various other Companies/ LLP's/ Body Corporates.	HDI having sold its shareholding in Magma HDI effective November 2023.
Terms and conditions of appointment / re-appointment	Please refer to the terms stated in the Resolution	Please refer to the terms stated in the Resolution and Explanatory Statement
Relationship with other directors, managers and Key Managerial Personnel of the Company	None	None
Directorships held in other Companies as on September 22, 2025	<ol style="list-style-type: none"> <li>1. Celica Developers Private Limited</li> <li>2. Ambient Properties Private Limited</li> <li>3. Jaguar Advisory Services Private Limited</li> <li>4. Celica Commerce Private Limited</li> <li>5. Ananta Seva Foundation</li> <li>6. Celica Properties Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Jaguar Advisory Services Private Limited</li> <li>2. HDI Global SA Limited, Johannesburg</li> <li>3. PVI Holdings Hanoi</li> <li>4. Funderburk Lighthouse Limited, Cayman Island</li> <li>5. PVI Asset Management</li> <li>6. MNK Group, London</li> </ol>
Membership and Chairmanship of Committees of other Boards	Nil	Nil
The number of meetings of the Board attended during FY2024-25	13	9
Remuneration last drawn (Including sitting fees if any) (FY 2024-25)	Nil	Sitting fees: Rs. 10,60,000 (w.e.f. October 24, 2024)

\*Resigned w.e.f. November 4, 2023, and was subsequently appointed as Additional Director w.e.f. July 18, 2024. Ceased w.e.f. August 7, 2024 and was subsequently appointed as Additional Director w.e.f. August 30, 2025

**Instructions for participating in the 16<sup>th</sup> (Sixteenth) Annual General Meeting of the Members of Magma General Insurance Limited (Erstwhile Magma HDI General Insurance Company Limited), to be held on Friday, September 26, 2025, at 3:00 P.M. through Video Conference, by using MS Teams Meeting Application**

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**Instructions for participating in the aforesaid AGM through MS Teams:**

1. Please note that, if you have already downloaded /using MS Teams Application, then you need not do the aforesaid activities and you have to just enter the MS Teams Meeting Id and Password, as provided in this Notice.
2. You can sign-in/join the meeting before 15 minutes on the meeting day for timely participation in the AGM through video conference. Further, any member may join the meeting within 15 minutes from the commencement of the meeting.
3. Please listen and participate in the discussion carefully.
4. **Please Propose and Second any of the Resolution by raising your hand/ Show of hands and by saying “I Propose the Resolution” or “I Second the Resolution” whenever it is asked by the Company Secretary.**
5. Please click on the “Mute” tab, when there is any disturbance or noise around you or not talking.
6. *Please ensure that no other person is sitting with you / participating in the aforesaid Meeting through Video Conference.*
7. Please click on “Unmute” tab when you want to say something.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
9. In case of multiple votes on the same resolution, the first one shall be counted for the purpose of counting Votes.
10. In case of any assistance before or during the video conference as aforesaid, you can contact at [companysecretary@magmainsurance.com](mailto:companysecretary@magmainsurance.com).

# ANNUAL REPORT FY2025

TO PROTECT, SUPPORT AND GUIDE  
**ILLUMINATE THE WAY**

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# KEY PERFORMANCE HIGHLIGHTS

**₹3,635**

**crores**

Gross Written Premium  
(GWP) for FY25

**10.3%**

YoY growth  
in GWP  
(FY25 v/s FY24)

**20,367**

Number of  
Agents, Brokers,  
Corporate Agents,  
MISPs and POS

**303,702**

Claims Serviced  
in FY25

More than

**4.4**

Million  
Active Customers  
till FY25

**12.07**

Lakh  
Policies issued  
in FY25

**9,951**

Network hospitals  
as at March 25

**8,554**

Network garages /  
repairers as at  
March 25

**95.76%**

Claim Settlement  
Ratio for  
Motor OD Claims  
within 30 days

**72.45%**

Stock held by  
Sanoti Properties LLP\*  
in FY25

\*Sanoti Properties LLP held by  
Adar C. Poonawalla (90%) &  
Rising Sun Holdings Pvt. Ltd. (10%)

**2.02**

Solvency Ratio  
as against IRDAI  
prescribed 1.50

**₹300**

**crores**  
Fresh Capital Infusion  
in FY25

# RECOGNITION AND AWARDS

## India Insurance Summit & Awards 2025

Excellence in Enterprise Risk Management



## InsureNext Global Conclave & Awards 2025

Best General Insurance Company



## Emerging Asia Insurance Conclave & Awards

The Best Innovations led by Technology and Insurtech's - India



## Dine with Alphasec 2024

Best Innovation in Application Development (General Insurance)



## Quantic 4th Edition Excellence Award 2024

Best Use of Net Promoter Score (General Insurance)



## BFSI AI & Analytics Breakthrough Awards 2024

Excellence in Data Analytics for Regulatory Reporting



## India Fraud Risk Management Summit and Awards 2024

Best Innovation in Fraud Prevention Services of the year



## IBEX India 2025 BFSI Technology Awards (12th edition)

Excellence in Operational Efficiencies Using Emerging Technologies Awards



## BPO Confex 2024

Best NPS Program in General Insurance



## Dine with DevOps 2024

Best Digital Transformation Initiative - Insurance



## IAN Country Awards for Excellence 2024

Excellence in Digital Transformation for India



## Insurance Asia Awards 2024

Insurance Initiative of the Year - India



## MarTech Excellence Awards 2024

Best Integrated Community Outreach Campaign (General Insurance)



## Pitch BFSI Marketing Award 2024

Insurance Marketing Strategy in Most Effective Regional Campaign



# PRODUCT SUITE

Our product suite displays a comprehensive mix of general insurance solutions to provide financial protection against unseen losses.

## Retail

Major products under this category include motor, health, personal accident, and home insurance. Motor insurance continues to dominate our portfolio followed by health insurance business. Within Motor insurance our product offering ranges from comprehensive coverage for private car, commercial vehicle and two wheelers. We have Package and Liability covers. In case of private car and two wheelers, we also offer multi year insurance for new vehicles. We have multiple add-ons available across the product offerings with some of the prominent ones being Depreciation reimbursement, Consequential damage to engine, Return to invoice. Recently we have also launched new age add-on like Battery secure, zero excess and additional towing. In case of private car, we also offer Pay as you Drive coverage to our customers for added flexibility based on their annual vehicle mileage.

With a deeper focus on the health vertical, the Company have diversified the spectrum into Retail Indemnity, Group Indemnity, Group Personal Accident and more. The Company's focus is on expanding the health line of business for which it forayed into specialized products to cater to unmet demand of income loss of daily wage earners through Double Suraksha. Under this product a per day hospitalization benefit will be paid to the insured which can help cover hospitalization expenses and can also support the insured's family's daily needs. We also launched a full stack personal accident product offering wide sum insured coverage to cater to the needs of all customer segments.

The health insurance market is largely untapped, indicating an evident boom in the health space across all strata of society. We are set to scale up our health business with ample preparedness across various parameters:

- State-of-the-art health products to cater to diverse customer segments.
- Robust insurance network of 9,900+ hospitals with a deep geographic reach.
- Hassle-free claims settlement.

## Commercial

Our commercial insurance book has witnessed consistent growth. We have a wide range of products to cater to the insurance requirement of corporate segment in various product lines. Our existing products cover Property, Engineering, Marine, Liability and Miscellaneous lines of business. We consistently revisit our existing products for any revisions to match the dynamic market requirements. We also engage in new product development pertaining to various customer segments to reaffirm our inventive approach. We have recently revised our products with an objective of flexible product offerings under home and MSME segments.

Our products have a seamless purchase-to-claim delivery that operates with complete transparency. With a human touch and digital sense, we aim to always stay one step ahead when it comes to our product delivery.

We offer more than 70 products with various add-ons to corporate and retail clients. A glimpse of our products lines is as follows:

RETAIL		CORPORATE	
	Health		Property
	Private Car		Engineering
	Two Wheeler		Marine
	Commercial Vehicle		Liability
	Personal Accident		Group Health
	Householder's Package		Group Accident
	Shopkeeper's Package		Miscellaneous

# COMPANY INFORMATION

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## Board of Directors

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Mr. Sanjay Chamria  
Chairman, Non-Executive Director

Mr. Vinesh Kriplani  
Non-Executive Director

Mr. Mayank Poddar  
Non-Executive Director

Mr. Jens Wohlthat  
Non-Executive, Non-Independent Director  
(w.e.f 18.07.2024, upto 07.08.2024)

Mr. Kailash Nath Bhandari  
Non-Executive Independent Director  
(Upto 30.06.2024)

Mr. V. K. Viswanathan  
Non-Executive Independent Director  
(Upto 22.07.2024)

Mr. Sunil Mitra  
Non-Executive Independent Director  
(Upto 22.07.2024)

Ms. Sandhya Gadkari Sharma  
Non-Executive Independent Director

Mr. Sudhir Kapadia  
Non-Executive Independent Director  
(w.e.f 23.07.2024)

Mr. Sanjay Sachdev  
Non-Executive Independent Director  
(w.e.f 23.07.2024)

Mr. Rajive Kumaraswami  
Managing Director & CEO

## Joint Statutory Auditors

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Singhi & Co.  
Chartered Accountants

M S K A & Associates  
Chartered Accountants

## Secretarial Auditors

---

Parikh & Associates  
Practising Company Secretaries

## Key Management Persons

---

Mr. Vikas Mittal  
Deputy Chief Executive Officer

Mr. Amit Bhandari  
Chief Technical Officer

Mr. Gaurav Parasrampuria  
Chief Financial Officer

Mr. Shivendra Tripathi  
Appointed Actuary

Mr. Amit S. Thapliyal  
Chief Technology Officer

Mr. Jinesh M. Shah  
Chief Investment Officer

Mr. Anilkumar Satyavarpu  
Chief Human Resource Officer

Mr. Amit Raheja  
Chief Compliance Officer

Mr. Kishore T. Khanchandani  
Chief Risk Officer

Mr. Amit Loya  
Chief Internal Auditor

Ms. Sweta Bharucha  
Company Secretary (Upto 30.06.2024)

Ms. Swati Singh  
Company Secretary  
(w.e.f 01.07.2024, upto 14.02.2025)

## Principal Bankers

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Axis Bank  
HDFC Bank  
HSBC Bank  
ICICI Bank  
State Bank of India  
Punjab National Bank

# MANAGING DIRECTOR & CEO'S MESSAGE

## Dear Stakeholders,

India is projected to be the fourth largest economy in the world with an inherent strength in domestic demand, driven by private consumption, investments in phygital infrastructure backed by government reforms and initiatives. Despite global economic uncertainties, geopolitical tensions, tightening financial conditions and tariff negotiations, India's domestic demand has remained resilient. This insulation from external shocks has helped sustain a growth rate of ~6.2% in FY2025 in the Indian economy. With a similar projected growth of ~ 6.2% in FY2026 as well, India is expected to remain as the fastest growing economies in the world driven by the vision of the Indian Government of *Viksit Bharat @2047*.

On the Regulatory front, IRDAI continued to drive the agenda of Insurance for all by 2047. The BIMA Trinity of Bima Sugam, Bima Vistaar and Bima Vahak, continue to remain focus areas for the Regulator. FY2025 saw the formation of the BIMA Sugam Federation with the Insurance Industry subscribing to the capital base of the Company. The Mission mode projects also continue to remain an area of focus with the planned implementation of IFRS, RBC and RBS in the coming years. With the Regulator driving principle-based Regulations, their primary focus remains Policy Holders protection while driving up insurance penetration in the Country.

In terms of future changes, the discussions on 100% FDI in insurance remain in the anvil along with a possibility of composite licensing. The sector also continues to attract new capital with more companies queuing up for new licenses both for standalone health as well as multi-line companies.

The General Insurance Industry with a market size of ~₹307,700 crore in FY2025, had a subdued growth of 6.2% due to lower primary automobile sales (from 12.5% growth in FY2024 to 7.3% in FY2025), no pricing increase on the third-party liability motor insurance and pricing pressures on both the health & commercial segment. The health insurance business continues to be largest segment for the industry contributing 41.5% of the GDP with a growth rate of 9.1%. The motor segment contributes 32.2% of the industry premiums with a growth of 7.9%. The commercial segment grew marginally by 1.5% and now contributes 16.7% of the market. The crop segment showed a negative growth of 2%. The multi-line private sector companies continued to increase their market share (~53%) with the public sector companies controlling ~ 31% of the market. The standalone insurance companies' growth continues to be impressive, and they now control 12.5% of the market.

In this competitive market, the company pulled back growth and grew at a rate of ~10% with the GDPI increasing to ₹3,334

remained focused on writing profitable business and better managed risks. The Company has underwritten 1.21 million policies in the year and has been able to grow the business due to its consistent focus on customers and partners, investments in process improvements and technology over the last few years. Today, our partners can experience the entire retail policy lifecycle from purchase, servicing, claims intimation & settlement, and renewal in digital mode.

In a business environment of pricing competitiveness, expanding distribution for the future remained our focus. As at March 31, 2025, the Company has 20,367 partners including Agents, Brokers, Corporate Agents, POS and MISP with a large reach in Tier 2, 3 and 4 cities. During FY2025, the Company entered into 5 new relationships with renowned Original Motor Equipment manufacturers which include Hyundai, Honda, TAFE, Yamaha & Toyota resulting in the Company now having a total of 32 OEMs (including Electrical Vehicles) tie-ups as at March 2025. We also tied up with reputed NBFCs like Mahindra & Mahindra Financial Services, Indostar Capital Finance, and other NBFCs and cooperative banks during the year, making further inroads into the bancassurance space.

The Company believes in seamless customer experience and hence focused towards simplifying claim settlement procedures and reducing the Turn Around Time (TAT). Our Motor OD claims team settled ~86% of claims and assessed 75% of Motor OD claims through the video streaming application without any manual intervention. In addition, the Company has an AI based external damage detection and severity assessment tool for private car own damage (OD) claims, which minimizes data entry time and increases efficiency 75,000+ private car OD claims have been processed till date using this AI based tool.

As of March 2025, 46% of overall customer service interactions were routed through the company's self-servicing platform "MIRA" - Magma's Interactive Real Time Assistant – launched in March 2024. The Company has also launched the Net Promoter Score Program, a worldwide accepted methodology to measure customer satisfaction. In addition, the Company continues to invest in improvisation of digital platforms for various processes to enhance the insurance intermediaries and customers satisfaction like Renewal Tracking Model Application, Vahan integration, Customer Council, Claims Review Committee, Auto IVR, amongst others.

The Company received recognition at various Industry Events organized by renowned national and international agencies for the various initiatives and continuous efforts taken towards satisfaction of internal as well external customers. We have received fourteen awards during FY2025.

With the continued focus on building scale with profitability, the company results have improved from loss of ₹141.22 crores in FY2024 to break even in FY2025 with a modest Profit after Tax of ₹1.05 crores.

There is an improvement of 1.5% in the combined ratio of the company over FY2025. With this background, I would like to present the financial statements for the year ended March 31, 2025.

**A snapshot of the company's performance is as below:**

Particulars (₹Crore)	FY2024	FY2025
No. of Policies Issued (Count)	1,972,264	1,206,640
Gross Written Premium	3,295.12	3,634.95
Gross Direct Premium Income	3,044.19	3,344.40
Net Earned Premium	2,266.39	3,008.64
Income from Investments & Other Income	406.44	532.79
Profit/Loss Before Tax	(162.60)	27.65
Profit/Loss After Tax	(141.22)	1.05
Combined Ratio (COR)	116.5%	115.0%
Solvency Margin	205%	202%

As at March 31, 2025, the Investment Book of the Company is close to ₹~8,000 crores with 27.5% 3-year CAGR over FY2022. The investment income and other income was ₹533 crores. Out of the fixed income portfolio, 97.3% are AAA rated and Sovereign bonds. Based on the strategic calls related to interest cycles taken by the company in past, the MTM of the investments book stands at a positive ₹143 crores as on 31 March 2025.

In October 2024, the Company raised ₹300 crore of Primary Capital which was contributed by Sanoti Properties LLP [held by Mr. Adar Poonawalla (90%) and Rising Sun Holdings Private Limited (10%)] to the extent of ₹150 crores, along with three other family offices' who contributed the balance ₹150 crores of capital.

The Board of Directors of the Company at its meeting held on March 12, 2025, approved execution of the Share Purchase Agreement with respect to the proposed transfer of equity shares by Sanoti Properties LLP, Celica Developers Private Limited, Jaguar Advisory Services Private Limited and other Individual Investors to Patanjali Ayurved Limited, S.R. Foundation, RITI Foundation, RR Foundation, Suruchi Foundation and Swati Foundation, subject to the consent / permission of Insurance Regulatory and Development Authority of India (IRDAI), Competition Commission of India (CCI), Debenture Holders of the Company and such other regulatory / government authority, as may be applicable.

The SPA was executed on March 12, 2025, wherein the Buyers propose to acquire such number of equity shares of the Company from the Sellers which will result in the Buyers holding approximately 98.055% (on a fully diluted basis) of the Company's total issued and paid-up equity share capital.

The Buyers are in receipt of CCI deemed approval under the Green Channel Route. The approval from IRDAI is awaited. Upon completion of the transactions as contemplated in the SPA, the Buyers will further infuse fresh equity capital to fund the business growth of the Company, subject to the terms of the SPA.

We are excited and looking forward to the coming years as we work towards improving insurance penetration in the Country, serving our customers and channel partners and adding value to stakeholders through this process. We, however, expect the competitive intensity in the marketplace to remain, in an environment of stricter regulations and new entrants the industry. While this will understandably intensify the war on talent, we are confident that with strong promoters, an experienced Board, and an energetic management team, we will be able to grow the business and serve our stakeholders.

As a full-service general insurance Company, we shall continue our focus on the retail product classes across Motor, Health & Commercial lines on the one hand, and on capturing new corporate clients on the other. We shall simultaneously also continue to evaluate the evolving market opportunities. We shall continue to build a granular diversified book with a robust risk management framework. We will continue to be strategically flexible in our approach and be alert, innovative and agile in spotting and participating in business and process improvement opportunities, as in the past.

I would like to thank the customers, channel partners, service partners, vendors and employees of the Company and look forward to further strengthening the franchise over the years.

**Rajive Kumaraswami**

Managing Director & Chief Executive Officer

# BOARD OF DIRECTORS



## Mr. Sanjay Chamria

**Chairman, Non-Executive Director**

Mr. Sanjay Chamria, the founder Chairman of the board is a first-generation entrepreneur who co-founded Magma Fincorp Limited in 1988 and later forged JV partnership with HDI Global SE, Germany in 2009 to set up Magma.

Magma having started with 3 employees in Kolkata grew to become one of India's large retail NBFC's having nearly 10,000 employees, across 300+ branches, in 20+ states, and AUM peaking at INR 19,500 crores. Mr. Chamria, after ceding ownership and management control to the Poonawalla group, has set up a family office, Magma Ventures to invest in listed and unlisted growth enterprises and support first generation entrepreneurs across equities, structured credit and other financial instruments.

Mr. Chamria has been a well-recognized leader in India's finance industry, having made representations to the RBI, IRDAI, finance ministry and other government bodies on issues facing the BFSI sector while being on the board of Finance Industry Development Council (FIDC), FICCI & CII sub-committees.



## Mr. Vinesh Kriplani

**Non-Executive Director**

Mr. Vinesh is a chartered accountant specializing in Indian corporate and international taxes. He is currently associated with the Cyrus Poonawalla Group. He has been associated with several mergers and acquisitions and corporate restructuring projects. He is well-versed in the subjects of transfer pricing, tax dispute resolutions, valuations, and foreign exchange management.

Mr. Vinesh has about 29 years of experience in the consulting field with firms including Arthur Andersen, RSM & Co., PricewaterhouseCoopers, Ernst and Young and KPMG.



## Mr. Mayank Poddar

**Non-Executive Director**

Mr. Mayank Poddar is a pioneering entrepreneur and visionary leader with over 50 years of experience in finance, real estate, and diversified industries. He began his entrepreneurial journey at a remarkably young age, launching an automobile business during his teenage years. He took over and successfully expanded his late father's businesses in hire purchase, financing, and property development. He envisioned the dramatic growth of the Indian economy, some four decades ago. He is also the driving force behind the brand – "Celica" today, overseeing its expansion and strategic direction as the Chairman of Celica Developers Private Limited and he holds Directorship in various other Companies/ LLP's/ Body Corporates.



## Ms. Sandhya Gadkari Sharma

**Non-Executive Independent Director**

Ms. Sandhya Sharma is a seasoned finance professional with over 38 years of diverse experience across reputed institutions including ICICI, ICICI Bank, and Mahindra & Mahindra Ltd. She currently serves on the Boards of Entero Healthcare Solutions Limited and ICICI Home Finance Company Limited. Her areas of expertise span project appraisals, term lending, and the resolution of complex multi-party stressed assets and non-performing assets (NPAs). During her tenure at ICICI, she represented the institution as Nominee Director on the Boards of several assisted companies.

Her areas of expertise span project appraisals, term lending, and the resolution of complex multi-party stressed assets and non-performing assets (NPAs). During her tenure at ICICI, she represented the institution as Nominee Director on the Boards of several assisted companies. At Mahindra & Mahindra Ltd., she was associated with the Mergers & Acquisitions function, managed corporate finance and investor relations, and played a pivotal role in strengthening the company's corporate governance framework. She also brings significant experience in handling investigations related to the Prevention of Sexual Harassment (PoSH) and Code of Conduct violations, having served in various oversight capacities.



### **Mr. Sudhir Kapadia**

#### **Non-Executive Independent Director**

Mr. Sudhir Kapadia is a Chartered Accountant and a Chartered Financial Analyst with over three decades of extensive experience in taxation and business regulations. He has served as the Tax & Regulatory Services Leader and a Board Member at Ernst & Young (EY) India. Prior to EY, Mr. Kapadia held a similar position at KPMG India. Mr. Kapadia has been a senior advisor to clients across manufacturing, financial services, private equity, technology, and entertainment sectors. He is the past President and a permanent invitee to the Board of Bombay Chamber of Commerce and Industry. Mr. Kapadia has completed executive leadership programs at IMD and Harvard Business School (HBS), including the Journey to Boardroom program at HBS.



### **Mr. Sanjay Sachdev**

#### **Non-Executive Independent Director**

Mr. Sanjay Sachdev has an MBA from the American Graduate School of International Management (Thunderbird), Phoenix, AZ, USA and holds a degree in Law and Business from the University of Bombay. He brings over 29 years of extensive experience in global financial services, having held leadership positions at prominent organizations such as Tata Asset Management, Shinsei Bank (Japan), and Principal Financial Group.

Currently, Mr. Sachdev is the Managing Director of Freedom Financial Services, a family office specializing in investments within the financial services sector and serves as a Board member of BNP BoB Asset Management. He also holds the role of senior advisor at First Trust Portfolios. Additionally, he contributes as an advisory board member to Apis Partners, a leading private equity impact fund manager, where he has served for more than a decade. Mr. Sachdev's commitment to social impact extends to his role as a senior advisor to Brandeis University, focusing on social impact investments in India. He also has a notable history of community service, having been the founding chairperson of the United Way of Mumbai.



### **Mr. Rajive Kumaraswami**

#### **Managing Director and CEO**

Mr. Rajive Kumaraswami, a fellow member of the Institute of Chartered Accountants of India and an associate member of the Institute of Cost Accountants India, has over 30 years of experience in the banking and finance sector. He has been associated with the insurance industry since it was opened up to the private sector and has had exposure to various facets of the industry. He was the Head, Corporate Centre and Chief Risk Officer with a large private sector general insurance company and thereafter the Chief Representative of SCOR SE - India Liaison Office before joining Magma General Insurance in June 2016.



# BOARD'S REPORT

# BOARDS' REPORT

Dear Shareholders,

**Magma General Insurance Limited**

(Erstwhile Magma HDI General Insurance Company Limited)

The Board of Directors are pleased to present the Sixteenth (16<sup>th</sup>) Annual Report of Magma General Insurance Limited [Erstwhile Magma HDI General Insurance Company Limited] ("Magma" or "the Company") along with the Audited Financial Statements for the Financial Year ended March 31, 2025.

The summarized financial results are given below:

## FINANCIAL HIGHLIGHTS

(₹ in crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Growth
Gross Written Premium	3,634.95	3,295.12	10.3%
Net Written Premium	3,042.67	2,748.99	10.7%
Net Earned Premium	3,008.64	2,266.39	32.8%
Profit / (Loss) on Sale / Redemption of Investments (Net)	5.01	(7.12)	(170.3%)
Interest, Dividend and Rent (Gross)	429.77	350.37	22.7%
Other Income	0.70	0.41	70.6%
Contribution from Shareholders Accounts			
i) Towards Excess Expenses of Management (EoM)	58.22	80.72	
ii) Towards Remuneration of MD/CEO/WTD/Other KMPs	0.29	0.31	
<b>Total (A)</b>	<b>3,502.63</b>	<b>2,691.08</b>	
Net Incurred Claims (including PDR)	2,400.52	1,810.67	32.6%
Net Commission	689.21	659.97	4.4%
Operating Expenses	381.71	345.45	10.5%
<b>Total (B)</b>	<b>3,471.44</b>	<b>2,816.09</b>	
<b>Operating Profit/(Loss) (A-B)</b>	<b>31.19</b>	<b>(125.01)</b>	
Investment Income (Shareholders)	89.27	61.40	45.4%
Other Income (Shareholders)	8.04	1.38	482.6%
<b>Total (C)</b>	<b>128.50</b>	<b>(62.23)</b>	
Other Expenses	42.34	19.34	119.0%
Contribution to Policyholders' Account			
i) Towards Excess Expenses of Management (EoM)	58.22	80.72	
ii) Towards Remuneration of MD/CEO/WTD/Other KMPs	0.29	0.31	
<b>Total (D)</b>	<b>100.85</b>	<b>100.37</b>	
<b>Profit before tax (C-D)</b>	<b>27.65</b>	<b>(162.60)</b>	
Provision for Tax (including Deferred Tax and adjustment of earlier years)	26.60	(21.38)	
<b>Profit after Tax</b>	<b>1.05</b>	<b>(141.22)</b>	
Credit/ (Debit) Balance in P&L A/c at the End of the Financial Year	(452.51)	(453.56)	

## INDUSTRY OVERVIEW AND COMPANY PERFORMANCE

### GENERAL INSURANCE INDUSTRY OVERVIEW

Overall Insurance market for FY2025 stands at ~₹7,05,000 crores out of which the General Insurance Sector contributed ~₹3,07,700 crores. The General Insurance Industry has grown at a CAGR of 10.2% over 5 years with private sector insurers having 52.9% market share and public sector insurers contributing 31% in FY2025. The Mono-line health players & specialized insurers contribute the balance 12.5% and 3.6% respectively.

The General Insurance industry has seen a growth of 6.2% in FY2025 over FY2024, where Mono-line health players have shown a 16.1% growth rate which is higher than industry but Private and PSU players have grown at a rate lower than Industry viz. 5% and 5.5% respectively.

## COMPANY PERFORMANCE

(₹ in crores)

Particular	FY2022	FY2023	FY2024	FY2025	CAGR % (3 years)
Gross Direct Premium	1,757.17	2,534.12	3,044.19	3,334.40	23.8%
Net Written Premium	1,121.76	1,942.90	2,748.99	3,042.67	39.5%
Investment Income (including Shareholders share of income)	231.54	299.52	404.65	524.05	31.3%
Net Incurred Claims (including PDR)	627.56	1,114.21	1,810.67	2,400.52	56.4%
Operating Expenses	570.32	918.13	345.45	381.71	(12.5%)
Operating Profit/(Loss)	32.41	(61.56)	(125.01)	31.19	-
Profit / (Loss) After Tax	(12.46)	(287.17)	(141.22)	1.05	-
<b>Total Investments</b>	<b>3,844.47</b>	<b>5,259.14</b>	<b>7,008.55</b>	<b>7,966.35</b>	<b>27.5%</b>

Gross Direct Premium ("GDP") has registered a robust CAGR of 23.8% over 3 years since FY2022. Investment book has CAGR of 27.5%.

The Gross Direct Premium Income written by the Company during FY2025 is ₹3,334.40 crore (PY ₹3,044.19 crore). Motor segment contributed ₹2,068.02 crore in FY2025 (₹2,073.53 crore in FY2024).

During the year, Motor continues to be the highest contributor to portfolio of the Company with 56.9% (PY 62.9%), followed by Health 27.3% (PY 21.4%) and Commercial 15.8% (PY 15.6%). With progressive development of Health channels and various initiatives being taken in other channels to promote health insurance business, the Group health business has grown at 42.7% from ₹635 crores in the previous year to ₹906 crores in the current fiscal, whereas Group Accident business has grown at 56.5% from ₹16 crores to ₹25 crores in FY2025. This has resulted in an accelerated growth rate of 40.5% for the overall Health and Accident business, which was ₹706 crores in the previous year and has increased to ₹992 crores in FY2025. The Company has added 5 more renowned Original Equipment Manufacturers ("OEM") to the existing OEM tie-ups. The Company has also onboarded Suryoday Small Finance Bank along with Mahindra & Mahindra Financial Services, Indostar Capital Finance and other NBFCs (under Bancassurance tie-ups). By adding 3,229 new intermediaries, the Company has strengthened its channel partner's base.

The Company uses technology to settle its Motor OD Claims. It settled 98% of the Motor OD claims in FY2025 digitally. It has also enabled customers and workshop partners to do video streaming of damages and settle claims and has obviated the need for Company's surveyors to go to the field.

## DISTRIBUTION STRUCTURE

The Company has a multi-channel distribution strategy, across geographies, products and customers. The Company continued its focus on product diversification, with a major focus on developing the retail health channel. The Company has widened its channel partner base and now has 20,367 partners, comprising Agents, Brokers, Corporate Agents, Motor Insurance Service Providers & Points of Sale Person. During FY2025, the Company has also entered into 5 new OEM relationships (including Electric Vehicles), totaling to 32 OEM tie-ups as at March 31, 2025.

## UNDERWRITING

The Company has developed a balanced underwriting approach considering the size of its portfolio and the overall objective of the Company. The Company remains in a competitive environment where risk selection becomes extremely important as pricing is more or less driven by market forces. The Company has taken cognizance of regulatory changes, and its underwriting is focused on appropriate risk selection based on exposure and experience of the risk segments, quality of the risk etc. The Company under various lines of business has done risk segmentation based on the nature of the risk and categorized them as preferred, referral and decline segments. While the target is to increase penetration in preferred segments, the Company realizes the business potential of other segments as well and does prudent underwriting by following a cautious approach in risks in referral category keeping its exposures suitable to its portfolio.

In retail lines comprising largely of Motor and Health, the underwriting strategy is to diversify the portfolio and to achieve a sufficiently large population of risks to reduce variability of the expected outcome within each of these categories. At the heart of business sits the data science driven disciplines of underwriting and claims handling. Every year, the Company seeks to move forward using modern techniques of analytics and IT capabilities as well as focus on skills and training.

The overall Motor insurance business faced a slowdown in FY2025. Private cars and new vehicles sales registered a growth of 2.0% while commercial vehicles registered a degrowth of -1.2%. Two wheelers at ₹1.96 crore vehicle sales registered a growth of 9.1%, however this was significantly behind its pre-COVID high of ₹2.12 crore vehicle sales in FY19. Overall motor industry sales registered a growth of 7.3% with total vehicle sales at ₹2.56 crore primarily driven by two-wheelers. Third party premiums remained unchanged for FY2025. The overall industry motor insurance premium witnessed a low growth of 7.94% and recorded premium of ₹99,065 crores. There was no growth in the motor book on account of portfolio correction in the Company's two-wheeler segment. Growth was primarily driven by commercial vehicle and private car segment for the Motor portfolio in FY2025.

While the Company was able to grow at a healthy rate in the commercial vehicle segment, market factors remained very competitive and aggressive pricing did result in an increase in loss ratios. The Company expects pricing pressure to continue in the forthcoming year as well. The Company's approach would be to further micro-segment the market to select and target risk appropriate segments.

In FY2025, the Company grew its Health and Accident portfolio by ~40% to a gross written premium of ₹992 crores. As a result, it was able to increase health segment proportion to 27.3% from 21.4% in the previous year. The Company has solutions across the health spectrum such as Retail Indemnity, Group Indemnity, Group Benefit and Group Personal Accident. All these products are developed with a clear focus on enriching the Company's offer with innovative and flexible product propositions.

The Company is continuously identifying new target segments and creating various business enablers in all areas by expanding its product bouquet and adding new products for 1<sup>st</sup> time buyers of Health insurance and bets in class retail Personal Accident product, introducing new add-ons regularly, accelerating underwriting decisions by authorizing video-underwriting, facilitating home visit medical checkups for its customers, launching over the counter solutions and increasing network strength to 9,951 hospitals across ~800 locations in India and offering seamless claim servicing to its customers to support growth of its health portfolio.

In case of commercial products such as Fire, Marine, Engineering, the Company continues to keep only moderate exposures in high hazard risks and high natural catastrophe prone areas to achieve a suitable balance in the portfolio. It also takes into consideration the impact on solvency while participating in any risk by selecting a suitable line size. At the same time, the Company writes risks with acceptable risk quality and avoids risks which are below average risk quality. Over last few years the Company has grown and has gradually increased its participation across various segments to balance growth and profitability. As the portfolio grows, such segments will shape up and become significant part of the Company's portfolio. Over the years the Company has grown its portfolio in various segments and intends to foray into untapped segments such as MSME and Retail.

The Company has increased treaty capacities over the last few years, especially in the Property and Engineering line of business and this has enabled the Company to offer sizable capacities in the market and increase its portfolio.

The Company intends to focus on new products and segments to achieve its growth objectives. In the past few years, the Company has successfully filed new products under various lines of businesses which offer comprehensive cover for business owners in this segment in line with the new products being offered in the market. Recently the Company has revised its retail products such as Magma Bharat Griha Raksha Policy, Magma Bharat Laghu Udyam Suraksha Policy and Magma Bharat Sooksma Udyam Suraksha Policy to offer more flexibility to customers in terms of coverage.

While we continue our growth and penetration in liability with our existing bouquet of financial and casualty line of products, we have expanded our product base to include "Public Offerings of Securities Insurance" offering cover for public offerings including initial public offerings and debt or equity rights issues.

Overall, the underwriting fundamentals and governance remain sound. Underwriting capacity and authority delegation to individuals are based on their specific expertise and appropriate underwriting and pricing guidelines. Regular technical reviews ensure that underwriters perform within authority and adhere to underwriting philosophy and policy.

The Company aims to deepen the relationship with its existing customers and build new customer segments, from the millennials and gig customer segments to small and medium-sized enterprises. The Company aims to become the preferred insurance provider and achieve responsible growth by using the insights gained from its partners and customers.

## **HUMAN RESOURCES (HR)**

People are the most valuable assets of the Company for creating value and supporting business growth, the employee strength was 1,885 as on March 31, 2025.

The Human Resources function focused on building key people practices including hiring and onboarding talent, development of employees through learning initiatives, retention of key talent with employee engagement and rewards and recognition programs.

In order to improve employee services and people's experience, automation in the area of HR Operations continued to be an important agenda during the year.

Employee Induction programs have been revamped along with an Induction program specially designed for Front line sales executives in Composite and Health Agency called "HeadStart". Post induction programs, "SkillUp" has also been launched to enable front line field executives in their role.

The Company launched a specialized Managerial Capability Building certification program (LEAD) for First Line/Second Line Managers in association with one of the premier higher educational tech platforms in south Asia which is empowering around 10 million learners globally and has presence not only in India but also in North America, Europe, Middle East & the Asia Pacific. Under the association, a special curriculum (10 months, 18 session topics) was designed and 243 managers in 10 batches started their learning journey. The major focus of this program is on topics such as Stakeholder Management, Structured Communication, Goal Setting, Growth Mindset and Ownership.

Rewards & Recognition programs continued to focus on celebrating excellence of employees and encouraging right behaviors. To boost employee productivity in sales functions, the incentive schemes are reviewed every year with a clear focus on inculcating a culture of "pay for performance". For the Health Agency channel, we have introduced "Pragati" a fast-track performance management program which has started yielding results since its launch in September 2021.

## OPERATIONS, TECHNOLOGY & CUSTOMER SERVICE

Over the past years, the Company has digitized various process journeys to enhance Insurance Intermediary ("IMD") and Customer satisfaction:

### Intermediary Processes:

**Daily Journey Plan (DJP) / Renewal Tracking Model (RTM) Application:** This application helps the sales teams to monitor the performance and plan daily journeys of FE's (Field executives). This includes business meeting data, and overall business related data along with geolocation of the FE's during the day.

**Vahan Integration:** The application helps in auto fetch of the vehicle details from Vahan Site upon entering registration number of the vehicle in the agent portal. This has reduced data entry time by up to 3 minutes with Zero errors along with considerable reduction of documentation for policy issuance.

### Customer Processes:

**Net Promoter Score Program (NPS):** The Company introduced the NPS program in 2023, a globally accepted methodology to measure customer satisfaction.

- Launched in 2023 across five key touchpoints: Policy Issuance, Servicing, Motor Claims, Health Claims, and Renewals.
- March 2025 NPS score: 48, indicating strong customer satisfaction.
- Includes a close-loop feedback mechanism to address detractor concerns.

**Chatbot:** The Company launched its self-service chatbot MIRA (Magma's Interactive Real Time Assistant) on 18 March 2024, on its website and WhatsApp.

- Enables customers to renew policies, download policy copy, intimate claims and access servicing and claims support seamlessly.
- As of March 2025, 46% of overall interactions were routed through MIRA, with its success rate rising from 30% to 61% over the past year, driven by process enhancements and improved user experience.

To strengthen governance and service equality, the Company instituted the following measures:

**Customer Council:** A Council consisting of cross-functional teams has been set up to address issues leading to customer complaints. Through this initiative, the Company has identified 36 processes which need revision, and the Company has re-engineered 25 processes.

**Motor Claims Review Committee:** Comprising functional heads, this committee independently reviews and decides on dissonance cases flagged by the Grievance Cell

**Health Claims Review Committee:** Health Claims Review Committee comprises of Product Management Committee members, who independently review all claims likely to be rejected by the health claims team and accordingly, decide on the outcome looking at all aspects.

**Predictive Interactive Voice Response (IVR):** The Company has launched predictive IVR for its customers. This supports proactive claim status updates and handles 5% of the total customer interactions without any human intervention.

## CLAIM RESERVES

The future unpaid claim liabilities (including reported and unreported claims) of the Company are established in accordance with the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 as amended from time to time. The ultimate claims liability is based on the advice/estimation derived under the direction of the Appointed Actuary using the methods well established in the industry and recommended by the IRDAI. The data used for IBNR estimation is classified following the principle of homogeneity to the extent possible, keeping in mind the nature of business and claims development pattern.

In terms of business, the Company has a significant proportion of business in Motor Third Party segment. Motor Third Party, being a long-tailed business, forms a major portion of the total reserves for the Company. The Company's experience is still developing for this segment and hence the principle of prudence is applied while estimating the ultimate liabilities to safeguard the policyholder's interest. Along with the internal data, the Company takes reference of industry wide data and indicators of inflation, interest rate trends, landmark as well as recent court rulings, amendments to the applicable acts, laws, and regulations while calculation of the reserves for the segment. Besides Motor Third party, the Commercial segment has inherent volatility in the claims experience.

The Company also acknowledges the importance of timely recognition of claims at all times. To ensure this, a robust claims process is in place which registers the claims at the earliest, upon intimation. At the initial point of registration, having limited information on the merits of the claim, a default claim provision is made based on the historical settlement experience of the Company and the nature of segment. Thereafter, upon obtaining further details on the loss event-based survey and/or investigation, such default provision is further updated to estimated loss amount to account for the correct estimated liability.

## CLAIMS SERVICING

The Company believes in its key objective of business viz. to service the customers during their times of financial distress in the event of damage to property/vehicles or medical emergency or any other financial liability risk as insured by the Company. The Company has fair and robust claims management practices. The Company continues to review its processes with empathy as the core value for the customers. Hence, a fair and fast settlement of any claim becomes paramount. It also leverages technology to achieve this objective, which at the same time, ensures cost effective scalability of its claim's operations. The Company has about 8,554 motor workshops spread across ~600 districts and a network of 9,951 hospitals across the country. This ensures that customers are able to reach out to the nearest workshop/hospital, no matter where they are present and avail cashless claims service.

In order to make the experience seamless for the customers, there is a consistent and continuous focus to simplify procedures, thereby enabling reduction in Turn Around Time (TAT). Key initiatives in this regard include end-to-end workflow-based claims process i.e. from claim intimation to settlement, introduction of Self Survey App etc. Self-survey app connects both Motor & Non-Motor customers and vendors for registering and getting the further details of the claim on the app. Survey process has been simplified through video streaming to make it completely touchless & efficient with no necessity of moving physical documents.

The Company has an in-house claims settlement team for servicing Motor OD Claims. It has settled 86% Motor Own Damage claims in-house in FY2025. Further, with the app and video streaming facility, the Company has settled 75% Motor OD claims without any involvement of a physical visit.

In addition, the Company has launched an AI based external damage detection and severity assessment tool for private car own damage (OD) claims, which minimizes data entry time and increases efficiency. More than 75,000 private car OD claims have been processed till date using this AI based tool.

In Motor Third party claims, the Company extensively uses compromise settlement mode through negotiation settlement. This year too, the Company has done 58% of total claims closure by way of negotiation settlement. The TP claims settlement performance of the Company has been acknowledged by various District Legal Services Authorities (DLSA) in different states recognizing the extended contribution and active participation of the Company to ensure success of Lok Adalats and National Lok Adalats.

Details of total Claims intimated, disposed off, and pending –

Particulars	Total Number of claims FY2025	Total Number of claims FY2024
Outstanding at beginning of Financial Year	31,709	23,378
Intimated during the year	308,618	281,005
Settled during the year	303,702	272,674
Outstanding at the end of the Financial Year	36,625	31,709

## REINSURANCE

The Company has a well-structured reinsurance program to protect it against the risks it underwrites. The Company has got into arrangements in the form of annual treaties with a panel of reinsurers, enabling it to automatically reinsurance large risks (upto defined limits). These arrangements are called Proportional Treaties where the Company and the Reinsurers share the premium and claims in an agreed proportion for each risk as per the agreement.

The Company has also got into treaty arrangements (termed as Non-proportional Treaties) which protect it against the large individual losses as well as accumulated losses on its books against a catastrophic event affecting its insured risks. The extent of such protection is bought by the analysis of the likely loss in case of a catastrophe. The Company uses the tool based on RMS India Earthquake Model.

In addition, the Company also purchases, wherever required, on a case-to-case basis, Facultative Reinsurance for specific policies, where either treaty limits are inadequate, or the risk is not covered by the terms of the reinsurance treaties.

The entire reinsurance program is supported by reputed and well rated Reinsurers (like Munich Re, GIC Re, SCOR SE, Swiss Re, Gen Re and many more) which reduces counter party credit risk significantly.

## INVESTMENTS

The Company follows a prudent investment strategy with emphasis on optimizing risk-adjusted returns based on an appropriate mix of duration, liquidity & safety. The Company's investment philosophy is focused on prudent and optimal investment of surplus funds, keeping in mind the obligation to pay claims and meet other expenses as and when they arise.

The assets under management grew by 14% to ₹7,966 crore as of March 31, 2025 (vis-a-vis a portfolio of ₹7,009 crore as of March 31, 2024). The investment and other income (net) for FY2025 was ₹522.3 crore vis a vis ₹403.9 crore in the previous year.

The Company's current investment portfolio consists of fixed income securities. Out of the total fixed income portfolio (excluding fixed deposits and money market instruments) 98.3% (PY 96.6%) is invested in Sovereign Bonds and highest credit rated securities (AAA or equivalent). In terms of maturity profile, 5.1% (PY 9.1%) of the portfolio comprises short-term instruments, while the remaining 94.9% (PY 90.9%) consists of longer-tenure instruments, providing sufficient liquidity when required.

The Company has a well-defined risk framework in the Investment Policy. The Investment Policy has defined exposure norms in accordance with IRDAI guidelines. The Company also keeps conducting periodic review of the investment portfolio. The Company has duly complied with these policies and regulatory guidelines during FY2025. Based on the market volatility, Company dynamically reviews the investment portfolio to align it with stated objectives.

The Company's investment portfolio remains robust. There has been no delay/default in repayment on any of the investments in the current financial year. The Company does not have any non-performing/stressed assets in its portfolio as at the year end.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments have occurred between the end of the financial year to which the financial statement relates and date of this Report, affecting the financial position of the Company.

### **EXECUTION OF SHARE PURCHASE AGREEMENT**

During the year, the Company entered into a Share Purchase Agreement with respect to the transfer of equity shares of the Company held by Sanoti Properties LLP, Celica Developers Private Limited, Jaguar Advisory Services Private Limited, Mr. Keki Mistry, Atul DP Family Trust, Shahi Sterling Exports Private Limited, QRG Investments and Holdings Limited and such other employee shareholders (collectively referred to as "Sellers") to Patanjali Ayurved Limited, S.R. Foundation, RITI Foundation, RR Foundation, Suruchi Foundation and Swati Foundation (collectively referred to as "Buyers") at a fair value as set out in the valuation report(s) issued by the Registered Valuer and Category I – Merchant Banker, subject to approval of Insurance Regulatory and Development Authority of India, Competition Commission of India, Debenture Holders of the Company and such other regulatory / government authorities, as may be applicable.

The approval from the Competition Commission of India under the Green Channel Route for the proposed acquisition has been received on April 15, 2025.

### **CHANGE IN NAME OF THE COMPANY**

Pursuant to expiry of the HDI Brand Licensing Agreement dated September 04, 2009, read with Amendment Agreement dated October 30, 2023, the name of the Company was changed from "Magma HDI General Insurance Company Limited" to "Magma General Insurance Limited" with effect from January 02, 2025.

### **CHANGE IN REGISTERED OFFICE OF THE COMPANY**

In view of administrative convenience, the Company is shifting its Registered Office from the State of West Bengal to the State of Maharashtra and has filed an Application with Central Government / Regional Director, Eastern Region and approval in this regard is awaited.

### **CHANGES IN THE NATURE OF BUSINESS**

There has been no change in the nature of business of the Company during the year under review.

### **DETAILS OF SUBSIDIARY/ ASSOCIATES/ JOINT-VENTURE COMPANY**

The Company did not have any subsidiary or associate or joint venture as on March 31, 2025.

During the year under review, no Company has become or ceased to become a subsidiary / associate / joint venture of the Company.

### **SOLVENCY**

IRDAI requires insurance companies to maintain a minimum solvency of 1.5 times which is calculated in a manner specified in the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024. The Company's solvency margin as at March 31, 2025, stands at 2.02 times as compared to 2.05 times as at March 31, 2024.

## DIVIDEND

The Directors have not recommended any dividend for the financial year ended March 31, 2025.

## TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

## TRANSFER TO RESERVES

In view of the accumulated loss incurred by the Company, no amount has been transferred to the General Reserve.

## CHANGES IN SHARE CAPITAL

During the year, the paid-up capital of the Company has increased from ₹26,90,21,930 comprising 269,302,193 equity shares of ₹10/- each fully paid-up to ₹2,93,39,31,200 comprising of 29,33,93,120 equity shares of ₹10/- each fully paid-up.

During the year, the Company allotted equity shares as follows:

- i. 2,36,27,624 Equity Shares on a preferential basis to Sanoti Properties LLP, Atul DP Family Trust, Shahi Sterling Exports Private Limited and QRG Investments and Holdings Limited; and
- ii. 463,303 Equity Shares under Magma General Insurance Limited - Employee Stock Option Plan 2018 to Eligible Employees who have exercised their options during the year.

The Company has done necessary corporate actions to give effect to the above allotment of securities.

## EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS

During the year under review, the Company has not issued any Equity Shares with Differential Voting Rights, hence the requirement of disclosure is not applicable.

## NON-CONVERTIBLE DEBENTURES

As on March 31, 2025, the Company's outstanding Non-Convertible Debentures ("NCDs") allotted on a private placement basis are as follows:

Listed/ Unlisted	Date of Allotment	No. of NCDs	Face Value (in ₹)	Total Value of NCDs (₹ In crores)	Coupon Rate	Date of Redemption
Unlisted	March 30, 2022	1,000	10,00,000	100	8.75%	March 30, 2032
Listed*	December 28, 2023	20,000	1,00,000	200	9.70%	December 28, 2033
Listed*	March 20, 2024	7,500	1,00,000	75	9.70%	March 20, 2034
Listed*	March 20, 2024	5,000	1,00,000	50	9.75%	March 20, 2034

\* The NCDs are listed on BSE Limited

There was no unclaimed interest amount lying with the Company. The Company has been regular in serving its interest obligation towards the NCDs, whenever applicable.

## CREDIT RATINGS

The Unlisted NCDs are rated by CARE Ratings Limited ("CARE") and were assigned a rating of CARE AA- (Stable) dated March 29, 2022. The rating was upgraded to CARE AA (Stable) w.e.f. September 12, 2022, and subsequently changed to CARE AA (Rating Watch Negative) w.e.f. March 25, 2025.

The Listed NCDs are rated by CRISIL Ratings Limited ("CRISIL") and CARE Ratings Limited ("CARE") and were assigned ratings of CRISIL AA/Stable and CARE AA/Stable respectively, at the time of issuance of NCDs. During the year, the CRISIL rating was modified to CRISIL AA (Watch Negative) w.e.f. March 24, 2025, and the CARE rating was modified to CARE AA (Rating Watch Negative) w.e.f. March 25, 2025.

## DETAILS OF DEBENTURE TRUSTEES AND REGISTRAR AND TRANSFER AGENT

The details of the Debenture Trustees are as under:

Unlisted NCDs	Listed NCDs
Name: IDBI Trusteeship Services Limited	Name: Axis Trustee Services Limited
Address: Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Road, Fort, Mumbai, 400 001	Address: 2 <sup>nd</sup> Floor, SW, The Ruby, 29, Senapati Bapat Marg, Dadar West, Dadar, Mumbai, 400 028
Contact No.: (022) 6631 1776	Contact No.: (022) 6230 0451
Email: <a href="mailto:itsl@idbitrustee.com">itsl@idbitrustee.com</a>	Email: <a href="mailto:mumbai.team@axistrustee.in">mumbai.team@axistrustee.in</a>
Website: <a href="https://idbitrustee.com">https://idbitrustee.com</a>	Website: <a href="https://www.axistrustee.in">https://www.axistrustee.in</a>

The details of the Registrar and Transfer Agent are as under:

Name: Niche Technologies Private Limited
Address: 3A Auckland Place, 7 <sup>th</sup> Floor, Room No. 7A & 7B, Kolkata - 700 017
Contact No.: (033) 2280 6616 / 17 / 18
Email: <a href="mailto:nichetechpl@nichetechpl.com">nichetechpl@nichetechpl.com</a>
Website: <a href="https://www.nichetechpl.com">https://www.nichetechpl.com</a>

## CORPORATE GOVERNANCE

The report on Corporate Governance containing details of compliance with the provisions of IRDAI (Corporate Governance for Insurers) Regulations, 2024 read with Master Circular on Corporate Governance for Insurers, 2024 ("IRDAI Corporate Governance Regulations") for FY2025 together with a Certificate of Compliance are attached and form part of this Annual Report.

## MANAGEMENT REPORT

In accordance with Part II of the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, the Management Report forms part of the financial statements.

## SECRETARIAL STANDARDS ("SS")

During the year, the Company has complied with the applicable Secretarial Standards i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to Meetings of Board of Directors and General Meetings, respectively.

## OFFICES

The Company has 96 offices PAN India as on March 31, 2025.

## PUBLIC DEPOSITS

During the year under review, the Company has not invited deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014.

## EMPLOYEE STOCK OPTION SCHEME

Pursuant to the change in the name of the Company, the name of Magma HDI General Insurance Company ESOP Trust was changed to Magma General Insurance ESOP Trust ("ESOP Trust").

The Company has formulated and implemented Magma General Insurance Limited - Employee Stock Option Plan 2018 (Erstwhile Magma HDI General Insurance Company Limited - Employee Stock Option Plan 2018) ("Magma ESOP Plan") through ESOP Trust in accordance with the Act, read with erstwhile SEBI (Share Based Employee Benefits) Regulations, 2014, SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 including any amendments thereto ('SEBI Regulations').

The ESOP Trust has been set up by the Company for implementation, administration, financing and holding the shares in accordance with the terms and conditions of this Plan. The ESOP Trust under the supervision / guidance of the Nomination and Remuneration Committee of the Board of Directors of the Company, inter-alia, administers and monitors the Magma ESOP Plan in accordance with the applicable SEBI Regulations.

During the year under review, the Members of the Company, on the recommendation of the Board and the Nomination and Remuneration Committee, increased the existing ESOP Pool, that can be granted to the "Eligible Employees" as defined under the Magma ESOP Plan, to 1,06,90,000 (One Crore Six Lakhs Ninety Thousand) Employee Stock Options.

During the year under review, 463,303 Equity Shares were allotted to Eligible Employees under Magma ESOP Plan. The Equity Shares allotted under Magma ESOP Plan rank pari-passu with existing Equity Shares issued and allotted by the Company.

The information as required under Section 62(1)(b) of the Act read with Rule 12(9) and Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014 read with SEBI (Share Based Employee Benefits) Regulations, 2014, now SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 including any amendments thereto, is annexed herewith as "Annexure A".

The Information required under Regulation 14 of the SEBI Regulations is available on the website of the Company and can be accessed at <https://www.magmainsurance.com/web/magmainsurance/public-disclosures/other-disclosures/esop> and the Secretarial Auditors' Certificate pursuant to Regulation 13 of the SEBI Regulations, will be made available for inspection at the ensuing Annual General Meeting.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMPs")

The Board of the Company is constituted in compliance with the Act and IRDAI Corporate Governance Regulations.

Changes in the composition of the Board and KMPs during the Financial Year 2024-25 are as follows:

**a) Retirement / Resignation / Cessation**

- i) Pursuant to IRDAI Corporate Governance Regulations, a Non-Executive Director shall not continue on the board of an insurer after attaining the age of 75 years. Accordingly, Mr. Kailash Nath Bhandari (DIN 00026078), being above 75 years of age ceased to hold office as Non-Executive Independent Director w.e.f. June 30, 2024; and
- ii) Pursuant to the Act and IRDAI Corporate Governance Regulations, an Independent Director shall not hold office for more than two consecutive terms of five (5) years each. Accordingly, Mr. Sunil Mitra (DIN 00113473) and Mr. V. K. Viswanathan (DIN 01782934) ceased to be Non-Executive Independent Directors of the Company upon completion of their two (2) consecutive terms of five (5) years each on July 22, 2024.

The Board expressed its appreciation for the valuable contribution made by Mr. Kailash Nath Bhandari, Mr. Sunil Mitra and Mr. V. K. Viswanathan during their association with the Company.

**b) Retirement by Rotation**

In accordance with the applicable provisions of the Act and the Articles of Association of the Company, Mr. Mayank Poddar (DIN 00009409), Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting ("AGM") and being eligible has offered himself for re-appointment. The Board of Directors recommends his re-appointment at the ensuing AGM. Mr. Poddar is not disqualified from being appointed as a Director under Section 164 of the Act. His brief profile and other details as required under the provision of the Act have been disclosed in the annexure to the Sixteenth (16<sup>th</sup>) AGM Notice.

**c) Appointment**

The Board of Directors, based on the recommendation of the NRC, appointed Mr. Sanjay Sachdev (DIN 00415170) and Mr. Sudhir Kapadia (DIN 05307843) as Non-Executive, Independent Directors of the Company. The Members of the Company at their Extra-Ordinary General Meeting ("EGM") held on August 07, 2024, approved their appointment as Independent Directors with effect from July 23, 2024, for a consecutive term of five (5) years each.

In the opinion of the Board, the Directors possess requisite expertise, integrity and experience (including proficiency).

The Board of Directors, based on the recommendation of the NRC appointed Mr. Jens Wohlthat as an Additional Director (Non-Executive Non-Independent Director), w.e.f. July 18, 2024.

Mr. Wohlthat ceased to be Director of the Company effective August 7, 2024.

Effective August 30, 2025, based on the recommendation of the NRC, Mr. Jens Wohlthat was appointed as an Additional Non-Executive, Non-Independent Director, subject to the approval of the shareholders.

His brief profile and other details as required under the provisions of the Act have been disclosed in the annexure to the Sixteenth (16<sup>th</sup>) AGM Notice. The Board of Directors of the Company recommends his appointment at the ensuing AGM.

**Declarations by Directors**

The Company has received declarations from all the Independent Directors of the Company confirming that:

- i. they meet the criteria of independence prescribed under Section 149(6) of the Act;
- ii. they have registered their names in the Independent Directors' data bank; and
- iii. that they have complied with the Code of Independent Director prescribed in Schedule IV of the Act.

There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Board is of the opinion that the Independent Directors of the Company are eminent persons with the highest standard of integrity and have the necessary expertise and experience to continue to discharge their responsibilities as Directors of the Company.

Further, all the Directors of the Company have confirmed that they comply with the 'Fit and Proper' criteria prescribed under the IRDAI Corporate Governance Regulations issued and are not disqualified from being appointed as directors in terms of Section 164(2) of the Act.

**Key Managerial Personnel**

Pursuant to the provisions of Sections 2(51) and 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Key Managerial Personnel (KMPs) of the Company as on March 31, 2025, are as under:

- a) Mr. Rajive Kumaraswami, Managing Director & CEO
- b) Mr. Gaurav Parasrampuria, Chief Financial Officer
- c) Mr. Vikas Mittal, Deputy CEO
- d) Mr. Amit Bhandari, Chief Technical Officer

In accordance with the IRDAI Corporate Governance Regulations read with IRDAI (Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers) Regulations, 2024, as on March 31, 2025, the Company has following Key Management Persons in addition to aforesaid KMPs:

- a) Mr. Jinesh Shah, Chief Investment Officer
- b) Mr. Amit Loya, Chief Internal Auditor
- c) Mr. Shivendra Tripathi, Appointed Actuary
- d) Mr. Amit Thapliyal, Chief Technology Officer
- e) Mr. Kishore Khanchandani, Chief Risk Officer
- f) Mr. AnilKumar Satyavarpu, Chief Human Resource Officer
- g) Mr. Amit Raheja, Chief Compliance Officer

During the year, Ms. Sweta Bharucha, ceased to be the Company Secretary with effect from June 30, 2024.

Ms. Swati Singh was appointed as a Company Secretary effective from July 01, 2024, and ceased to be the Company Secretary with effect from February 14, 2025.

Ms. Sidhi Jatkar was appointed as a Company Secretary effective April 02, 2025. She has been designated as the Compliance Officer of the Company in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

## **PERFORMANCE EVALUATION OF THE BOARD AND ITS COMMITTEES**

Pursuant to the provisions of the Act read with IRDAI Corporate Governance Regulations the Board of Directors has carried out an annual evaluation of its own performance, and that of its committees, individual directors including the Chairman and Independent Directors.

Further, the Independent Directors met separately without the attendance of Non-Independent Directors, and members of the Management. They reviewed the performance of the Chairman, Non-Independent Directors, and the Board as a whole.

The Nomination and Remuneration Committee reviewed the performance of the Board, its Committees, and the individual directors.

The criteria for performance evaluation of the Board / Committee(s) included aspects like composition and structure; effectiveness of Board / Committee processes, information, functioning, etc.

The evaluation criteria for the Directors was based on their participation, contribution to the Board and Committee meetings preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The evaluation criteria of the Chairman included leadership abilities, effective management of meetings and interest of the stakeholders.

The Board expressed its satisfaction on the performance and effectiveness of the Board, all the Committees, Individual Directors and Independent Directors. Based on the outcome of the Board Evaluation, the Board also provided suggestions to Management and the same were communicated to the respective stakeholders within the Company, for necessary actions.

## **DIRECTORS & OFFICERS' LIABILITY INSURANCE**

The Company has in place a Directors & Officers' (D&O) Liability Insurance for its directors and officers with adequate quantum and coverage of risk.

## **MEETINGS**

A calendar of meetings is prepared and circulated in advance to the Directors.

### **Board Meetings:**

During FY2025, fifteen (15) Board Meetings were held, the details of which are given in the Corporate Governance Report. All Board meetings were convened in accordance with Secretarial Standard-1 by giving appropriate notice. All the agenda items were backed up by comprehensive information and documents to enable the Board to make informed decisions. The intervening gap between the Meetings was within the period prescribed under the Act.

The Board also approved certain matters by way of circular resolutions considering the business exigencies. Nine (9) resolutions were passed by circulation in accordance with Section 175 of the Act.

### **Separate Meeting of Independent Directors**

During the year, a separate meeting of Independent Directors was held on January 17, 2025, in terms of Schedule IV of the Act, without the presence of Non-Independent Directors and members of the management. All the Independent Directors were present at the said meeting and inter-alia reviewed:

- Performance of Non-Independent Directors and the Board as a whole;
- Performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;

- Performance of the Committee(s) of the Board; and
- Assessed the quality, quantity and timeliness of flow of information between the Company, management & the Board, necessary for the Board to effectively & reasonably perform its duties.

#### **Committee Meetings:**

##### **Audit Committee**

During the year, four (4) meetings of the Audit Committee were held. The composition and terms of reference of the Audit Committee have been furnished in the Corporate Governance Report forming a part of this Annual Report.

The terms of reference of the Audit Committee are in compliance with the provisions of Section 177 of the Act read with Rules made thereunder and IRDAI Corporate Governance Regulations.

The Audit Committee approved certain matters by way of circular resolutions considering the business exigencies. Three (3) resolutions were passed by circulation in accordance with Section 175 of the Act.

All the recommendations made by the Audit Committee were accepted by the Board.

##### **Nomination and Remuneration Committee**

During the year under review, seven (7) meetings of the Nomination and Remuneration Committee (NRC) were held. The composition and terms of reference of the NRC have been furnished in the Corporate Governance Report forming a part of this Annual Report.

The NRC had also approved certain matters by way of circular resolutions considering the business exigencies. Two (2) resolutions were passed by circulation in accordance with Section 175 of the Act.

##### **Corporate Social Responsibility and Sustainability Committee (erstwhile Corporate Social Responsibility Committee)**

During the year, the name of the Corporate Social Responsibility Committee ("CSR") Committee was changed to Corporate Social Responsibility and Sustainability ("CSR&SG") Committee to incorporate Environmental, Social and Governance (ESG) related matters in line with IRDAI Corporate Governance Regulations.

The composition and revised terms of reference of the CSR & SG Committee in compliance with IRDAI Corporate Governance Regulations have been furnished in the Corporate Governance Report.

The Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

The said Policy may be referred to, on the website of the Company at its weblink, i.e. <https://www.magmaininsurance.com/documents/d/magmaininsurance/csr-policy>.

Pursuant to Regulation 11 of IRDAI Corporate Governance Regulations, the Committee has also been entrusted with reviewing and recommending ESG to the Board and overseeing implementation thereof under the guidance of the Board of Directors.

As per Section 135 of the Act, the Company was not required to incur any expenditure for CSR activities for the year under review.

Disclosure of composition of the CSR&SG Committee, contents of the CSR Policy and the Annual Report on CSR is given in "Annexure B" to the Board's Report.

##### **Risk Management Committee**

During the year, four (4) meetings of the Risk Management Committee were held. The composition and terms of reference of the Risk Management Committee have been furnished in the Corporate Governance Report forming a part of this Annual Report.

##### **Policyholder Protection, Grievance Redressal and Claims Monitoring ("PPGR&CM") Committee**

During the year, four (4) meetings of the PPGR&CM Committee were held. The composition and terms of reference of the PPGR&CM Committee have been furnished in the Corporate Governance Report forming a part of this Annual Report.

##### **Investment Committee**

During the year, four (4) meetings of the Investment Committee were held. The composition and terms of reference of the Investment Committee have been furnished in the Corporate Governance Report forming a part of this Annual Report.

The Investment Committee had also approved certain matters by way of circular resolutions considering the business exigencies. Three (3) resolutions were passed by circulation in accordance with Section 175 of the Act.

During the year under review, owing to changes in directorship, the above Committees were reconstituted in accordance with IRDAI Corporate Governance Regulations. The details of composition of all the said Committee(s) are provided in the Corporate Governance Report.

## MANAGERIAL REMUNERATION

The Managing Director & Chief Executive Officer ("MD&CEO") is appointed based on terms approved by the shareholders. The remuneration paid to the MD&CEO is recommended by the Nomination and Remuneration Committee (NRC) taking into account various parameters prescribed in the Remuneration Policy of the Company. His remuneration comprises salary, allowances and perquisites as indicated in Notes to Accounts.

The Non-Executive Independent Directors were paid sitting fees of ₹1,00,000/- each for every meeting of the Board, Audit Committee, NRC and Risk Management Committee and sitting fees of ₹30,000/- each for every meeting of the Investment Committee, Policyholders Protection, Grievance Redressal and Claims Monitoring Committee and Independent Directors' Meeting. No sitting fee was paid for attending the meeting of the Corporate Social Responsibility and Sustainability Committee.

The shareholders, based on the recommendation of the Board and the NRC, amended Article 145 of the Articles of Association of the Company to enable payment of sitting fees to Non-Executive Directors and Non-Independent Director (other than non-executive directors nominated by shareholders including nominee Director of Celica Developers Private Limited and Sanoti Properties LLP).

Accordingly, the Board of Directors based on the recommendations of the NRC approved the payment of sitting fee to Mr. Jens Wohlthat, Non-Executive Non-Independent Director, for attending Board and Committee meeting(s) (in capacity as Member) with effect from October 24, 2024.

The details of sitting fees paid during the year under review are given in the Corporate Governance Report.

## BOARD DIVERSITY POLICY

As a part of good governance, the Company has formulated a Policy on 'Board Diversity' to provide a framework and set standards for having a diversified Board and to ensure that the size of the Board is consistent with scale, nature and complexity of business.

The Board Diversity Policy may be referred to, on the website of the Company at its weblink, i.e. <https://www.magmainsurance.com/documents/d/magmainsurance/board-diversity-policy-1>.

## REMUNERATION POLICY

The Company has in place a Remuneration Policy which sets out the criteria for selection, appointment and remuneration of Non - Executive Directors, Independent Directors, MD & CEO and Key Managerial Personnel ("KMP").

The objectives and purpose of the policy are:

- To determine the criteria for selection and performance evaluation of Directors and KMP;
- To determine qualification, positive attributes and independence for the appointment of Independent Directors;
- To define framework for payment of remuneration of Directors and KMP.

The Board Diversity Policy may be referred to, on the website of the Company at its weblink, i.e. <https://www.magmainsurance.com/documents/d/magmainsurance/remuneration-policy-1>.

## DISCLOSURES ON REMUNERATION OF MANAGING DIRECTOR AND KEY MANAGEMENT PERSONS

### (i) Qualitative Disclosures:

#### A. Information relating to the composition and mandate of the Nomination and Remuneration Committee

The details about the composition and mandate of the Nomination and Remuneration Committee ("NRC" or "Committee") are provided in the Corporate Governance Report.

#### B. Information relating to design and structure of the remuneration policy and the key features and objectives:

The Company under the guidance of the Board and the NRC, follows compensation practices intended to drive meritocracy and fairness and to attract, retain and motivate competent resources.

The key features and objectives of the Remuneration Policy are as under:

- a. Compensation payable to MD/WTD/CEO shall be as per the applicable statutory provisions of the Act read with the IRDAI Regulations and the Insurance Act, 1938 and amendments and rules made there-under for the time being in force.
- b. While deciding the remuneration of MD&CEO/WTDs/KMPs, the company shall also take into consideration the following factors:
  - i. Remuneration shall be adjusted for all types of risk. While adjusting the risks, variety of measures of credit, market and liquidity risks may be considered. The risk adjusted methods shall have both quantitative and judgmental elements. The parameters so considered shall be in line with the Business Plan of the company.
  - ii. The level and composition of remuneration is market competitive, reasonable and sufficient to attract, retain and motivate directors and KMPs required to efficiently run the company successfully.

- iii. Remuneration pay-outs are sensitive to the time horizon of the Risk. The mix of cash, equity and other forms of remuneration will be consistent with risk alignment such that Remuneration outcomes are symmetric with risk outcomes.
- c. The following aspects may be considered while framing the remuneration structure of the MD/WTD/ CEO/ KMP:
 

**Fixed pay** of the remuneration shall be reasonable taking into consideration all the relevant factors and will consist of elements like Basic Salary, Allowances, Perquisites as defined under the Income-tax Act, 1961, contribution towards retiral and all other fixed items of compensation.

**Variable Pay:**

- Variable pay shall be in the form of share-linked instruments or a mix of cash and share linked instruments. The cash component of variable pay may be in the form of bonus or incentives.
- Variable Pay shall be paid out only once a year.
- Company shall ensure that there is a proper balance between Fixed Pay and Variable Pay.
- KMPs of the Company shall not be issued/granted any sweat equity shares.
- At least 50% of fixed pay will be variable and paid based on individual, business-unit and Company performance. The total variable pay (including cash component and Share Linked Instrument) shall not exceed 300% of the fixed pay.
- In case the total variable pay is up to 200% of the fixed pay, a minimum of 50% of the total variable pay and in case the variable pay is above 200%, a minimum of 70% of the total variable pay shall be via Share Linked Instruments.
- In case of Share Linked Instruments, the total number of ESOPs granted in a year shall not exceed 1% of the paid-up capital of the Company.
- The total number of shares held by employees, including KMPs, shall not exceed 5% of the paid-up equity shares of the Company, at any point of time.
- The fair value of the Share Linked Instrument, for the purpose of quantifying the variable pay, shall be determined by Category I merchant banker registered with SEBI, basis fair value (calculated using preferably Black-Scholes model or any other commonly used model) of the options and shall not be more than 3 months before the date of the grant.
- Of the total variable pay, at least 50% shall be deferred. The Deferred variable pay could be in the form of share linked instruments and/or cash component.
- The deferral period would be minimum of three years. The first such vesting shall accrue after one year from the commencement of the deferral period. Vesting shall be no faster than on a pro rata basis and shall not take place more frequently than on a yearly basis to ensure a proper assessment of risks before the application of ex-post adjustments. In the case of Share Linked Instrument, the actual deferral period shall be governed by the relevant rules of Share Linked Plan (Employee Stock Option Plan 2018) as approved by the Board and Shareholders.

For a particular year, where variable pay is mix of cash and share linked instruments and such cash component of variable pay is (i) up to Rupees Twenty-Five lakhs (₹25 lakhs), no deferral requirement for the cash component would be necessary. (ii) more than Rupees Twenty-Five lakhs (₹25 lakhs), payment of such cash component is allowed as per the following modes:

- a) Payment of first ₹25 lakhs without any deferment and
- b) Payment of the balance cash component of variable pay above ₹25 lakhs as under:
  - i) 50% without deferment.
  - ii) balance-50% to be deferred equally over a period of 3 years.

**C. Description of the ways in which current and future risks are taken into account in the remuneration policy**

While deciding the remuneration of MD&CEO/WTDs/KMPs, the NRC shall also take into consideration the following factors:

- i. Remuneration shall be adjusted for all types of risk. While adjusting the risks, variety of measures of credit, market and liquidity risks may be considered. The risk adjusted methods shall have both quantitative and judgmental elements. The parameters so considered shall be in line with the business plan of the company.
- ii. The level and composition of remuneration is market competitive, reasonable and sufficient to attract, retain and motivate directors and KMPs required to efficiently run the company successfully.

iii. Remuneration pay-outs are sensitive to the time horizon of the risk. The mix of cash, equity and other forms of remuneration will be consistent with risk alignment such that Remuneration outcomes are symmetric with risk outcomes.

Variable pay shall be in the form of “pay at risk”. Depending on performance and risk outcomes at individual, business units and company-wide level, the variable pay shall be truly variable and can even be reduced to zero.

The Company has defined the Malus & Clawback arrangement for deferred variable pay as defined under:

**Malus arrangement** wherein in case of subdued or negative financial performance arising not on account of gross negligence or misconduct of the KMPs, the Company may withhold cash bonus or vesting of Employee Stock Options and may lapse unvested Employee Stock Options in accordance with the ESOP Plan.

**Clawback arrangement** wherein in case of gross negligence or misconduct or cause as defined in the Company's code of conduct, the KMP shall be liable to return previously paid or vested variable pay.

**D. Description of the ways in which the Company seeks to link performance during a performance measurement period with levels of remuneration**

The NRC defines Key Performance Indicators (KPIs) for Whole-time Directors and the Organisation performance norms for bonuses based on the financial and strategic plan approved by the Board.

The minimum parameters which shall be taken into account for performance assessment of all KMPs (including MD/CEO/ED) for payment of variable pay shall be:

- Overall financial soundness such as Net Worth position, solvency, growth in AUM, Net Profit etc.
- Compliance with expenses of management regulations.
- Claim efficiency in terms of settlement and outstanding.
- Improvement in grievance redressal status/ position.
- Reduction in unclaimed amounts of policyholders.
- Renewal rate.
- Overall compliance status w.r.t. all applicable laws.

The KPIs mentioned above shall have at least 60% of total weightage in the performance assessment matrix of MD/CEO/WTDs and at least 30% of total weightage in the performance assessment matrix of other KMPs individually.

The Committee may configure weightage for each of the above parameters suitably depending on the respective roles.

The above parameters shall also be used as an input for determining fixed pay increments as well.

**(ii) Quantitative Disclosures:**

The details of remuneration paid to Managing Director & CEO and Whole-time Directors are disclosed under 'Managerial Remuneration' section of the Notes to Accounts forming part of the financial statements.

## RISK MANAGEMENT FRAMEWORK

The Company has in place a Risk Management Policy commensurate with the size of the Company which provides for a robust Risk Management Framework to identify, evaluate and mitigate risks in order to minimize the frequency and impact of risks.

The specific objective of the Risk Management Policy is to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified and appropriately mitigated, to comply with applicable regulations and adopt best practices to ensure business growth with financial stability.

The Company also has an Internal Control and Fraud Risk Management Team, which identifies fraud(s) through inbuilt controls such as fraud indicators and conducts analytical projects for identification of frauds. It also has a robust mechanism to take corrective actions such as process changes and disciplinary actions like termination, filing police complaints, suspending license/agreement etc. on identification of frauds or potential frauds.

The Company also has an Operational Risk Management framework to manage risk that may arise from inadequate or failed internal processes, peoples, systems, or external events. To manage and control operational risk, various tools, including self assessments, operational risk event management and key risk indicator monitoring are used.

Further, the Company recognizes that information is a critical business asset, and accordingly, there is an information security and cyber security framework that ensures all information assets are safeguarded by establishing comprehensive management processes.

The risk and risk mitigating factors are discussed and deliberated at the Meetings of the Risk Management Committee and the Board.

## **VIGIL MECHANISM**

The Company encourages an open and transparent system of working and dealing amongst its stakeholders.

In accordance with Section 177 of the Act, the Company has adopted the "Breach of Integrity and Whistle Blower Policy" to provide a formal vigil mechanism to the directors and employees to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy.

The Policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee of the Board.

The said Policy may be referred to, at the website of the Company at its weblink, i.e. <https://www.magmainsurance.com/documents/d/magmainsurance/breach-of-integrity-and-whistle-blower-policy>.

The Whistleblower complaints, if any, are reviewed by the Audit Committee on quarterly basis.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013**

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis and the same were also reviewed by the Audit Committee of the Board.

The Policy on Related Party Transactions is hosted on the website of the Company and can be viewed at <https://www.magmainsurance.com/web/magmainsurance/public-disclosures/other-disclosures/policies>.

The particulars of contract or arrangements entered into by the Company with related parties are mentioned separately in the notes to financial statements.

During the year under review, the Company had not entered into any contract / arrangement / transaction with related parties which requires reporting in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188(1) of the Act, and Rule 8(2) of the Companies (Accounts) Rules, 2014, as amended from time to time.

BBSR & Associates, LLP have reviewed the related party transactions for Financial Year 2024-25, and their reports were placed before the Audit Committee for review, along with details of such transactions.

## **INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL**

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of the business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The internal financial control and risk management systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee. The Chairman of the Audit Committee briefs the Board on deliberations at the Audit Committee Meeting.

Internal audits are conducted by in-house internal audit team. Internal Audit also engages external subject matter experts wherever required. The Audit Committee regularly reviews the audit findings and actions taken thereon, as well as the adequacy and effectiveness of the internal systems and controls.

### **Concurrent Audit of Investments**

In accordance with IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations 2024, an independent chartered accountant firm appointed by the Audit Committee carries out the concurrent audit of investment operations as per IRDAI investment regulations/ guidelines and guidance note on Internal/ Concurrent Audit of Investment functions of Insurance Companies, issued by the Institute of Chartered Accountants of India. Any significant findings in the concurrent audit are reviewed by the Investment Committee and presented to the Audit Committee.

## **MAINTENANCE OF COST RECORDS**

Being an Insurance Company, the Company is not required to maintain cost records as specified under Section 148(1) of the Act.

## **COST AUDITORS**

Cost audit is not applicable as per Section 148 of the Act, read with Companies (Cost Records and Audit) Rules, 2014. Thus, the Company is not required to appoint a Cost Auditor.

## **JOINT STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Act, every company is required to appoint a Statutory Auditor for audit of financial statements of the Company. Further, in accordance with IRDAI Corporate Governance Regulations, every insurance company is required to appoint a minimum of two auditors as Joint Statutory Auditors.

Singhi & Co., Chartered Accountants, (Firm Registration No. 302049E) were appointed as the Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of the 12<sup>th</sup> AGM (FY2021) till the conclusion of the 17<sup>th</sup> AGM (FY2026) along with M S K A & Associates, Chartered Accountants, (Registration No. 105047W) who were appointed for a period of 5 years to hold office from the conclusion of the 13<sup>th</sup> AGM (FY2022) till the conclusion of the 18<sup>th</sup> AGM (FY2027).

## **STATUTORY AUDITORS' OBSERVATIONS**

The notes to financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer for the year under review.

## **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Parikh & Associates, Company Secretaries (Firm Registration No: P1988MH009800), for conducting Secretarial Audit for the Financial Year 2024-25. The Secretarial Audit Report relating thereto is annexed herewith and marked as "**Annexure C**" to this report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer for the year under review.

## **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, there have been no instances of fraud reported by the Auditors to the Audit Committee and the Board, pursuant to Section 143(12) of the Act and the Rules made thereunder.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/ TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE**

There are no significant and material orders passed by the Regulators/Courts/Tribunals that impacted the going concern status of the Company, and its future operations.

## **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013**

The Company has zero tolerance towards sexual harassment at workplace and has adopted a 'Policy for Prevention, Prohibition of Sexual Harassment' to prohibit, prevent or deter any acts of sexual harassment and provide for redressal of complaints, thereby providing a safe and healthy work environment, in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and the rules framed thereunder.

The Company has made the policy gender neutral. The Company has an Internal Complaints Committee ("ICC") to redress and resolve any complaints arising under the POSH Act. Further, training/awareness programs are conducted throughout the year to create sensitivity towards ensuring a respectable workplace.

During the year under review, one complaint was received, which was duly investigated and disposed off within the statutory time frame, and the judgement was formally notified to the parties concerned. There are no complaints pending as of March 31, 2025.

## **PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

### **A) 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) of the Act, and Rule 8(3) of Companies (Accounts) Rules, 2014, is not applicable to the Company. However, the information, as applicable, is given hereunder:

(i) Steps taken to conserve energy	Being an insurance company and services provider, the operations of the Company require minimal energy consumption.
(ii) The steps taken by your company for utilizing alternate sources of energy	The Company is making all efforts to conserve energy by monitoring energy costs and periodically reviewing the consumption of energy.
(iii) The capital investment in energy conservation equipment – Not Applicable	The Company continues its efforts to implement energy efficient solutions in various spheres of its activities.

### **B) Technology Absorption**

#### **i. Efforts made towards Technology Absorption**

- Automation of PPMC & AHC via direct integration with the Service Providers, Integration with Hyundai Motors.
- Implementation of Automation Regression testing tool to significantly reduce post-production issues, ensuring greater software reliability and improved user experience by proactively identifying and addressing potential defects before deployment.

- Successfully upgraded assets impacted by technology obsolescence.
- Core Policy Administration System (Genesys Configurator) by transitioning the Technology Obsolescence assets from Silverlight to modern HTML5, enhancing performance and user experience.
- Beam migration which provides significant performance enhancement.
- Monthly training provided to users on absorption and adoption of technology.

ii. **Benefits derived like product improvement, cost reduction, product development or import substitution** – Not Applicable

iii. **Information related to imported technology (imported during the last three years reckoned from the beginning of the year under reference)** – Not Applicable

iv. **The expenditure incurred on Research and Development** – Not Applicable

#### C) Foreign Exchange Earnings And Outgo

Details of Foreign Exchange earnings or outgo during the period under review are as follows:

(₹ in crores)

Particulars	FY2025	FY2024
Foreign exchange outgo in terms of actual outflows	198.21	65.56
Foreign exchange earned in terms of actual inflow	17.84	7.01

### ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, the draft of the Annual Return of the Company for the financial year ended March 31, 2025, is hosted on the website of the Company and can be viewed at <https://www.magmainsurance.com/web/magmainsurance/public-disclosures/other-disclosures/agms>.

In terms of Rules 11 and 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return shall be filed with the Registrar of Companies, within the prescribed timelines.

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

During the year under review, the Company has not filed any application and no proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

### 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

There has been no instance of one-time settlement with the banks or financial institutions.

### PARTICULARS OF LOANS/ GUARANTEE/ ADVANCES/ INVESTMENTS OUTSTANDING DURING THE FINANCIAL YEAR

The provisions of Section 186(4) of the Act, requiring disclosure in the financial statements of full particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security is not applicable to the Company, being an Insurance Company.

### DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) read with 134(5) of the Act, and based on the information provided by the management, the Directors state that:

- In the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- The Directors have selected such accounting policies and applied 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, as on March 31, 2025, and of the profit of the Company for the year ended on the date;
- 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, if any;

- d. The Directors have prepared the annual accounts of the Company on a going concern basis; and
- e. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

## **ACKNOWLEDGEMENT**

The Board wishes to thank the Insurance Regulatory and Development Authority of India, Securities and Exchange Board of India, Ministry of Corporate Affairs, General Insurance Council, BSE Limited, Depositories, Debenture Trustees and other regulatory authorities for their continued support and guidance. The Board wishes to place on record their gratitude to all the policyholders, shareholders, customers, distributors, and business associates for reposing their trust and confidence in the Company. The Directors would also like to express their sincere appreciation to the employees of the Company at all levels for their hard work, dedication and untiring commitment in the growth journey of the Company.

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

Place: Mumbai

Date: September 22, 2025

**Sanjay Chamria**

DIN 00009894

Chairman

# Annexure A to Board Report

**Disclosure as per Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014**  
**Magma ESOP Plan 2018 (Details as on March 31, 2025)**

<b>Sl. No.</b>	<b>Description</b>	<b>(Grant 1)</b>	<b>(Grant 2)</b>	<b>(Grant 3)</b>	<b>(Grant 4)</b>	<b>(Grant 5)</b>	<b>(Grant 6)</b>	<b>(Grant 7)</b>
a	Number of options granted	8,85,488	8,96,000	9,92,500	4,30,000	11,52,500	22,80,000	1,36,300
b	Options vested during the year	-	-	-	-	4,61,000	6,84,000	-
c	Options exercised during the year	28,363	1,33,937	1,39,500	-	2,27,500	-	-
d	Total number of equity shares of ₹10/- each arising as a result of exercise of options	28,363	1,33,937	1,39,500	-	2,27,500	-	-
e	Number of Options lapsed during the year	-	-	10,000	-	-	48,000	-
f	Exercise Price	44.10	42.08	50.46	50.46	79.6684	86.35	126.02
g	variation of terms of options	Complied as per the applicable law						
h	Money realized by exercise of options (In ₹)	12,50,808	56,36,069	70,39,170	-	1,81,24,561	-	-
i	<b>Total number of options in force*</b>	-	72,513	2,58,000	-	5,40,000	22,32,000	1,36,300
j	<b>Employee wise details of options granted to:</b> (a)Key managerial personnel;	Given Separately in Annexure (i) (Present Employee)						
	b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	Given Separately in Annexure (ii) (Present Employee)						
	(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	NIL						

\*No. of options in force as on date = Total grant - Options exercise - Options lapsed

## Annexure (i)

### List of Key managerial personnel to whom stock options were granted

Plan Name	Name of Employee	Date of Grant of Options	Tranche	Designation	Number of options granted till 31.03.2025	Exercise Price (in ₹)
Magma ESOP Plan 2018	Rajive Kumaraswami	07-May-18	1	Managing Director & Chief Executive Officer	2,39,055	44.10
		24-Jan-20	2		2,00,000	42.08
		22-Oct-20	3		2,00,000	50.46
		21-Jan-21	4		2,03,250	50.46
		17-Dec-21	5		2,00,000	79.6684
		19-Feb-24	6		256000	86.35
		17-May-24	7		35,000	126.02
	Vikas Mittal	07-May-18	1	Deputy CEO	1,09,969	44.10
		24-Jan-20	2		1,00,000	42.08
		22-Oct-20	3		1,00,000	50.46
		21-Jan-21	4		1,02,000	50.46
		17-Dec-21	5		1,00,000	79.6684
		19-Feb-24	6		1,60,000	86.35
		17-May-24	7		17,000	126.02
	Amit Bhandari	07-May-18	1	Chief Technical Officer	74,588	44.10
		24-Jan-20	2		67,500	42.08
		22-Oct-20	3		67,500	50.46
		21-Jan-21	4		68,750	50.46
		17-Dec-21	5		77,500	79.6684
		19-Feb-24	6		1,20,000	86.35
		17-May-24	7		11,000	126.02
	Gaurav Parasrampuria	07-May-18	1	Chief Financial Officer	47,813	44.10
		24-Jan-20	2		55,000	42.08
		22-Oct-20	3		55,000	50.46
		21-Jan-21	4		56,000	50.46
		17-Dec-21	5		60,000	79.6684
		19-Feb-24	6		84,000	86.35
		17-May-24	7		11,700	126.02

## Annexure (ii)

Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year of grant

Plan Name	Name of Employee	Date of Grant of Options	Grant	Designation	Number of options granted in FY2025	Exercise Price (in ₹)
Magma ESOP Plan 2018	Rajive Kumaraswami	17-May-24	7	Managing Director & Chief Executive Officer	35000	126.02
	Vikas Mittal	17-May-24	7	Deputy CEO	17000	126.02
	Amit Bhandari	17-May-24	7	Chief Technical Officer	11000	126.02
	Gaurav Parasrampuria	17-May-24	7	Chief Financial Officer - Ins	11700	126.02
	Shivendra Tripathi	17-May-24	7	Appointed Actuary	9600	126.02
	Amit Shantiprasad Thapliyal	17-May-24	7	Chief Technology Officer	36700	126.02

**Disclosure as per Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014  
as on March 31, 2025**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details of employee who have exercised options</b>
(a)	the names of the employees who have not exercised the voting rights directly	1 Rajive Kumaraswami 2 Vikas Mittal 3 Amit Bhandari 4 Gaurav Parasrampuria 5 Debasis Sanyal 6 Nirjhar Pramanik 7 Sanjeev Punn 8 Nitin Jain 9 Hemant Trivedi 10 Dinesh Pande 11 Abhishek Ranjan 12 Jinesh Shah 13 Mayank Tantia 14 Soumen Boyal 15 Kishore T Khanchandani 16 Manish Gangaram Mhadgut 17 Nirmal Kumar Gupta 18 Amit Loya 19 Amit Jagdish Sirsikar 20 Shivendra Tripathi 21 Pankaj Chaudhary 22 Jagannath Venkatraman 23 Rashmi Dipesh Dalal 24 Meghna Harshal Shah 25 D Ganesan 26 Sandip Avinash Kalkar 27 Raj Kumar Akar 28 Milan Kirit Rajani
(b)	the reasons for not voting directly	As per the Magma General Insurance Limited - Employee Stock Option Plan 2018 ("ESOP 2018"), any shares allotted under the Scheme shall be registered under the name of Magma HDI General Insurance Company ESOP Trust while the beneficial ownership shall remain with the employees who are so granted the ESOP Scheme. Accordingly, once the option is exercised, the Magma General Insurance ESOP Trust being the Registered owner exercises the voting powers in the general meeting.
(c)	the name of the person who is exercising such voting rights	Vistra Trust Company Limited being the Trustees of ESOP Plan 2018 exercises the voting rights
(d)	the number of shares held by or in favour of, such employees and the percentage of such shares to the total paid up share capital of the company	2,498,234 Equity Shares and 0.851%
(e)	the date of the general meeting in which such voting power was exercised	Tuesday, January 16, 2024
(f)	the resolutions on which votes have been cast by persons holding such voting power	1. Amendment of Magma HDI Employee Stock Option Plan, 2018 2. Re-appointment of Mr. Rajive Kumaraswami as the MD and CEO of the Company
(g)	the percentage of such voting power to the total voting power on each resolution	0.851%
(h)	whether the votes were cast in favour of or against the resolution	All the votes were casted in favour of the resolution

# Annexure A to Board Report

## Annual Report on Corporate Social Responsibility (“CSR”) Activities (for Financial Year ended March 31, 2025)

### 1. Brief outline on CSR Policy of the Company

Magma General Insurance Limited (Erstwhile Magma HDI General Insurance Company Limited) (“the Company”) proposes to make a positive difference to society and firmly believes that it has a commitment to all its stakeholders, customers, employees and the community in which it operates, and it can fulfil this commitment only by sustainable and inclusive growth. The Company aims to improve the quality of life through its positive intervention in the community.

The Company has duly constituted the Corporate Social Responsibility Committee in accordance with the provisions of the Companies Act, 2013 (“the Act”) and IRDAI (Corporate Governance for Insurers) Regulations, 2024 read with Master Circular on Corporate Governance for Insurers, 2024 (“IRDAI Corporate Governance Regulations”). During the year, the name of the “Corporate Social Responsibility Committee” was changed to “Corporate Social Responsibility and Sustainability Committee” (“CSR & Sustainability Committee” or “the Committee”).

The Company has formulated the Corporate Social Responsibility Policy (“CSR Policy”) which sets out the framework guiding the Company’s CSR activities.

### 2. Composition of CSR & Sustainability Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	No. of meetings of CSR Committee during the year	
			Held	Attended
1	Mr. Sudhir Kapadia <sup>1</sup>	Chairman, Independent Director	1	1
2	Mr. Mayank Poddar <sup>2</sup>	Chairman, Non-executive Director	1	1
3	Mr. Sunil Mitra <sup>3</sup>	Member, Independent Director	1	N.A.
4	Ms. Sandhya Sharma	Member, Independent Director	1	1
5	Mr. Vinesh Kriplani	Member, Non-executive Director	1	1
6	Mr. Rajive Kumaraswami	Member, Managing Director & Chief Executive Officer	1	1

<sup>1</sup> Appointed as a Member w.e.f. July 23, 2024, and designated as Chairman w.e.f. October 24, 2024

<sup>2</sup> Ceased to be a Member and Chairman w.e.f. October 24, 2024

<sup>3</sup> Ceased to be a Member w.e.f. July 22, 2024

### 3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company

Sl. No.	Particulars	Web-Link
1.	Composition	<a href="https://www.magmainsurance.com/documents/d/magmainsurance/csr-committee-composition">https://www.magmainsurance.com/documents/d/magmainsurance/csr-committee-composition</a>
2.	CSR Policy	<a href="https://www.magmainsurance.com/documents/d/magmainsurance/csr-policy">https://www.magmainsurance.com/documents/d/magmainsurance/csr-policy</a>
3.	CSR Projects approved by the Board	Not applicable, since the Company was not required to spend on CSR activities for FY2025.

### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable for the financial year under review.

5. a) Average net profit of the Company as per sub-section (5) of Section 135: ₹(15,537 Lakhs)

b) Two percent of average net profit of the Company as per Section 135(5): Not Applicable

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

d) Amount required to be set off for the financial year, if any: NIL

e) Total CSR obligation for the financial year (5b+5c-5d): NIL

6. (a) Amount spent on CSR Projects (ongoing project and other than ongoing project): Not Applicable

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year (a+b+c): NIL

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL					

(f) Excess amount for set off, if any: Not Applicable

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	NIL
(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)]	

7. 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 ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(Yes/No)

If yes, enter the number of capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s)	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR registration No., if applicable	Name	Registered Address
Not Applicable							

9. 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

For and on behalf of the Board of Directors

**Rajive Kumaraswami**  
(Managing Director & CEO)  
DIN: 07501971

Place: Mumbai  
Date: September 22, 2025

**Sudhir Kapadia**  
(Chairman of CSR & Sustainability Committee)  
DIN: 05307843

Place: Mumbai  
Date: September 22, 2025

**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[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 Board of Directors,

**Magma General Insurance Limited**

**(formerly Magma HDI General Insurance Company Limited)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Magma General Insurance Limited (formerly Magma HDI General 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 of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended March 31, 2025, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended March 31, 2025 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not applicable to the Company during the Audit Period);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period) and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as applicable.
- (vi) Other laws specifically applicable to the Company namely:
  - a) The Insurance Act, 1938;
  - b) Insurance Regulatory and Development Authority (IRDAI) (Corporate Governance for Insurers) Regulations, 2024 read with Master Circular on Corporate Governance for Insurers, 2024
  - c) IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular on Actuarial, Finance and Investment Functions of Insurers 2024;

- d) IRDAI (Rural, Social Sector and Motor Third Party Obligations) Regulations, 2024 read with Master Circular on Rural, Social Sector and Motor Third Party Obligations;
- IRDAI (Insurance Web Aggregators) Regulations, 2017 (as amended in 2019);
- IRDAI (Sharing of Database for Distribution of Insurance Products) Regulations, 2010;
- e) IRDAI (Protection of Policyholders' Interests, Operations and Allied Matters of Insurers) Regulations, 2024 read with Master Circular on Protection of Policyholders' interests 2024;
- f) IRDAI (Re-insurance) Regulations, 2018 read with Master Circular on Reinsurance, 2024;
- g) IRDAI (Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers) Regulations, 2024 read with Master Circular on Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers, 2024;
- h) IRDAI (Expenses of Management, including Commission, of Insurers) Regulations, 2024 read with Master Circular on Expenses of Management, including Commission, of Insurers, 2024;
- i) IRDAI (Insurance Product) Regulations, 2024 read with Master Circular on General Insurance Business and Master Circular on Health Insurance Business;
- j) Master Circular on Submission of Returns, 2024;
- k) Indian Insurance Companies (Foreign Investment) Rules, 2015 (as amended in 2021);
- l) BAP Compliances;
- m) KYC- Aadhar Guidelines;
- n) Guidelines on Insurance Claims of Victims of Cyclone Floods;
- o) IRDAI Information and Cyber Security Guidelines, 2023;
- p) Master Guidelines on Anti-Money Laundering /Counter Financing of Terrorism, 2022;
- q) Guidelines on Public disclosures by Insurers; and
- s) Such other Guidelines / Regulations / Circulars issued by IRDAI as may be applicable to the Company from time to time.

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

1. Secretarial Standards issued by the Institute of Company Secretaries of India with respect to board and general meetings.
2. Listing Agreement entered into by the Company with BSE Ltd. (for Non-Convertible Debentures) as per SEBI (LODR) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive and Non-Executive 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 was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

All decisions at the Board Meetings are passed unanimously.

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 following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. During the year, the Board vide its resolution October 30, 2024, allotted 2,36,27,624 Equity Shares of ₹10/- each at a price of ₹126.97 per equity share on a preferential basis. Also, the company had allotted 463,303 equity shares to the Magma General Insurance ESOP Trust pursuant to exercise of options by eligible employees under Grant 1, Grant 2, Grant 3 and Grant 5 of the Magma - Employee Stock Option Plan 2018.
2. The name of the Company was changed from Magma HDI General Insurance Company Limited to Magma General Insurance Limited effective January 02, 2025.

3. The Board of Directors of the Company at its meeting held on March 12, 2025, approved execution of the Share Purchase Agreement with respect to the proposed transfer of equity shares by Sanoti Properties LLP, Celica Developers Private Limited, Jaguar Advisory Services Private Limited, Mr. Keki Mistry, Atul DP Family Trust, Shahi Sterling Exports Private Limited, QRG Investments and Holdings Limited and such other employee shareholders (collectively referred to as "Sellers") to Patanjali Ayurved Limited, S.R. Foundation, RITI Foundation, RR Foundation, Suruchi Foundation and Swati Foundation (collectively referred to as "Buyers") ("SPA") at a fair value as set out in the valuation report(s) issued by the Registered Valuer and Category I – Merchant Banker, subject to applicable regulatory approvals. The Stock Exchange intimation dated March 12, 2025, was made in this regard .

**For Parikh & Associates**  
Company Secretaries

Place: Mumbai

Date: April 29, 2025

Signature:

Sarvari Shah  
Partner  
FCS No: 9697 CP No: 11717  
UDIN: F009697G000229917  
PR No.: 6556/2025

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

## **‘Annexure A’**

To  
The Board of Directors,  
**Magma General Insurance Limited**  
**(formerly Magma HDI General Insurance Company Limited)**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process 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 events, 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.

**For Parikh & Associates**  
Company Secretaries

Place: Mumbai  
Date: April 29, 2025

Sarvari Shah  
Partner  
FCS No: 9697 CP No: 11717  
UDIN: F009697G000229917  
PR No.: 6556/2025

REPORT ON

# CORPORATE

GOVERNANCE



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# REPORT ON CORPORATE GOVERNANCE

## PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Corporate Governance is a commitment to conduct business in an ethical and transparent manner, by complying with the applicable Laws, Rules, Regulations and Guidelines in true spirit. Corporate Governance involves balancing the interest of various stakeholders. The Companies Act, 2013 ("the Act") and IRDAI (Corporate Governance for Insurers) Regulations, 2024 read with Master Circular on Corporate Governance for Insurers, 2024 ("IRDAI Corporate Governance Regulations") recognizes the importance of having good corporate governance structure and has laid down various initiatives which should be implemented by the corporates.

Magma General Insurance Limited (Erstwhile Magma HDI General Insurance Company Limited) ("the Company") is fully committed to follow sound corporate governance practices and uphold the highest business standards in conducting business.

The Company believes in the philosophy of conducting business through fair and ethical means. The true spirit of corporate governance emanates from the strong values that the Company believes and practices. The philosophy on corporate governance is an important tool for shareholder protection and maximization of their long-term values. The Company's Corporate Governance architecture has been strengthened through various Policies, Frameworks, Guidelines and Codes adopted by the Company.

The Company endeavours to enhance the economic value, trust and confidence of all its stakeholders through good Corporate Governance practices and its core values i.e. Integrity, Empathy, Fairness and Excellence. Every effort is made to follow the best practices in all the functional areas and in discharging the Company's responsibilities towards all stakeholders and the community at large.

The report on the Company's Corporate Governance is as under:

## BOARD OF DIRECTORS

The Board is the apex body for overseeing the Company's overall functioning. The composition of the Board of Directors is governed by the provisions of the Act read with Rules made thereunder, IRDAI Corporate Governance Regulations as amended from time to time and Articles of Association of the Company. The Board comprises highly experienced persons of repute and eminence, and has an optimal and diverse mix of Executive and Non-Executive Directors, including Independent Directors.

### Board Diversity and Expertise

The Board comprises Directors who bring a wide range of skills, expertise, experience, and knowledge, which enhances the overall effectiveness of the Board. As a part of good governance, the Company has in place a Board Diversity Policy which is also hosted on the website of the Company and can be viewed at <https://www.magmainsurance.com/documents/d/magmainsurance/board-diversity-policy-1>.

The Board of Directors of the Company consists of eight (8) Directors, with three (3) Independent Directors (including one (1) woman director), four (4) Non - Executive Directors and one (1) Managing Director & Chief Executive Officer ("MD & CEO").

The MD & CEO of the Company is an executive member of the Board. None of the Directors of the Company are related to each other.

All the members of the Board are eminent persons with significant expertise in the fields of accountancy, finance, taxation, investments, strategy, insurance and governance. The Company is immensely benefitted by the range of experience and skills that the Directors bring to the Board.

The Board is overall responsible for the management, general affairs, strategic direction, and performance of the Company and is ably supported by the Board Committees, the MD & CEO, and the Management Committee.

All the Board Committees are led by Independent Directors.

**The composition of the Board of Directors as on March 31, 2025, is as follows:**

Sr. No	Name of the Director	DIN	Qualification	Field of Specialization	Nature of Directorship	Number of other Directorships
1	Mr. Sanjay Chamria	00009894	Chartered Accountant	Finance, Insurance	Chairman, Non-Executive Director	2
2	Mr. Mayank Poddar	00009409	Bachelor of Commerce	Finance, Insurance	Non-Executive Director	6
3	Mr. Vinesh Kriplani	08212644	Chartered Accountant	Finance, Taxation	Non-Executive Director	0
4	Mr. Jens Wohlthat*	05245642	Versicherungs-fa-chwirt (nearest to ACII in India) Insurance	Insurance	Non-Executive Non-Independent Director	1

Sr. No	Name of the Director	DIN	Qualification	Field of Specialization	Nature of Directorship	Number of other Directorships
5	Mr. Sanjay Sachdev**	00415170	Bachelors Degree in Law and Business from Mumbai University, MBA in International Business	Finance, Investments	Non-Executive Independent Director	4
6	Mr. Sudhir Kapadia**	05307843	Chartered Accountant, Chartered Financial Analyst	Accountancy, Finance, Taxation	Non-Executive Independent Director	2
7	Ms. Sandhya Sharma	02005378	Master of Management Studies	Finance, Governance	Non-Executive Independent Director	3
8	Mr. Rajive Kumaraswami	07501971	Chartered Accountant and Cost Accountant	Finance, Insurance	Managing Director and CEO	0

\*appointed w.e.f. July 18, 2024

\*\*appointed w.e.f. July 23, 2024

## FIT AND PROPER CRITERIA

In accordance with the IRDAI Corporate Governance Regulations, all the directors have to meet "Fit and Proper" criteria prescribed by IRDAI. Accordingly, all the Directors of the Company have submitted declaration confirming compliance with "Fit and Proper" criteria as prescribed.

## RESPONSIBILITIES OF THE DIRECTORS

The Board of Directors represents the interest of the Company's shareholders in optimizing long-term value by providing the Management with guidance and strategic direction on behalf of the shareholders. The Board's mandate is to oversee the Company's strategic direction, review financial, operational and investment performance, approve the annual business plan, ensure regulatory compliance and safeguard the interest of all stakeholders.

The primary role of the Board of Directors is to ensure that the Company has clear goals aligned with stakeholders' value and their growth. Apart from this, the Board of Directors are also responsible for the following:

1. Exercising appropriate control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations.
2. Monitoring the effectiveness of the Company's governance practices.
3. Ensuring compliance with the Insurance Act, 1938 and the regulations framed thereunder, and other statutory requirements applicable to it.
4. Ensuring information sharing and making appropriate disclosures to stakeholders, including investors, policyholders, employees, regulators, consumers, financial analysts, debenture trustees and/or credit rating agencies.
5. Exercising independent judgement in the affairs of the Company.

The Board plays a pivotal role in ensuring good governance and creating value for all stakeholders. The Directors acknowledge their duties as prescribed under the applicable laws.

The Board, while discharging its responsibilities and providing effective leadership to the business, upholds corporate values, promotes ethical culture and leverages innovation.

## Role of Chairperson

The role of the Chairperson and MD & CEO is distinct and separate to create a balanced governance structure. The Chairperson of the Company leads the Board and is responsible for promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and protects interests of all its stakeholders. The Chairperson of the Company actively participates and presides over all meeting(s) of the Board and Shareholders. The Chairperson also takes a lead in managing the Board and facilitates effective communication among all the Directors of the Company.

Further, the Chairperson's role also includes:

- a) demonstrating ethical leadership;
- b) setting a board agenda which is primarily focused on strategy, performance, value creation and accountability, and ensuring that issues relevant to these areas are reserved for board decision;
- c) ensuring a timely flow of high-quality supporting information, regularly considering succession planning, composition of the board etc.

## Role of Managing Director & CEO

The Managing Director & Chief Executive Officer ("MD & CEO") of the Company is responsible for the operations and day-to-day management of the Company under the guidance and direction of the Board.

The MD & CEO is also entrusted with the responsibility of developing and implementing high-level strategies, making major corporate decisions, managing the overall operations and resources of the Company and acting as the main point of contact between the Board of Directors and the Corporate Operations. The MD & CEO of the Company acts as a link between the Board and the Management.

Further, the MD & CEO of the Company is also entrusted with the responsibility of leading and evaluating the work of other executive leaders including the members of the management team. The MD and CEO also streamlines the governance processes throughout the Company and ensures effective functioning of top management.

### **Role of Non-executive Directors (Including Independent Directors)**

The Non-Executive Directors, play a critical role in balancing the Board processes by bringing independent judgement on matters pertaining to strategy, governance, compliance, etc. They provide oversight in matters of the Company and ensure effective implementation of Board and Committee decisions. The Non-Executive Directors ensure that the functions of the Company are in the best interest of all its stakeholders.

Further, the Non-Executive Directors play a crucial role in ensuring that the best corporate governance practices are followed by the Company. They are responsible for constructive and active participation in the proceedings of the Board and Board constituted Committees.

### **Familiarization Programme**

The Company conducts a Familiarization Programme for newly inducted Directors on the Board. The Directors are provided with necessary documents, brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made on industry overview, business overview, key regulatory developments, governance, strategy, investment, human resources and operating performance.

This programme familiarizes the newly inducted Directors with their roles, rights and responsibilities in the Company, as well as with the nature of the industry and the business model of the Company. It enables them to make informed decisions in the interest of the Company and its stakeholders.

### **Meeting Procedures**

The Board Meetings are scheduled in a timely manner with a gap, not exceeding one hundred and twenty days (120) between any two (2) meetings.

The Board and Committee Meetings are pre-scheduled. A tentative annual calendar of the meetings is placed at the Board meeting well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The agenda papers are circulated to the Directors at least seven (7) days in advance. The Directors are provided with appropriate information in the form of agenda notes and presentations to enable them to deliberate on each agenda item and make informed decisions. The Directors are also updated on the regulatory developments and key communications with authorities on a periodic basis.

In order to address specific urgent needs, meetings are also convened at shorter notice and in case of business exigencies, resolutions are passed by the Board / Committees through circulation, which are noted at the next meeting of the Board / Committees respectively.

In an effort to support green initiative, the Company has availed a web-based application for circulating agenda papers for the Board and Committee meetings. The notice, agenda papers and presentations of each meeting are disseminated electronically, by uploading them on a secured online application, which is accessible by all the Director(s) and Management of the Company.

The meetings of the Board of Directors are generally held at the Company's Corporate Office in Mumbai. The Company also provides an option to its Directors to attend the Board/Committee Meetings through Video Conferencing to enable the Directors/ Committee Members to participate in the proceedings of the meeting electronically. All the rules and regulations relating to the conduct of meetings through Audio-Visual Means/Video Conferencing were duly complied with.

In order to ensure that the Board functions effectively, the summary of matters discussed in the Committee Meetings are briefed to the Board of Directors by the Chairperson of the respective Committee at the ensuing Board Meeting.

### **Minutes of the meetings:**

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting(s). The draft minutes of each meeting is circulated to the members of the Board / Committee within fifteen (15) days from the date of meeting and the comments, if any on the draft minutes, are incorporated. The minutes, are duly recorded in the Minutes Book within thirty (30) days of the meeting and the signed Minutes are also circulated to the Directors/Committee Members within fifteen (15) days from the date of signing.

All the meetings of the Board and Committees were conducted in compliance with the regulatory / statutory requirements prescribed under various statutes and regulations.

## POST MEETING FOLLOW-UP SYSTEM

The Company tracks important deliberations at the meetings of Board and Committees and action points arising out of the meetings are promptly communicated to the respective stakeholders for necessary action(s) in order to ensure that the guidance provided by Board / Committee is actioned upon.

An action taken report is placed in the subsequent Board / Committee meeting(s) along with status of compliance.

### Board Meetings

Being the apex body for overseeing the overall functioning of the Company, the Board evaluates all the strategic decisions based on collective consensus amongst the Directors. During the year, fifteen (15) meetings of the Board of Directors were held. The following table sets out the particulars of attendance of the Board of Directors at such meetings:

Name of the Director	Date of Meeting						
	Apr 30, 2024	May 14, 2024	May 17, 2024	Jun 28, 2024	Jul 16, 2024	Jul 19, 2024	Aug 06, 2024
Mr. Sanjay Chamria		LOA		LOA			
Mr. Mayank Poddar		LOA					
Mr. Vinesh Kriplani							
Mr. Kailash Nath Bhandari <sup>1</sup>					N.A.	N.A.	N.A.
Mr. Jens Wohlthat <sup>2</sup>	N.A.	N.A.	N.A.	N.A.	N.A.		
Mr. Sunil Mitra <sup>3</sup>							N.A.
Mr. V. K. Viswanathan <sup>3</sup>							N.A.
Mr. Sanjay Sachdev <sup>4</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
Mr. Sudhir Kapadia <sup>4</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	LOA
Ms. Sandhya Sharma							
Mr. Rajive Kumaraswami							

Name of the Director	Date of Meeting							
	Aug 29, 2024	Oct 23, 2024	Oct 23, 2024	Oct 24, 2024	Oct 30, 2024	Jan 23, 2025	Mar 12, 2025	Mar 28, 2025
Mr. Sanjay Chamria								
Mr. Mayank Poddar						LOA		
Mr. Vinesh Kriplani								
Mr. Kailash Nath Bhandari <sup>1</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Jens Wohlthat <sup>2</sup>			LOA					
Mr. Sunil Mitra <sup>3</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. V. K. Viswanathan <sup>3</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Sanjay Sachdev <sup>4</sup>								
Mr. Sudhir Kapadia <sup>4</sup>								
Ms. Sandhya Sharma								
Mr. Rajive Kumaraswami								

Present

N.A. Not Applicable

LOA Leave of Absence

Through Video Conferencing

<sup>1</sup> resigned w.e.f. June 30, 2024

<sup>2</sup> appointed w.e.f. July 18, 2024

<sup>3</sup> resigned w.e.f. July 22, 2024

<sup>4</sup> appointed w.e.f. July 23, 2024

### Remuneration of Directors

The Independent Directors are paid sitting fees of ₹1,00,000/- each, for every meeting of the Board, Audit Committee, Nomination and Remuneration Committee (NRC) and Risk Management Committee and ₹30,000/- each for every meeting of the Investment Committee, Policyholder Protection, Grievance Redressal and Claims Monitoring Committee and Meeting of Independent Directors.

No sitting fee is paid for attending the meeting(s) of the Corporate Social Responsibility & Sustainability Committee.

During the year under review, Article 145 of the Articles of Association of the Company was amended to enable payment of sitting fees to Non-Executive Directors (other than non-executive directors nominated by shareholder including nominee Director of Celica Developers Private Limited and Sanoti Properties LLP). Accordingly, the Board of Directors based on the recommendations of the NRC approved the payment of sitting fee to Mr. Jens Wohlthat, Non-Executive Non-Independent Director, for attending Board and Committee meeting(s) (in capacity as Member) with effect from October 24, 2024.

The details of the sitting fees paid to the Independent Directors and Mr. Jens Wohlthat, during the Financial Year 2024-25, are as follows:

SN	Name of the Director	Sitting Fees			(Amount in ₹)
		Committees	Board	Independent Directors Meeting	
1.	Mr. Kailash Nath Bhandari <sup>1</sup>	5,60,000	4,00,000	-	9,60,000
2.	Mr. Sunil Mitra <sup>2</sup>	6,60,000	6,00,000	-	12,60,000
3.	Mr. V.K. Viswanathan <sup>2</sup>	9,20,000	6,00,000	-	15,20,000
4.	Ms. Sandhya Sharma	14,20,000	15,00,000	30,000	29,50,000
5.	Mr. Sanjay Sachdev <sup>3</sup>	7,20,000	9,00,000	30,000	16,50,000
6.	Mr. Sudhir Kapadia <sup>3</sup>	7,00,000	8,00,000	30,000	15,30,000
7.	Mr. Jens Wohlthat <sup>4</sup>	5,60,000	5,00,000	-	10,60,000

<sup>1</sup> resigned w.e.f. June 30, 2024

<sup>2</sup> resigned w.e.f. July 22, 2024

<sup>3</sup> appointed w.e.f. July 23, 2024

<sup>4</sup> appointed w.e.f. July 18, 2024 and sitting fees paid w.e.f. October 24, 2024

## Independence of Directors

Based on the disclosures and confirmations received from each of the Independent Director, the Board is of the opinion that, all the Independent Directors fulfil the criteria prescribed under the Act and are independent of the management of the Company.

## Meeting of Independent Directors

During the year, a separate meeting of Independent Directors was held on January 17, 2025, in terms of Schedule IV of the Act, without the presence of Non-Independent Directors and members of the management. All the Independent Directors were present at the said meeting and inter-alia reviewed:

- Performance of Non-Independent Directors and the Board as a whole;
- Performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
- Performance of the Committee(s) of the Board; and
- Assessed the quality, quantity and timeliness of flow of information between the Company, Management & the Board, necessary for the Board to effectively & reasonably perform its duties.

## Committees of the Board of Directors

### Constitution & Composition

Pursuant to the Act and IRDAI Corporate Governance Regulations, the Board has constituted six (6) mandatory committees and one (1) non-mandatory committee. The details of the committee and its composition as on March 31, 2025, are as follows:

Mandatory Committees	
Audit Committee	Nomination and Remuneration Committee
1. Mr. Sudhir Kapadia (Chairman) 2. Mr. Mayank Poddar 3. Mr. Vinesh Kriplani 4. Mr. Sanjay Sachdev 5. Ms. Sandhya Sharma	1. Ms. Sandhya Sharma (Chairperson) 2. Mr. Sanjay Chamria 3. Mr. Jens Wohlthat 4. Mr. Sudhir Kapadia 5. Mr. Sanjay Sachdev
Corporate Social Responsibility and Sustainability Committee	
1. Mr. Sudhir Kapadia (Chairman) 2. Mr. Vinesh Kriplani 3. Ms. Sandhya Sharma 4. Mr. Rajive Kumaraswami	1. Mr. Sanjay Sachdev (Chairman) 2. Mr. Sanjay Chamria 3. Ms. Sandhya Sharma 4. Mr. Rajive Kumaraswami 5. Ms. Aditi Ray (Customer Representative)

Investment Committee	Risk Management Committee
1. Mr. Sanjay Sachdev (Chairman) 2. Mr. Sanjay Chamria 3. Mr. Vinesh Kriplani 4. Mr. Jens Wohlthat 5. Mr. Rajive Kumaraswami 6. Mr. Shivendra Tripathi 7. Mr. Jinesh Shah 8. Mr. Kishore Khanchandani 9. Mr. Amit Bhandari 10. Mr. Gaurav Parasrampuria	1. Ms. Sandhya Sharma (Chairperson) 2. Mr. Sanjay Chamria 3. Mr. Jens Wohlthat 4. Mr. Sudhir Kapadia 5. Mr. Rajive Kumaraswami 6. Mr. Gaurav Parasrampuria 7. Mr. Shivendra Tripathi 8. Mr. Kishore Khanchandani
<b>Non-Mandatory Committee</b>	
<b>Management Committee</b>	
1. Mr. Sanjay Chamria (Chairman) 2. Mr. Vinesh Kriplani 3. Mr. Rajive Kumaraswami	

## 1. Audit Committee

The Audit Committee has been constituted pursuant to provisions of Section 177 of the Act and the IRDAI Corporate Governance Regulations.

### a. Terms of Reference

The Terms of reference of the Committee, *inter-alia*, includes the following:

1. Overseeing of the company's financial statements, financial reporting, statement of cash flow and disclosure of financial information, both on an annual and quarterly basis, to ensure that the financial statement is correct, sufficient and credible.
2. Recommending appointment, removal, remuneration and terms of appointment, performance and oversight of the work of the auditors (including Internal / Statutory / Concurrent / Secretarial / Forensic / Systems Audit).
3. Acting as a "compliance" Committee to discuss the level of compliance and any associated risks and to monitor and report to the Board any significant compliance breaches.
4. Approving rendering of services by the statutory auditor other than those expressly barred under Section 144 of Companies Act, 2013 and remuneration for the same.
5. Approving any subsequent modification and disclosure of related party transactions of the Company.
6. Discussion with Internal Auditors and the Management of any significant findings, status of previous audit recommendations and monitor the progress made in rectification of irregularities and changes in processes as required.
7. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
8. Evaluating reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
9. Reviewing functioning of whistle blower / vigil mechanism, if any.
10. Reviewing management letters/ letters of internal control weakness issued by the Statutory Auditors.
11. Reviewing the Internal Audit Report relating to internal control weaknesses.
12. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
13. Valuation of undertakings or assets of the company, wherever necessary.
14. Evaluation of internal financial controls and risk management systems.
15. Overseeing compliance with the requirements of the IRDAI, for disclosure of auditor's services and audit committee members, members qualifications and activities.
16. Overseeing Company's Stewardship Activities.

During the year under review, there were no instances of any non-acceptance of recommendations of the Audit Committee by the Board.

**b. Meetings and attendance during the year**

During the year, four (4) meetings of the Audit Committee were held. The following table sets out the particulars of attendance of members of the Committee at such meetings:

Name of the Member	Date of Meeting			
	Apr 30, 2024	Jul 19, 2024	Oct 24, 2024	Jan 23, 2025
Mr. Sunil Mitra Independent Director, Chairman <sup>1</sup>			N.A.	N.A.
Mr. Sudhir Kapadia Independent Director, Chairman <sup>2</sup>	N.A.	N.A.		
Mr. Sanjay Chamria Non-Executive Director			N.A.	N.A.
Mr. V. K. Viswanathan Independent Director <sup>3</sup>			N.A.	N.A.
Mr. Kailash Nath Bhandari Independent Director <sup>4</sup>		N.A.	N.A.	N.A.
Mr. Mayank Poddar Non-Executive Director	N.A.	N.A.		LOA
Ms. Sandhya Sharma Independent Director	N.A.			
Mr. Sanjay Sachdev Independent Director <sup>5</sup>	N.A.	N.A.		
Mr. Vinesh Kriplani Non-Executive Director				

Present

LOA Leave of Absence

Through Video Conferencing

<sup>1</sup> ceased as Member and Chairman w.e.f. July 22, 2024

<sup>2</sup> appointed as Member and Chairman w.e.f. July 23, 2024

<sup>3</sup> ceased as Member w.e.f. July 22, 2024

<sup>4</sup> ceased as Member w.e.f. June 30, 2024

<sup>5</sup> appointed as Member w.e.f. July 23, 2024

All the Committee Members are financially literate and / or have accounting, financial management expertise / background.

The Management Team is invited to the meetings of the Audit Committee. The participation of the Managing Director & CEO at the meetings of the Audit Committee is limited to addressing queries, if any, of the members.

The Joint Statutory Auditors and Internal Auditor are permanent invitees to the meetings of the Audit Committee.

During the year under review, the meeting(s) of the credit rating agency(ies), providing rating to the Company's Non-Convertible Debentures, were convened by the Audit Committee.

The Chairman of the Audit Committee attended the 15<sup>th</sup> Annual General Meeting ("AGM") of the Company held on August 07, 2024.

The gap between the two (2) Audit Committee Meetings did not exceed one hundred and twenty (120) days. The necessary quorum was present at the above Meetings.

**2. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee is constituted in accordance with the provisions of Section 178 of the Act and the IRDAI Corporate Governance Regulations.

**a. Terms of Reference**

The Terms of reference of the Committee, inter-alia, includes the following:

1. Devise a policy on Board diversity and recommend the size and an optimum mix of promoter directors, executive, independent and non-independent directors keeping in mind the needs of the Company.
2. Formulate criteria for:
  - a. determining qualifications, positive attributes and independence of a director;
  - b. evaluation of independent directors and the Board

3. Identifying, evaluating and recommending to the Board:
  - a. Persons who are qualified for appointment as Independent and Non-Executive Directors/Executive Directors/ Whole-time Directors /Managing Directors in accordance with the criteria laid down.
  - b. Appointment of Senior Management Personnel (all the Direct Reportees to the Managing Director) in accordance with the criteria laid down.
  - c. Removal of Directors and Senior Management Personnel.
4. Devise a Policy on remuneration including any compensation related payments for the directors, key managerial personnel and other employees and recommend the same to the Board of Directors of the Company.
5. Ensure that the proposed appointments/ re-appointments of Key Management Persons or Directors are in conformity with the Board approved policy on retirement/ superannuation.
6. Approve subscription and allotment of shares to the eligible employees under the shareholders approved ESOP Schemes.
7. Recommend / review succession plans for key positions, including its implementation.
8. Conduct annual review of the Committee's performance and effectiveness at the Board level.

**b. Meeting and attendance during the year**

During the year, eight (8) meetings of the Committee were held. The following table sets out the particulars of attendance of members of the Committee at such meetings:

Name of the Member	Date of Meeting							
	Apr 30, 2024	May 17, 2024	Jun 28, 2024	Jul 19, 2024	Aug 06, 2024	Oct 24, 2024	Jan 23, 2025	Mar 28, 2025
Mr. Sunil Mitra Independent Director, Chairman <sup>1</sup>					N.A.	N.A.	N.A.	N.A.
Ms. Sandhya Sharma Independent Director, Chairperson <sup>2</sup>								
Mr. V. K. Viswanathan Independent Director <sup>3</sup>					N.A.	N.A.	N.A.	N.A.
Mr. Sanjay Chamria Non-Executive Director			LOA					
Mr. Jens Wohlthat Non-Executive Non-Independent Director <sup>4</sup>	N.A.	N.A.	N.A.	N.A.				
Mr. Kailash Nath Bhandari Independent Director <sup>5</sup>				N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Mayank Poddar Non-Executive Director				LOA	N.A.	N.A.	N.A.	N.A.
Mr. Sanjay Sachdev Independent Director <sup>6</sup>	N.A.	N.A.	N.A.	N.A.				
Mr. Sudhir Kapadia Independent Director <sup>6</sup>	N.A.	N.A.	N.A.	N.A.	LOA			

- Present

LOA – Leave of Absence

through Video Conferencing

<sup>1</sup> ceased to be Member and Chairman w.e.f. July 22, 2024

<sup>2</sup> appointed as Chairperson w.e.f. July 23, 2024

<sup>3</sup> ceased as Member w.e.f. July 22, 2024

<sup>4</sup> appointed as a Member w.e.f. July 23, 2024

<sup>5</sup> ceased as a Member w.e.f. June 30, 2024

<sup>6</sup> appointed as Member w.e.f. July 23, 2024

The Chairperson of the Nomination and Remuneration Committee attended the 15<sup>th</sup> AGM of the Company held on August 07, 2024.

**3. Corporate Social Responsibility and Sustainability Committee (erstwhile known as Corporate Social Responsibility Committee)**

The Corporate Social Responsibility and Sustainability Committee has been constituted pursuant to the Act and IRDAI Corporate Governance Regulations.

#### a. Terms of Reference

The Terms of reference of the Committee, inter-alia, includes the following:

1. Formulation and recommendation to the Board, a Corporate Social Responsibility ("CSR") Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII of the Act.
2. Recommending the CSR budget and Annual Action Plan of the Company.
3. Approving CSR activities and the geographical distribution of CSR.
4. Execution, implementation, monitoring and reporting of CSR activities.
5. Review of CSR expenditure of the Company and recommendation thereof to the Board.
6. Recommending the Annual Report on CSR activities of the Company to the Board for adoption.
7. Reviewing and recommending Environment Social and Governance (including Climate Risk Management) Framework to the Board and overseeing implementation thereof.

#### b. Meeting and attendance during the year

During the year, one (1) meeting of the Corporate Social Responsibility and Sustainability Committee was held. The following table sets out the particulars of attendance of members of the Committee at such meeting:

Name of the Member	Oct 24, 2024
Mr. Sudhir Kapadia Independent, Non-Executive Director, Chairman <sup>1</sup>	
Mr. Mayank Poddar Non-Executive Director <sup>2</sup>	
Mr. Sunil Mitra <sup>3</sup> Independent, Non-Executive Director	N.A.
Ms. Sandhya Sharma Independent, Non-Executive Director	
Mr. Vinesh Kriplani Non-Executive Director	
Mr. Rajive Kumaraswami Managing Director & CEO	

- Present

Through Video Conferencing

<sup>1</sup> appointed as Member w.e.f. July 23, 2024, and Chairman w.e.f. October 24, 2024

<sup>2</sup> Ceased to be Member and Chairman w.e.f. October 24, 2024

<sup>3</sup> Ceased to be Member w.e.f. June 22, 2024

#### 4. Policyholder Protection, Grievance Redressal and Claims Monitoring Committee

The Policyholder Protection, Grievance Redressal and Claims Monitoring Committee has been constituted pursuant to the IRDAI Corporate Governance Regulations, as amended from time to time.

#### a. Terms of Reference

The Terms of reference of the Committee, inter-alia, includes the following:

1. Adopt standard operating procedures to treat the customer fairly including timeframes for policy and claims servicing parameters and monitoring implementation thereof.
2. Establish effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries.
3. Put systems in place to ensure that policyholders have access to redressal mechanisms.
4. Put in place a framework for review of awards given by Insurance Ombudsman/Consumer Forums. Analyse the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any.
5. Review all awards given by Insurance Ombudsman/Consumer Forums remaining unimplemented for more than thirty (30) days with reasons therefor and report the same to the Board for initiating remedial action.
6. Review the measures and take steps to reduce customer complaints at periodic intervals.
7. Ensure compliance with the statutory requirements as laid down in the regulatory framework.
8. Provide details of grievances at periodic intervals in such formats as may be prescribed by the Authority.

9. Ensure that details of insurance ombudsmen are provided to the policyholders.
10. Ensure that there is a Grievance Redressal Officer in place who shall be responsible for grievance redressal and whose details shall be made available on the website.
11. Review of Claims Report, including status of Outstanding Claims with ageing of outstanding claims.
12. Reviewing Repudiated claims with analysis of reasons.
13. Review status of settlement of other customer benefit payouts.
14. Review of unclaimed amounts of Policyholders, as required under the Circulars and guidelines issued by the Authority.
15. Report to the Board, a status on the policyholders' protection issues.
16. Review the settlement of unclaimed amounts on quarterly basis, including the number and amounts of claims, the steps taken to reduce unclaimed amounts by identifying policyholders or beneficiaries and creating awareness in accordance with the standard operating procedure/ policy approved by the Committee.

**b. Meeting and attendance during the year**

During the year, four (4) meetings of the Policyholder Protection, Grievance Redressal and Claims Monitoring Committee were held. The following table sets out the particulars of attendance of members of the Committee at such meetings:

Name of the Member	Date of Meeting			
	Apr 30, 2024	Jul 19, 2024	Oct 24, 2024	Jan 23, 2025
Mr. Kailash Nath Bhandari Independent Director, Chairman <sup>1</sup>		N.A.	N.A.	N.A.
Mr. Sanjay Sachdev Independent Director, Chairman <sup>2</sup>	N.A.	N.A.		
Mr. Sanjay Chamria Non-Executive Director	N.A.	N.A.		
Mr. Sunil Mitra Independent Director <sup>3</sup>			N.A.	N.A.
Ms. Sandhya Sharma Independent Director				
Mr. V. K. Viswanathan Independent Director <sup>3</sup>			N.A.	N.A.
Mr. Rajive Kumaraswami Managing Director & CEO				

Present

Through Video Conferencing

<sup>1</sup> ceased as Member and Chairman w.e.f. June 30, 2024

<sup>2</sup> appointed as Member and Chairman w.e.f. July 23, 2024

<sup>3</sup> ceased as Member w.e.f. July 22, 2024

**5. Investment Committee**

The Investment Committee has been constituted pursuant to IRDAI Corporate Governance Regulations and IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024.

**a. Terms of Reference**

The Terms of reference of the Committee, *inter - alia*, are as follows:

1. Make loans and investments as may be permitted under the Act or applicable IRDA Regulations.
2. Frame and implement the Investment Policy to invest the funds, subject to review and approval by Board.
3. Lay down the Operational Framework for investment operations of the Company.
4. Focus on prudential Asset Liability Management supported by internal controls.
5. Monitor the implementation of compliance of IRDAI Investment Regulations / Policy / Guidelines and Circulars.
6. Submit a quarterly report to the Board on the performance of the investment portfolio with regard to its safety and soundness.
7. Monitor the compliance with the policies set by internal and statutory auditors.
8. Lay down norms in terms of types of investment, exposure limits to group companies and limits on investment in any single industry sector.

9. Ensure the maintenance of solvency margins at all times, take due care to maintain exposure norms.
10. Review of non-performing assets of investments on a quarterly periodicity.
11. Review of Stewardship Policy of the Company.
12. Review the investment strategies adopted from time to time and suggest directions as needed in the best interest of the Company.
13. Formulation of an effective reporting system to ensure compliance with the policy apart from Internal /Concurrent Audit mechanisms for a sustained and on-going monitoring of Investment Operations.
14. Review and approve Standard Operating Procedures (SOPs) of Investment Operations of the Company.

**b. Meeting and attendance during the year**

During the year, four (4) meetings of the Investment Committee were held. The following table sets out the particulars of attendance of members of the Committee at such meetings:

Name of the Member	Date of Meeting			
	Apr 30, 2024	Jul 19, 2024	Oct 24, 2024	Jan 23, 2025
Mr. Kailash Nath Bhandari Independent Director, Chairman <sup>1</sup>		N.A.	N.A.	N.A.
Mr. Sanjay Sachdev Independent Director, Chairman <sup>2</sup>	N.A.	N.A.		
Mr. Sanjay Chamria Non-Executive Director				
Mr. Jens Wohlthat Non-Executive Director <sup>3</sup>	N.A.	N.A.		
Mr. V. K. Viswanathan Independent Director <sup>4</sup>			N.A.	N.A.
Mr. Vinesh Kriplani Non-Executive Director				
Mr. Rajive Kumaraswami Managing Director & CEO				
Mr. Gaurav Parasrampuria Chief Financial Officer				
Mr. Amit Bhandari Chief Technical Officer				
Mr. Jinesh Shah Chief Investment Officer				
Mr. Shivendra Tripathi Appointed Actuary				
Mr. Kishore Khanchandani Chief Risk Officer				

Present

Through Video Conferencing

<sup>1</sup> ceased as Member and Chairman w.e.f. June 30, 2024

<sup>2</sup> appointed as Member and Chairman w.e.f. July 23, 2024

<sup>3</sup> appointed as Member w.e.f. July 23, 2024

<sup>4</sup> ceased as Member w.e.f. July 22, 2024

**6. Risk Management Committee**

The Risk Management Committee has been constituted pursuant to IRDAI Corporate Governance Regulations.

**a. Terms of Reference**

The Terms of reference of the Committee, inter - alia, are as follows:

1. Establish effective Risk Management framework and recommend to the Board Risk Management Policy and processes for the organization.
2. Set the risk tolerance limits and assess the cost and benefits associated with risk exposure.
3. Review the Company's risk-reward performance to align with overall policy objectives.
4. Maintain an aggregated view on the risk profile of the Company for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, etc.

5. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, mergers and acquisitions and related matters.
6. Review the solvency position of the Company on a regular basis.
7. Formulation of a fraud monitoring policy and framework for approval by the Board.
8. Review compliance with the Insurance Fraud Monitoring Framework issued by the Authority relating to risks.
9. Review the reinvestment decisions of matured investments considering the duration of liabilities.
10. Make a coordinated effort with the Nomination and Remuneration Committee to have an integrated approach to the formulation of the Remuneration Policy.
11. Quantify the level of risk exposure (eg. market, credit and liquidity) and assess the expected rewards and costs associated with the risk exposure.
12. Ensure that liabilities are backed by appropriate assets and manage mismatches between assets and liabilities to ensure they remain within acceptable monitored tolerances for liquidity, solvency and the risk profile of the entity.
13. Monitor risk exposures at periodic intervals and revise ALM strategies where required. Review, approve, and monitor systems, controls and reporting used to manage balance sheet risks including any mitigation strategies.
14. Review key methodologies and assumptions including actuarial assumptions, used to value assets and liabilities.
15. Manage capital requirements at the company level using regulatory solvency requirements.

**b. Meeting and attendance during the year**

During the year, four (4) meetings of the Risk Management Committee were held. The following table sets out the particulars of attendance of members of the Committee at such meetings:

Name of the Member	Date of Meeting			
	Apr 30, 2024	Jul 19, 2024	Oct 24, 2024	Jan 23, 2025
Ms. Sandhya Sharma Independent Director, Chairperson <sup>1</sup>	N.A.	N.A.		
Mr. Kailash Nath Bhandari Independent Director <sup>2</sup>		N.A.	N.A.	N.A.
Mr. V. K. Viswanathan Independent Director <sup>3</sup>			N.A.	N.A.
Mr. Sudhir Kapadia Independent Director <sup>4</sup>	N.A.	N.A.		
Mr. Sanjay Chamria Non-Executive Director				
Mr. Jens Wohlthat Non-Executive Director <sup>4</sup>	N.A.	N.A.		
Mr. Rajive Kumaraswami Managing Director & CEO				
Mr. Gaurav Parasrampuria Chief Financial Officer	N.A.	N.A.		
Mr. Shivendra Tripathi Appointed Actuary	N.A.	N.A.		
Mr. Kishore Khanchandani Chief Risk Officer	N.A.	N.A.		

 - Present

N.A. Not Applicable

 Through Video Conferencing

<sup>1</sup> appointed as a Member and Chairperson w.e.f. July 23, 2024

<sup>2</sup> ceased as Member w.e.f. June 30, 2024

<sup>3</sup> ceased as Member w.e.f. July 22, 2024

<sup>4</sup> appointed as Member w.e.f. July 23, 2024

**7. Management Committee**

The Management Committee was constituted by the Board of Directors for operational convenience in connection with the routine business matters of the Company.

**Meeting and attendance during the year**

No meeting of the Management Committee was held during the year under review.

## INVESTOR GRIEVANCE REDRESSAL

During the year under review, no complaints were received from the investors.

**Policies, Frameworks and Codes adopted by the Company along with an oversight of Board Committee(s) are as under:**

Sr No	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Investment Committee	Policyholders Protection, Grievance Redressal and Claims Monitoring Committee	Corporate Social Responsibility & Sustainability Committee
1.	Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders	Prevention and Redressal of Sexual Harassment Policy	Reinsurance Inward Policy	Policy on Stewardship Activity	Protection of Policyholders Interest Policy	Corporate Social Responsibility Policy
2.	Breach of Integrity and Whistle Blower Policy	Code of Conduct	Business Continuity Policy	-	Policy on Appointment of Insurance Agents	Environmental Social Governance Framework
3.	Utilization of Insurance Marketing Firm	Policy on Equal Opportunity and Non-discrimination	Asset Liability Management Policy	-	-	-
4.	-	Remuneration Policy	Remuneration Policy	-	-	-
5.	-	Board Diversity Policy	-	-	-	-

## Annual Renewal Fees

The Company has paid annual renewal fees to the IRDAI as prescribed under applicable IRDAI Regulations.

## Environmental, Social and Governance Framework

The Company recognizes the importance of Environmental, Social and Governance ("ESG") and strives to contribute towards sustainable development and inclusive growth by adopting responsible business practices which serve the interest of all its stakeholders, including the environment and society at large. The Company is committed towards conducting its business in a sustainable and responsible manner.

In line with IRDAI Corporate Governance Regulations, the Board of Directors at its meeting held on April 30, 2024, approved the ESG Framework primarily to protect and restore the environment, by adopting best practices to identify and mitigate environmental and climate change related risks and impacts associated with the business operations. It also encompasses carbon intensity, climate change strategy, energy management and waste management.

During the year under review the name of the Corporate Social Responsibility Committee was changed to "Corporate Social Responsibility and Sustainability Committee" to incorporate ESG related matters and consequently the charter of the Committee was amended.

## Vigil Mechanism / Whistle Blower Policy

Section 177(9) of the Act read with Rules made thereunder and IRDAI Corporate Governance Regulations requires the Company to establish a vigil mechanism / whistle blower policy. The Company has adopted the 'Breach of Integrity and Whistle Blower Policy' which is annually reviewed. The details of the said Policy are explained in the Board's Report.

## Details of shares held by Directors and Key Management Persons ("KMP")

Name of Director / KMP	Number of Equity Shares
Mr. Sanjay Chamria, Director Jointly with Celica Developers Private Limited	222
Mr. Rajive Kumaraswami, MD & CEO	9,00,000
Mr. Vikas Mittal, Deputy CEO	7,22,575
Mr. Amit Bhandari, Chief Technical Officer	7,22,575
Mr. Jinesh Shah, Chief Investment Officer	20,650
Mr. Amit Loya, Chief Internal Auditor	20,650
Mr. Shivendra Tripathi, Appointed Actuary	20,650

## Shareholding under Magma General Insurance - Employee Stock Option Plan 2018

### A) Under the Companies Act 2013:

As on March 31, 2025, Mr. Rajive Kumaraswami, MD & CEO, Mr. Vikas Mittal, Deputy CEO, Mr. Amit Bhandari, Chief Technical Officer and Mr. Gaurav Parasrampuria, Chief Financial Officer held beneficial ownership in equity shares of the Company pursuant to exercise of Options under Magma General Insurance - Employee Stock Option Plan 2018 (ESOP Plan 2018) (Erstwhile Magma HDI General Insurance Company ESOP Plan 2018). The registered owner of equity shares is Magma General Insurance ESOP Trust.

### B) Under the Insurance Act 1938 read with IRDAI Regulations:

No employee was granted Options in excess of 1% of the issued share capital of the Company at the time of grant.

Except as disclosed above, none of the other Directors, KMPs or their relatives hold any Equity Shares in the Company.

As on March 31, 2025, none of the Directors / KMPs of the Company held Non-Convertible Debentures of the Company.

For and on behalf of the Board of Directors

**Sanjay Chamria**

Chairman

(DIN 00009894)

Date: September 22, 2025

Place: Mumbai

# **Certification for Compliance of the Corporate Governance Master Circular**

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I, Amit Raheja, Chief Compliance Officer, hereby certify that the Company has complied with the IRDAI (Corporate Governance for Insurers) Regulations 2024 and the Circulars issued thereunder and nothing has been concealed or suppressed.

- Succession Planning for key positions is being put in place and will be taken up with the Nomination and Remuneration Committee and the Board of Directors.
- Segregation of secretarial function has been carried out with the approval of Nomination and Remuneration Committee and the Board of Directors in its respective meeting(s) held on June 27, 2025.

**For & on behalf of Magma General Insurance Limited  
(Erstwhile Magma HDI General Insurance Company Limited)**

Date: June 30, 2025

Place: Mumbai

**Amit Raheja**  
Chief Compliance Officer



# MANAGEMENT REPORT

# MANAGEMENT REPORT

In accordance with the provisions of the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular, the Management submits the following Report for the year ended March 31, 2025:

1. We confirm the validity of Certificate of Registration granted by the Insurance Regulatory and Development Authority of India ("IRDAI") to undertake General Insurance business in India.
2. To the best of our knowledge and belief, we certify that all the undisputed dues payable to the statutory authorities have been duly paid.
3. We confirm that the shareholding pattern and any transfer of shares during the year are in accordance with statutory or regulatory requirements.
4. We declare that the management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.
5. We confirm that the Company has maintained the required solvency margins as laid down by IRDAI. The Company's solvency margin as at March 31, 2025 stands at 2.02 times.
6. We certify that the values of all the assets of the Company have been reviewed on the date of the balance sheet and to the best of our knowledge and belief the assets set forth in the balance sheet are shown in the aggregate at amounts not exceeding their realisable or market value under the several headings - 'Loans', 'Investments', 'Agents Balance', 'Outstanding Premium', 'Interest, Dividends and Rents outstanding', 'Interest, Dividends and Rents accruing but not due', 'Amounts due from other persons or Bodies carrying on insurance business (net)', 'Sundry Debtors', 'Bills Receivable', 'Cash', and the several other items specified under 'Other accounts'. It may be noted that Investments in Debt securities are stated at historical cost as per the IRDAI Regulations.
7. The Company is exposed to various types of risks associated with general insurance business. The company closely monitors these risks and manages them by adopting prudent risk mitigation measures.  
The Company has established Underwriting process to mitigate the underwriting risk. Appropriate reinsurance arrangements are made to reinsure the risks in excess of retention.  
Investment risk is mitigated by laying down the investment guidelines through the Investment Policy and Operating Guidelines. The Investment Policy & Operating Guidelines are reviewed at regular intervals to take care of the latest developments including regulatory changes.
8. The Company does not have any operations outside India.
9. The ageing of claims outstanding and the trends in average claims settlement time during the preceding 5 years are provided in Annexure A & B respectively and details of claim intimated during the year is provided in Annexure C.
10. We certify that all debt securities are stated at historical cost subject to amortization of premium or accretion of discount on the basis of effective interest rate over the holding period / maturity of the security. Investments in mutual fund units are stated at Net Asset Value, which is taken from Association of Mutual Funds in India ("AMFI") as on the Balance Sheet date. Investment in Units of InvIT and listed Equity, if any, are taken from NSE Limited and if the prices are not available on NSE Limited then from BSE Limited as on the Balance Sheet date. Investment in Unlisted Equity is stated at Cost. Market value of Government Securities and other debt instruments have been reported in accordance with IRDAI Guidelines.  
The Company assesses at each balance sheet date whether any impairment has occurred in respect of investment in Debt Securities. The impairment loss, if any, is recognized in the profit & loss account and the carrying value of such investment is reduced to its recoverable value. If on the assessment at balance sheet date a previously impaired loss no longer exists, then such amount is reversed in the profit & loss account and the investment is restated to that extent.
11. The Company has adopted a prudent investment policy with emphasis on optimizing risk adjusted returns based on appropriate mix of duration, liquidity & safety. Emphasis is made to maintain the portfolio quality through investments in Government securities and other AAA rated debt instruments and to manage the duration of the portfolio dynamically depending on the volatility in interest rates. Investments are managed in accordance with the investment policy approved by the Board from time to time and are within the investment regulation and guidelines of IRDAI. The Company has carried out periodic review of the investment portfolio. There are no non-performing assets as at the end of the financial year.
12. The Management of the Company certifies that:
  - (i) In the preparation of financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanation relating to material departures, if any.
  - (ii) The management has adopted accounting policies and applied them consistently except otherwise stated and made judgements 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 financial year.

- (iii) The management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of Insurance Act, 1938 (4 of 1938) and Companies Act, 2013 to the extent applicable, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The management has prepared the financial statements on a going concern basis.
- (v) The management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

13. Schedule of payments which have been made to individuals, firms, companies and organisations in which directors of the insurers are interested.

(Amount in ₹ Lakhs)

Sr. No.	Name of the Director with designation	Entity in which Director is interested	Interested as	Description of Transactions / Payment made for	During the year	During the previous year
1	Sanjay Chamria	Magma Ventures Private Limited	Shareholder, Director and Relative is a Director	Brand Licence Fees	0.60	0.60
2	Mayank Poddar	CLP Business LLP	Designated Partner	Rent Payment	33.53	31.93
3	Mayank Poddar	Celica Developers Private Limited	Director	Rent Payment	10.60	5.16
				Payment of utility charges	5.91	-
				Security Deposit	-	5.30
4	Mayank Poddar	Shaili Poddar	Relative of Director	Rent Payment	-	5.84
5	Mayank Poddar	Solvex Properties & Services Private Limited	Shareholder	Payment of Utility Charges	-	5.40
				Advertisement & Publicity Exp	-	2.39
				Payment of Maintenance Charges	-	0.29

14. The Company has no subsidiaries, associates, joint ventures and other similar arrangements.

For and on behalf of the Board of Directors

**Sanjay Chamria**  
Chairman  
DIN 00009894

**Rajive Kumaraswami**  
Managing Director & Chief Executive Officer  
DIN 07501971

**Mayank Poddar**  
Director  
DIN 00009409

**Gaurav Parasrampuria**  
Chief Financial Officer

**Sudhir Kapadia**  
Director  
DIN 05307843

**Sidhi Jatkar**  
Company Secretary  
Membership No.: ACS 27539

Place: Mumbai  
Date: April 29, 2025

## Annexure A

### Ageing analysis of Gross Claims outstanding (Direct)

(Amount in ₹ Lakhs)

As at March 31, 2025	Fire		Marine (Cargo)		Engineering		Motor OD		Motor TP		Public / Product Liability	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Upto 30 days	72	1,053	77	190	2	45	1949	3,238	1000	5,432	-	-
31 Days to 6 months	161	6,875	83	967	13	423	1489	5,418	4264	26,093	-	-
6 months to 1 year	101	4,418	33	2,666	5	42	120	484	4282	30,334	-	-
1 year to 5 years	147	4,784	46	267	13	1,477	431	1,341	13255	109,149	-	-
5 years or more	2	8	10	133	5	33	169	615	1629	15,736	-	-
<b>Total</b>	<b>483</b>	<b>17,138</b>	<b>249</b>	<b>4,223</b>	<b>38</b>	<b>2,019</b>	<b>4158</b>	<b>11,096</b>	<b>24430</b>	<b>186,744</b>	<b>-</b>	<b>-</b>

(Amount in ₹ Lakhs)

As at March 31, 2025	Workmen's Compensation		Other Liability		Personal Accident		Health Insurance		All Other Misc		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Upto 30 days	51	26	3	6	61	168	6442	5,538	3	3	9660	15,698
31 Days to 6 months	113	153	1	2	42	146	483	307	4	23	6653	40,406
6 months to 1 year	13	105	1	3	-	-	18	36	-	-	4573	38,089
1 year to 5 years	3	11	15	271	3	2	8	11	2	10	13923	117,323
5 years or more	-	-	-	-	1	2	-	-	-	-	1816	16,527
<b>Total</b>	<b>180</b>	<b>294</b>	<b>20</b>	<b>283</b>	<b>107</b>	<b>317</b>	<b>6951</b>	<b>5,892</b>	<b>9</b>	<b>36</b>	<b>36625</b>	<b>228,043</b>

(Amount in ₹ Lakhs)

As at March 31, 2024	Fire		Marine (Cargo)		Engineering		Motor OD		Motor TP		Public / Product Liability	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Upto 30 days	64	157	41	174	1	2	2828	2,541	1274	6,720	-	-
31 Days to 6 months	170	4,779	44	477	9	787	1855	4,136	5148	30,449	-	-
6 months to 1 year	87	2,898	16	408	11	1,049	117	505	4792	33,526	-	-
1 year to 5 years	83	3,061	45	357	1	8	364	1,076	8666	69,379	1	40
5 years or more	3	26	7	116	4	25	154	592	1304	11,978	-	-
<b>Total</b>	<b>407</b>	<b>10,921</b>	<b>153</b>	<b>1,532</b>	<b>26</b>	<b>1,871</b>	<b>5318</b>	<b>8,850</b>	<b>21184</b>	<b>152,052</b>	<b>1</b>	<b>40</b>

(Amount in ₹ Lakhs)

As at March 31, 2024	Workmen's Compensation		Other Liability		Personal Accident		Health Insurance		All Other Misc		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Upto 30 days	20	10	2	4	30	77	4124	3,535	4	7	8388	13,227
31 Days to 6 months	31	97	10	64	32	27	322	172	8	30	7629	41,018
6 months to 1 year	2	7	10	79	-	-	4	5	-	-	5039	38,478
1 year to 5 years	2	1	12	376	3	6	2	4	1	0	9180	74,308
5 years or more	-	-	-	-	-	-	-	-	1	147	1473	12,883
<b>Total</b>	<b>55</b>	<b>115</b>	<b>34</b>	<b>524</b>	<b>65</b>	<b>109</b>	<b>4452</b>	<b>3,716</b>	<b>14</b>	<b>184</b>	<b>31709</b>	<b>179,913</b>

(Amount in ₹ Lakhs)

As at March 31, 2023	Fire		Marine (Cargo)		Engineering		Motor OD		Motor TP		Public / Product Liability	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Upto 30 days	179	811	22	330	1	4	3033	2,247	931	4,562	1	1
31 Days to 6 months	37	2,154	45	366	-	-	1829	3,749	3816	19,734	2	1
6 months to 1 year	13	201	22	289	1	19	106	365	3098	19,225	5	16
1 year to 5 years	44	1,671	33	101	13	57	332	1,015	5877	44,385	33	181
5 years or more	7	447	6	85	-	-	129	429	1121	10,680	1	2
<b>Total</b>	<b>280</b>	<b>5,284</b>	<b>128</b>	<b>1,171</b>	<b>15</b>	<b>80</b>	<b>5429</b>	<b>7,805</b>	<b>14843</b>	<b>98,586</b>	<b>42</b>	<b>201</b>

(Amount in ₹ Lakhs)

As at March 31, 2023	Workmen's Compensation		Other Liability		Personal Accident		Health Insurance		All Other Misc		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Upto 30 days	14	7	5	69	18	17	2358	1,769	2	0	6564	9,817
31 Days to 6 months	2	1	2	14	12	78	198	97	-	-	5943	26,194
6 months to 1 year	4	21	7	311	-	-	3	7	1	-	3260	20,453
1 year to 5 years	3	24	5	5	1	2	2	5	2	148	6345	47,596
5 years or more	-	-	2	1	-	-	-	-	-	-	1266	11,644
<b>Total</b>	<b>23</b>	<b>53</b>	<b>21</b>	<b>400</b>	<b>31</b>	<b>97</b>	<b>2561</b>	<b>1,878</b>	<b>5</b>	<b>149</b>	<b>23378</b>	<b>115,704</b>

(Amount in ₹ Lakhs)

As at March 31, 2022	Fire		Marine (Cargo)		Engineering		Motor OD		Motor TP		Public / Product Liability	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Upto 30 days	212	37	25	52	-	-	2490	1,591	360	1,798	-	-
31 Days to 6 months	794	1,247	37	164	9	14	1340	2,734	3326	15,136	-	-
6 months to 1 year	106	492	30	84	14	27	85	198	2049	11,308	-	-
1 year to 5 years	29	1,091	11	287	8	76	368	1,218	4426	32,676	1	40
5 years or more	1	51	7	636	2	4	92	260	989	7,871	-	-
<b>Total</b>	<b>1142</b>	<b>2,918</b>	<b>110</b>	<b>1,222</b>	<b>33</b>	<b>121</b>	<b>4375</b>	<b>6,001</b>	<b>11150</b>	<b>68,788</b>	<b>1</b>	<b>40</b>

(Amount in ₹ Lakhs)

As at March 31, 2022	Workmen's Compensation		Other Liability		Personal Accident		Health Insurance		All Other Misc		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Upto 30 days	6	3	7	19	11	37	865	702	-	-	3976	4,238
31 Days to 6 months	8	24	5	16	3	3	106	63	-	-	5628	19,399
6 months to 1 year	7	66	18	33	3	3	2	4	1	0	2315	12,214
1 year to 5 years	-	-	26	127	1	2	-	-	1	140	4871	35,657
5 years or more	-	-	-	-	-	-	-	-	-	-	1091	8,823
<b>Total</b>	<b>21</b>	<b>93</b>	<b>56</b>	<b>194</b>	<b>18</b>	<b>45</b>	<b>973</b>	<b>769</b>	<b>2</b>	<b>140</b>	<b>17881</b>	<b>80,331</b>

(Amount in ₹ Lakhs)

As at March 31, 2021	Fire		Marine (Cargo)		Engineering		Motor OD		Motor TP		Public / Product Liability	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Upto 30 days	38	30	20	131	2	6	2021	950	117	787	-	-
31 Days to 6 months	88	1,656	34	186	4	30	1278	1,823	1164	5,868	-	-
6 months to 1 year	25	1,171	7	48	2	12	54	234	677	3,980	1	40
1 year to 5 years	25	1,372	27	600	18	257	388	1,313	4462	31,236	-	-
5 years or more	-	-	2	619	1	2	-	-	645	4,558	-	-
<b>Total</b>	<b>176</b>	<b>4,228</b>	<b>90</b>	<b>1,584</b>	<b>27</b>	<b>308</b>	<b>3741</b>	<b>4,321</b>	<b>7065</b>	<b>46,429</b>	<b>1</b>	<b>40</b>

(Amount in ₹ Lakhs)

As at March 31, 2021	Workmen's Compensation		Other Liability		Personal Accident		Health Insurance		All Other Misc		Grand Total	
	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
Upto 30 days	4	3	1	5	21	52	644	502	-	-	2868	2,465
31 Days to 6 months	4	11	19	102	6	16	56	47	4	4	2657	9,743
6 months to 1 year	-	-	-	-	2	1	1	0	1	3	770	5,489
1 year to 5 years	-	-	9	28	2	3	-	-	2	146	4933	34,956
5 years or more	-	-	-	-	-	-	-	-	-	-	648	5,179
<b>Total</b>	<b>8</b>	<b>14</b>	<b>29</b>	<b>135</b>	<b>31</b>	<b>72</b>	<b>701</b>	<b>549</b>	<b>7</b>	<b>153</b>	<b>11876</b>	<b>57,833</b>

## Annexure B

### Details of Average Claim (Direct) settlement time for the preceding five years

Amount in ₹Lakhs

Class of Business	Trend in average claim settlement time for various segments														
	FY 2024-25			FY 2023-24			FY 2022-23			FY 2021-22			FY 2020-21		
	Average settlement time (Days)	No. of claims Settled	Amount Settled	Average settlement time (Days)	No. of claims Settled	Amount Settled	Average settlement time (Days)	No. of claims Settled	Amount Settled	Average settlement time (Days)	No. of claims Settled	Amount Settled	Average settlement time (Days)	No. of claims Settled	Amount Settled
Fire	14	25869	3,814	25	19725	2,975	65	10753	2,271	56	16539	3,267	59	4654	2,590
Marine Cargo	11	8790	3,268	5	13801	2,273	10	6355	2,032	66	1036	1,383	55	1108	1,376
Engineering	53	88	278	369	32	121	199	44	30	347	46	63	28	305	292
Motor OD	2	151736	46,115	3	168022	36,609	1	178649	38,051	2	100886	20,576	2	63153	12,925
Public / Product Liability	92	1	0	1228	1	40	-	-	-	2	2	0	-	-	-
Workmen's Compensation	116	357	354	146	85	160	173	37	42	113	22	52	94	21	24
Other Liability	327	32	198	600	67	478	364	17	486	565	18	3	447	3	80
Personal Accident	3	741	844	1	417	339	5	197	181	23	164	164	32	101	107
Health	2	107392	47,183	3	62634	28,661	4	22983	10,513	5	11224	6,215	11	4025	2,324
Others Misc	63	109	337	41	40	48	70	60	38	96	59	39	26	166	46
<b>Grand Total</b>	<b>4</b>	<b>295115</b>	<b>102,392</b>	<b>5</b>	<b>264824</b>	<b>71,704</b>	<b>5</b>	<b>219095</b>	<b>53,645</b>	<b>10</b>	<b>129996</b>	<b>31,761</b>	<b>7</b>	<b>73536</b>	<b>19,765</b>

\* The above ageing does not include Motor third party claims which have to be settled through MACT and other judicial bodies

\*\* Average settlement time is calculated considering cashless payments as same day settlement.

## Annexure C

### Details of Claim Intimated

(Amount in ₹ Lakhs)

Class of Business	FY 2024-25		FY 2023-24	
	No. of claims Intimated	Amount	No. of claims Intimated	Amount
Fire	25945	19,803	19852	7,841
Marine Cargo	8886	7,310	13826	3,108
Engineering	100	1,363	43	928
Motor OD	150576	54,332	167911	47,778
Motor TP	11833	64,141	14191	70,814
Public / Product Liability	-	-	1	40
Workmen's Compensation	482	354	117	72
Other Liability	18	40	39	68
Personal Accident	783	1,641	451	616
Health	109891	70,911	64525	43,613
Others Misc	104	275	49	97
<b>Grand Total</b>	<b>308618</b>	<b>220,170</b>	<b>281005</b>	<b>174,976</b>



# **AUDITED** **FINANCIAL** **STATEMENTS**

# INDEPENDENT AUDITORS' REPORT

To the members of  
**Magma General Insurance Limited**  
(formerly Magma HDI General Insurance Company Limited)

## Report on Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Revenue Accounts, the Profit & Loss Account and the Receipts and Payments Account for the year then ended, the schedules annexed there and notes to the financial statements, including a summary of the significant accounting policies and other explanatory notes (hereinafter referred to as "Financial Statements").

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 provisions of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act") read with Insurance Regulatory and Development Act, 1999 (the "IRDA Act"), and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of the annual financial result and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 (the "IRDA Financial Statement Regulations") and orders/ directions / circulars issued by the Insurance Regulatory and Development Authority of India ("IRDA"/ the "Authority"), to the extent applicable and the Companies Act, 2013, as amended, ('the Act') to the extent applicable and in the manner so required, and give true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies:

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2025;
- ii. In the case of the Revenue Accounts, of the operating profit in the Fire and Miscellaneous business, and operating loss in the Marine business for year ended on that date;
- iii. In the case of the Profit & Loss Account, of the profit for the year ended on that date; and
- iv. In the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statement 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 'Auditors' 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statement.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant risks identified by us that may lead to material misstatement (whether or not due to fraud) and assessed by us as part of the audit procedures. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

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.

Sr. No.	Key Audit Matters	Auditors' Response
<b>Information Technology Systems and Controls (IT Controls):</b>		
1.	The Company is highly dependent on its information technology ('IT') systems for carrying out its operations and due to the large volume of transactions that are processed daily across multiple IT systems, there exists a potential risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated.	<ul style="list-style-type: none"><li>• We have involved our IT specialists in the assessment of IT systems and controls over financial reporting which included carrying out the following key audit procedures.</li><li>• Involved IT specialists as part of the audit for the purpose of testing the IT general controls and application controls (automated and semi-automated controls) to determine the accuracy of the information produced by the Company's IT systems.</li></ul>

Sr. No.	Key Audit Matters	Auditors' Response
	<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 applications and is ultimately used for financial reporting. These controls contribute to mitigating risk of potential misstatements caused by fraud or error.</p> <p>On account of the extensive use of IT systems across varied phases of business, the testing with respect to general computer controls of the IT systems used in financial reporting was identified to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>Obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment, including an understanding of the process, mapping of applications and understanding financial risks posed by people-process and technology.</li> <li>Tested design and operating effectiveness of key controls over user access management (including user access provisioning, de-provisioning, user access review, password configuration review and privilege access), change management (including compliance of change release in production environment to the defined procedures), program development (including review of data migration activity), computer operations (including testing of key controls pertaining to, backup, batch processing, incident management and data centre security).</li> <li>Performed procedures for a selected group of key controls over financial and reporting system to determine that these controls remained unchanged during the year or were changed following the standard change management process.</li> <li>Tested key automated and manual business cycle controls including testing of alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the financial statements.</li> </ul>

## Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditors' report is Director's Report but does not include the Financial Statements and our Auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibility of Management and Those Charged With Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the requirements of the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations, the Act and in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder. 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.

In preparing the financial statements, management 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.

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

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Financial Statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' 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 auditors' 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.

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

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

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 for the year ended March 31, 2025 and are therefore, the key audit matters. We describe these matters in our auditors' 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.

## Other Matter

Pursuant to IRDAI (Appointed Actuary) Regulations 2017, 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") as at March 31, 2025, has been duly certified by the Appointed Actuary. They have also certified that assumptions used for such valuation are appropriate and in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. Accordingly, we have relied upon the aforesaid certificate from the Appointed Actuary while forming our opinion on the financial statements of the Company.

Our opinion is not modified in respect of above matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate dated April 29, 2025 certifying the matters specified in paragraphs 3 and 4 of Part III to the IRDA Financial Statements Regulations.
2. This Report does not include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
3. As required by IRDA Financial Statements Regulations, read with Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. As the Company's financial accounting system is centralized at Head Office, no returns for the purposes of our audit are prepared at the branches of the Company;
- d. The Balance Sheet, the Revenue Accounts, the Profit & 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 and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act the IRDA Financial Statements Regulations and / or orders / directions/circulars/guidelines issued by the IRDAI in this behalf;
- f. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements dealt with by this report comply with the Accounting Standards specified under Section 133 of the Act to the extent they are not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations and orders/directions issued by 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 Accounting Standards specified under Section 133 of the Act, to the extent they are not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations and orders / directions issued by the IRDAI in this behalf;
- h. On the basis of the written representations received from the directors as on March 31, 2025, taken on records by the Board of Directors in their meeting held on April 29, 2025, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- i. As required by the Companies (Amendment) Act, 2017, in our opinion, according to information and explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is within the limits prescribed under section 197 of the Act read with Section 34A of the Insurance Act, 1938;
- j. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**";
- k. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 17.1 of Schedule 17 to the financial statements;
  - ii. Liability for insurance contracts, is determined by the Company's Actuary referred to in Other Matter paragraph above, on which we have placed reliance; and the Company did not have any other long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 17.24 & 17.27 respectively of Schedule 17 to the financial statements;
  - iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company for financial statements.
  - 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; 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 and paid any dividend during the year and accordingly no compliance with respect to section 123 of the Act is required to be followed.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention.

**For Singhi & Co.**  
Chartered Accountants  
ICAI Firm Registration No.: 302049E

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.: 105047W

**Shweta Singhal**  
Partner  
Membership No.: 414420  
UDIN: 25414420BMLEJD7223  
Place: Mumbai  
Date: April 29, 2025

**Swapnil Kale**  
Partner  
Membership No.: 117812  
UDIN: 25117812BMNUKY7992  
Place: Mumbai  
Date: April 29, 2025

## **ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MAGMA GENERAL INSURANCE LIMITED (formerly Magma HDI General Insurance Company Limited)**

(Referred to in paragraph 3(j) under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date to the members of Magma General Insurance Limited on the financial statements for the year ended March 31, 2025).

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

#### **Opinion**

1. We have audited the internal financial controls with reference to financial statements of **Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

#### **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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act including 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 Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was 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 the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls With reference to Financial Statements**

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 With Reference to Financial Statements**

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

## **Other Matters**

8. Pursuant to IRDAI (Appointed Actuary) Regulations 2017, 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") as at March 31, 2025, has been duly certified by the Appointed Actuary. They have also certified that assumptions used for such valuation are appropriate and 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 aforesaid certificate while forming our opinion on the financial statements of the Company as mentioned in Other Matter paragraph in our Audit Report on the financial statements for the year ended March 31, 2025. Accordingly, our opinion on the internal financial controls with reference to financial statements does not include reporting on the adequacy and operating effectiveness of the internal controls over the valuation and accuracy of the aforesaid actuarial liabilities.

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

**For Singhi & Co.**  
Chartered Accountants  
ICAI Firm Registration No.: 302049E

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.: 105047W

**Shweta Singhal**  
Partner  
Membership No.: 414420  
UDIN: 25414420BMLEJD7223  
Place: Mumbai  
Date: April 29, 2025

**Swapnil Kale**  
Partner  
Membership No.: 117812  
UDIN: 25117812BMNUKY7992  
Place: Mumbai  
Date: April 29, 2025

# INDEPENDENT AUDITORS' CERTIFICATE

## TO THE MEMBERS OF MAGMA GENERAL INSURANCE LIMITED (formerly Magma HDI General Insurance Company Limited) (the "Company")

(Referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" forming part of the Independent Auditors' Report dated April 29, 2025).

We have been requested by the Company having registered office at Development House 24, Park Street, Kolkata, West Bengal – 700016 to issue a certificate in accordance with the terms of engagement letter.

This certificate is issued to comply with the provisions of paragraphs 3 and 4 of Part III: Auditor's Report of the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 (the "Regulations") to be read master circular.

### Management's Responsibility

The Management is responsible for ensuring that the Company complies with the requirements 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"), and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of the annual financial result and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 (the "IRDA Financial Statement Regulations") and orders/ directions / circulars issued by the Insurance Regulatory and Development Authority of India ("IRDA"/ the "Authority"), to the extent applicable, which includes preparation of the Management Report. The responsibility includes collecting, collating, validating data, designing, implementing and monitoring of internal controls relevant for ensuring compliance as stated above and provide all relevant information to IRDAI and making estimates that are reasonable in the circumstances.

### Auditors' Responsibility

Pursuant to the requirements of the Regulations, our responsibility, for the purpose of this certificate, is to provide reasonable assurance on matters contained in paragraphs 10 of Schedule II, read with Master Circular, of the IRDA Financial Statements Regulations.

We have performed the following procedures: -

- a) Reviewed the management report attached to the financial statements for the year ended March 31, 2025, to ensure that there is no apparent mistake or material inconsistency with the financial statements;
- b) We have verified the cash balances, to the extent considered necessary, and securities relating to the Company's loans and investments as at March 31, 2025, on the basis of certificates/ confirmations received from the Custodians and/or Depository Participants appointed by the Company, as the case may be;
- c) Read the compliance certificate submitted to the Board of Directors; and
- d) Relied on Management representation:
  - that the Company is not a trustee of any trust; and
  - that no part of the assets of the policyholder's funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act relating to the application and investments of the policyholder's funds.

We have audited the financial statements of the Company as of and for the financial year ended March 31, 2025, on which we issued an unmodified audit opinion vide our reports dated April 29, 2025. Our audit of these financial statements was conducted in accordance with the Standards on Auditing as prescribed under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI, which includes the concepts of test checks and materiality. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this Certificate.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.

## Opinion

Based on our examination, as above, the information and explanations and representation given to us, we report that:

1. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2025, and on the basis of our review, there are no apparent mistakes or material inconsistencies with the financial statements;
2. The Company has complied with the terms and conditions of registration as per sub-section 4 of section 3 of the Insurance Act, 1938;
3. We have reviewed the cash balances and cheques on hand from the certificate and confirmations provided by the management and securities relating to Company's loans and investments as at March 31, 2025, by actual inspection and on the basis of certificates/confirmations received from the third parties/Custodians and/or Depository Participants appointed by the Company, as the case may be;
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the Policyholders' Funds.

## Restriction on use

This certificate is issued at the request of the Company solely for use of the Company for inclusion in the annual accounts in order to comply with the provisions of paragraph 3 and 4 of Part III of the IRDA Financial Statements Regulations read with Regulation 3 of the IRDA Regulations and is not intended to be and should not be used for any other purpose without our prior consent. Auditors' shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior consent in writing.

**For Singhi & Co.**  
Chartered Accountants  
Firm Registration No.: 302049E

**For M S K A & Associates**  
Chartered Accountants  
Firm Registration No.: 105047W

**Shweta Singhal**  
Partner  
Membership No.: 414420  
UDIN: 25414420BMLEJE7666  
Place: Mumbai  
Date: April 29, 2025

**Swapnil Kale**  
Partner  
Membership No.: 117812  
UDIN: 25117812BMNULA6908  
Place: Mumbai  
Date: April 29, 2025

**FORM B-RA**
**Magma General Insurance Limited** (formerly Magma HDI General Insurance Company Limited)

IRDAI Registration No. 149 dated May 22, 2012

**Revenue Account for the year ended 31 March 2025**

(Amount in ₹ Lakhs)

Particulars	Schedule Ref.	Fire		Marine		Miscellaneous		Total	
		Year ended 31 Mar 2025	Year ended 31 Mar 2024	Year ended 31 Mar 2025	Year ended 31 Mar 2024	Year ended 31 Mar 2025	Year ended 31 Mar 2024	Year ended 31 Mar 2025	Year ended 31 Mar 2024
1 Premiums Earned (Net)	1	8,939	6,983	1,239	530	290,686	219,126	300,864	226,639
2 Profit / (Loss) on Sale / Redemption of Investments (Net)		11	(18)	2	(2)	488	(692)	501	(712)
3 Interest, Dividend and Rent - Gross (Note 1)		1,261	1,114	204	85	41,512	33,838	42,977	35,037
4 Other									
a) Other Income									
i) Miscellaneous Income		17	9	2	1	51	31	70	41
b) Contribution from the Shareholders' Account									
i) Towards Excess Expenses of Management (EoM)		-	-	-	-	5,822	8,072	5,822	8,072
ii) Towards Remuneration of MD/CEO/WTD/Other KMPs		3	3	-	-	26	28	29	31
<b>Total (A)</b>		<b>10,231</b>	<b>8,091</b>	<b>1,447</b>	<b>614</b>	<b>338,585</b>	<b>260,403</b>	<b>350,263</b>	<b>269,108</b>
5 Claims Incurred (Net)	2	3,708	2,896	1,439	1,008	234,948	177,144	240,095	181,048
6 Commission (Net)	3	128	529	100	(7)	68,693	65,475	68,921	65,997
7 Operating Expenses related to Insurance Business	4	3,566	3,224	501	344	34,104	30,977	38,171	34,545
8 Premium Deficiency		-	-	(43)	19	-	-	(43)	19
<b>Total (B)</b>		<b>7,402</b>	<b>6,649</b>	<b>1,997</b>	<b>1,364</b>	<b>337,745</b>	<b>273,596</b>	<b>347,144</b>	<b>281,609</b>
<b>9 Operating Profit / (Loss) (C) = (A - B)</b>		<b>2,829</b>	<b>1,442</b>	<b>(550)</b>	<b>(750)</b>	<b>840</b>	<b>(13,193)</b>	<b>3,119</b>	<b>(12,501)</b>
<b>10 Appropriations</b>									
Transfer to Shareholders' Account		2,829	1,442	(550)	(750)	840	(13,193)	3,119	(12,501)
Transfer to Catastrophe Reserve		-	-	-	-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-	-	-	-
<b>Total (C)</b>		<b>2,829</b>	<b>1,442</b>	<b>(550)</b>	<b>(750)</b>	<b>840</b>	<b>(13,193)</b>	<b>3,119</b>	<b>(12,501)</b>

## Note - 1

(Amount in ₹ Lakhs)

Pertaining to Policyholder's funds		Fire		Marine		Miscellaneous		Total	
		Year ended 31 Mar 2025	Year ended 31 Mar 2024	Year ended 31 Mar 2025	Year ended 31 Mar 2024	Year ended 31 Mar 2025	Year ended 31 Mar 2024	Year ended 31 Mar 2025	Year ended 31 Mar 2024
Interest, Dividend & Rent		959	900	213	90	42,952	35,281	44,124	36,271
<b>Add/Less:-</b>									
Investment Expenses		(21)	(23)	(3)	(2)	(172)	(183)	(196)	(208)
Amortisation of (Premium) / Discount on Investments		(29)	(32)	(6)	(3)	(1,288)	(1,272)	(1,323)	(1,307)
Amount Written off in respect of Depreciated Investments		-	-	-	-	-	-	-	-
Provision for Bad and Doubtful Debts		-	-	-	-	-	-	-	-
Provision for Diminution in the value of other than actively traded Equities		-	-	-	-	-	-	-	-
Investment Income from Pool		352	269	-	-	20	12	372	281
<b>Interest, Dividend &amp; Rent – Gross*</b>		<b>1,261</b>	<b>1,114</b>	<b>204</b>	<b>85</b>	<b>41,512</b>	<b>33,838</b>	<b>42,977</b>	<b>35,037</b>

\* Term gross implies inclusive of TDS

Significant Accounting Policies **16**Notes to Accounts **17**

The Schedules referred to above & notes to accounts form an integral part of the Financial Statements.

As per our Report of even date attached

**For Singhi & Co.**  
Chartered Accountants  
Firm Regn. No. 302049E

**Shweta Singhal**  
Partner  
Membership No. 414420

Mumbai, 29 April 2025

**For M S K A & Associates**  
Chartered Accountants  
Firm Regn. No. 105047W

**Swapnil Kale**  
Partner  
Membership No. 117812

For and on behalf of the Board of Directors

**Sanjay Chamria**  
Chairman  
DIN 00009894

**Mayank Poddar**  
Director  
DIN 00009409

**Sudhir Kapadia**  
Director  
DIN 05307843

**Rajive Kumaraswami**  
Managing Director & CEO  
DIN 07501971

**Gaurav Parasrampuria**  
Chief Financial Officer

**Sidhi Jatkar**  
Company Secretary  
Membership No. A27539

**FORM B-PL**
**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**

IRDAI Registration No. 149 dated May 22, 2012

**Profit & Loss Account for the year ended 31 March 2025**

(Amount in ₹ Lakhs)

<b>Particulars</b>		<b>Schedule Ref.</b>	<b>Year ended 31 Mar 2025</b>	<b>Year ended 31 Mar 2024</b>
1	<b>Operating Profit / (Loss)</b>			
	(a) Fire Insurance		2,829	1,442
	(b) Marine Insurance		(550)	(750)
	(c) Miscellaneous Insurance		840	(13,193)
2	<b>Income From Investments</b>			
	(a) Interest, Dividend and Rent - Gross		9,099	6,519
	(b) Profit on Sale / Redemption of Investments		263	196
	(c) (Loss on Sale / Redemption of Investments)		(162)	(327)
	(d) Amortization of (Premium) / Discount on Investments		(273)	(248)
3	<b>Other Income</b>			
	(a) Liabilities Written back		607	19
	(b) Miscellaneous Income		197	119
	<b>Total (A)</b>		<b>12,850</b>	<b>(6,223)</b>
4	<b>Provisions (Other than taxation)</b>			
	(a) For Diminution in the Value of Investments		-	-
	(b) For Doubtful Debts		15	3
	(c) Others		-	-
5	<b>Other Expenses</b>			
	(a) Expenses other than those related to Insurance Business		-	367
	(b) Bad Debts Written off		5	4
	(c) Interest on Subordinated Debt		4,026	1,419
	(d) Expenses towards CSR Activities (Refer Note 17.25)		-	-
	(e) Penalties (Refer Note 17.36)		0.02	2
	(f) Contribution to Policyholders' Account			
	i) Towards Excess Expenses of Management (EoM) (Refer Note 17.20)		5,822	8,072
	ii) Towards Remuneration of MD/CEO/WTD/Other KMPs (Refer Note 17.18.a)		29	31
	iii) Others		-	-
	(g) Others			
	i) Investment Expenses (Refer Note 17.12)		41	37
	ii) Loss on Sale / Discard of Fixed Assets		38	11
	iii) Director Fees (Refer Note 17.18.d)		109	91
	<b>Total (B)</b>		<b>10,085</b>	<b>10,037</b>
6	<b>Profit / (Loss) Before Tax</b>		<b>2,765</b>	<b>(16,260)</b>
7	Provision for Taxation		2,660	(2,138)
	(a) Current Tax		-	-
	(b) Deferred Tax Expense / (Income)		2,660	(2,138)
8	<b>Profit / (Loss) After Tax</b>		<b>105</b>	<b>(14,122)</b>
9	<b>Appropriations</b>			
	(a) Interim Dividends Paid during the year		-	-
	(b) Final Dividend Paid		-	-
	(c) Transfer to any Reserve or Other Account		-	-
	Balance of Profit / (Loss) brought forward from last year		(45,356)	(31,234)
	<b>Balance carried forward to Balance Sheet</b>		<b>(45,251)</b>	<b>(45,356)</b>

Significant Accounting Policies

16

Notes to Accounts

17

The Schedules referred to above & notes to accounts form an integral part of the Financial Statements.

As per our Report of even date attached

For and on behalf of the Board of Directors

**For Singhi & Co.**  
Chartered Accountants  
Firm Regn. No. 302049E

**For M S K A & Associates**  
Chartered Accountants  
Firm Regn. No. 105047W

**Sanjay Chamria**  
Chairman  
DIN 00009894

**Rajive Kumaraswami**  
Managing Director & CEO  
DIN 07501971

**Shweta Singhal**  
Partner  
Membership No. 414420

**Swapnil Kale**  
Partner  
Membership No. 117812

**Mayank Poddar**  
Director  
DIN 00009409

**Gaurav Parasrampuria**  
Chief Financial Officer

Mumbai, 29 April 2025

**Sudhir Kapadia**  
Director  
DIN 05307843

**Sidhi Jatkar**  
Company Secretary  
Membership No. A27539

**FORM B-BS**
**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**

IRDAI Registration No. 149 dated May 22, 2012

**Balance Sheet as at 31 March 2025**

(Amount in ₹ Lakhs)

Particulars	Schedule Ref.	As at 31 Mar 2025	As at 31 Mar 2024
<b>Sources of Funds</b>			
Share Capital	5 & 5A	29,339	26,930
Share Application Money Pending Allotment		-	-
Reserves and Surplus	6	136,400	108,384
Fair Value Change Account			
- Shareholders' Funds		4	4
- Policyholders' Funds		19	19
Borrowings	7	42,500	42,501
<b>Total</b>		<b>208,262</b>	<b>177,838</b>
<b>Application of Funds</b>			
<b>Investments</b>			
Investments - Shareholders	8	144,166	112,793
Investments - Policyholders	8A	652,469	588,062
<b>Total Investments</b>		<b>796,635</b>	<b>700,855</b>
Loans	9	-	57
Fixed Assets	10	4,450	4,446
Deferred Tax Asset (Net) (Refer Note 17.30)		2,212	4,872
<b>Current Assets</b>			
Cash and Bank Balances	11	5,356	3,811
Advances and Other Assets	12	50,031	41,525
<b>Sub-Total (A)</b>		<b>55,387</b>	<b>45,336</b>
Current Liabilities	13	532,644	463,720
Provisions	14	163,029	159,364
<b>Sub-Total (B)</b>		<b>695,673</b>	<b>623,084</b>
<b>Net Current Assets / (Liabilities) (C) = (A - B)</b>		<b>(640,286)</b>	<b>(577,748)</b>
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit & Loss Account		45,251	45,356
<b>Total</b>		<b>208,262</b>	<b>177,838</b>

Contingent Liabilities	17.1
Significant Accounting Policies	16
Notes to Accounts	17

The Schedules referred to above &amp; notes to accounts form an integral part of the Financial Statements.

As per our Report of even date attached

For and on behalf of the Board of Directors

For Singh & Co.  
Chartered Accountants  
Firm Regn. No. 302049E

For M S K A & Associates  
Chartered Accountants  
Firm Regn. No. 105047W

Sanjay Chamria  
Chairman  
DIN 00009894

Rajive Kumaraswami  
Managing Director & CEO  
DIN 07501971

Shweta Singhal  
Partner  
Membership No. 414420

Swapnil Kale  
Partner  
Membership No. 117812

Mayank Poddar  
Director  
DIN 00009409

Gaurav Parasrampuria  
Chief Financial Officer  
Membership No. A27539

Mumbai, 29 April 2025

Sudhir Kapadia  
Director  
DIN 05307843

Sidhi Jatkar  
Company Secretary  
Membership No. A27539

**Magma General Insurance Limited** (formerly Magma HDI General Insurance Company Limited)  
 IRDAI Registration No. 149 dated May 22, 2012

**Receipt and Payments for the year ended 31 March 2025**

Particulars	Year ended 31 Mar 2025	Year ended 31 Mar 2024
<b>Cash flows from the operating activities:</b>		
Premium received from policyholders, including advance receipts	365,032	354,526
Other receipts	-	12,475
Payments to reinsurers, net of commissions and claims	(41,365)	(33,371)
Payments to co-insurers, net of claims recovery	(1,731)	(800)
Payments of claims	(155,072)	(113,918)
Payments of commission & brokerage	(82,762)	(71,089)
Payments of other operating expenses	(39,192)	(56,098)
Deposits, advances and staff loans	(291)	(426)
Income Tax (paid) / refund (Net)	407	308
Goods & Service tax paid	(22,289)	(24,103)
Other payments	(1,488)	-
<b>Cash flows before extraordinary items</b>	<b>21,249</b>	<b>67,504</b>
Cash flow from extraordinary operations	-	-
<b>Net cash flow from operating activities (A)</b>	<b>21,249</b>	<b>67,504</b>
<b>Cash flows from investing activities:</b>		
Purchase of fixed assets	(1,379)	(1,791)
Proceeds from sale of fixed assets	-	18
Purchases of investments	(796,733)	(873,665)
Loans disbursed	-	(57)
Sales / redemption of investments	701,654	696,177
Repayments received	57	-
Rents / Interests / Dividends received	50,943	36,048
Investments in money market instruments and in liquid mutual funds (Net)	(15)	76
Expenses related to investments	(237)	(246)
<b>Net cash flow from investing activities (B)</b>	<b>(45,710)</b>	<b>(143,439)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of share capital (net of issue expenses)	29,942	17,893
Proceeds from borrowing	-	32,500
Repayments of borrowing	(1)	(5)
Interest / dividends paid	(3,935)	(875)
<b>Net cash flow from financing activities (C)</b>	<b>26,006</b>	<b>49,513</b>
<b>Effect of foreign exchange rates on cash and cash equivalents, net (D)</b>		
Net increase / (decrease) in cash and cash equivalents: (A+B+C+D)	1,545	(26,422)
Cash and Cash Equivalent at the beginning of the year	3,811	30,233
Cash and Cash Equivalent at the end of the year	<b>5,356</b>	<b>3,811</b>

Refer to Schedule 11 for components of Cash and Bank balances

As per our Report of even date attached

For and on behalf of the Board of Directors

For Singh & Co.  
 Chartered Accountants  
 Firm Regn. No. 302049E

For M S K A & Associates  
 Chartered Accountants  
 Firm Regn. No. 105047W

Sanjay Chamria  
 Chairman  
 DIN 00009894

Rajive Kumaraswami  
 Managing Director & CEO  
 DIN 07501971

Shweta Singhal  
 Partner  
 Membership No. 414420

Swapnil Kale  
 Partner  
 Membership No. 117812

Mayank Poddar  
 Director  
 DIN 00009409

Gaurav Parasrampuria  
 Chief Financial Officer  
 Membership No. A27539

# Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)

Schedules to the Financial Statements

## SCHEDULE – 1

### Premium Earned [Net]

(Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025						Year ended 31 March 2024					
	Fire	Marine			Miscellaneous*	Total	Fire	Marine			Miscellaneous*	Total
		Marine Cargo	Marine Hull	Marine Total				Marine Cargo	Marine Hull	Marine Total		
Gross Direct Premium	33,643	5,166	-	5,166	294,631	333,440	31,314	3,898	-	3,898	269,207	304,419
Add : Premium on reinsurance accepted	4,702	171	-	171	25,182	30,055	5,344	21	-	21	19,727	25,092
Less : Premium on reinsurance ceded	(31,731)	(3,865)	-	(3,865)	(23,632)	(59,228)	(29,835)	(3,237)	-	(3,237)	(21,540)	(54,612)
<b>Net Written Premium / Net Premium Income</b>	<b>6,614</b>	<b>1,472</b>	-	<b>1,472</b>	<b>296,181</b>	<b>304,267</b>	<b>6,822</b>	<b>682</b>	-	<b>682</b>	<b>267,394</b>	<b>274,899</b>
Add: Opening balance of Unearned Premium Reserve (UPR)	9,107	306	-	306	147,064	156,477	9,268	154	-	154	98,795	108,217
Less: Closing balance of Unearned Premium Reserve (UPR)	(6,782)	(539)	-	(539)	(152,559)	(159,880)	(9,107)	(306)	-	(306)	(147,064)	(156,477)
<b>Net Earned Premium</b>	<b>8,939</b>	<b>1,239</b>	-	<b>1,239</b>	<b>290,686</b>	<b>300,864</b>	<b>6,983</b>	<b>530</b>	-	<b>530</b>	<b>219,126</b>	<b>226,639</b>
<b>Gross Direct Premium</b>												
- In India	33,643	5,166	-	5,166	294,631	333,440	31,314	3,898	-	3,898	269,207	304,419
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-

\* Refer to Schedule - 1(A)

# Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)

Schedules to the Financial Statements

## SCHEDULE – 1 (A)

### Premium Earned [Net]

#### Miscellaneous Premium Earned [Net] breakup for the Year ended March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Miscellaneous													
	Motor			Health			Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	Total	
	Motor OD	Motor TP	Motor Total	Health	Personal Accident	Travel								
Gross Direct Premium	50,656	156,146	206,802	71,615	2,662	-	74,277	1,188	17	2,715	-	-	9,632	294,631
Add : Premium on reinsurance accepted	-	-	-	24,901	-	-	24,901	-	-	269	-	-	12	25,182
Less : Premium on reinsurance ceded	(2,635)	(6,479)	(9,114)	(2,860)	(228)	-	(3,088)	(47)	(8)	(2,607)	-	-	(8,768)	(23,632)
<b>Net Written Premium / Net Premium Income</b>	<b>48,021</b>	<b>149,667</b>	<b>197,688</b>	<b>93,656</b>	<b>2,434</b>	-	<b>96,090</b>	<b>1,141</b>	<b>9</b>	<b>377</b>	-	-	<b>876</b>	<b>296,181</b>
Add: Opening balance of Unearned Premium Reserve (UPR)	32,073	82,002	114,075	31,554	946	-	32,500	204	1	178	-	-	107	147,064
Less: Closing balance of Unearned Premium Reserve (UPR)	(23,633)	(82,448)	(106,081)	(43,613)	(1,288)	-	(44,901)	(586)	(13)	(231)	-	-	(747)	(152,559)
<b>Net Earned Premium</b>	<b>56,461</b>	<b>149,221</b>	<b>205,682</b>	<b>81,597</b>	<b>2,092</b>	-	<b>83,689</b>	<b>759</b>	<b>(3)</b>	<b>324</b>	-	-	<b>235</b>	<b>290,686</b>
<b>Gross Direct Premium</b>														
- In India	50,656	156,146	206,802	71,615	2,662	-	74,277	1,188	17	2,715	-	-	9,632	294,631
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-

#### Miscellaneous Premium Earned [Net] breakup for the Year ended March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Miscellaneous													
	Motor			Health			Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	Total	
	Motor OD	Motor TP	Motor Total	Health	Personal Accident	Travel								
Gross Direct Premium	58,508	148,845	207,353	49,424	1,734	-	51,158	381	4	2,138	-	-	8,173	269,207
Add : Premium on reinsurance accepted	-	-	-	19,452	-	-	19,452	-	-	278	-	-	(3)	19,727
Less : Premium on reinsurance ceded	(3,085)	(6,195)	(9,280)	(1,953)	(157)	-	(2,110)	(16)	(7)	(2,110)	-	-	(8,017)	(21,540)
<b>Net Written Premium / Net Premium Income</b>	<b>55,423</b>	<b>142,650</b>	<b>198,073</b>	<b>66,923</b>	<b>1,577</b>	-	<b>68,500</b>	<b>365</b>	<b>(2)</b>	<b>306</b>	-	-	<b>153</b>	<b>267,394</b>
Add: Opening balance of Unearned Premium Reserve (UPR)	18,489	64,969	83,458	14,633	389	-	15,022	95	1	124	-	-	96	98,795
Less: Closing balance of Unearned Premium Reserve (UPR)	(32,073)	(82,002)	(114,075)	(31,554)	(946)	-	(32,500)	(204)	(1)	(178)	-	-	(107)	(147,064)
<b>Net Earned Premium</b>	<b>41,839</b>	<b>125,617</b>	<b>167,457</b>	<b>50,002</b>	<b>1,020</b>	-	<b>51,022</b>	<b>255</b>	<b>(2)</b>	<b>252</b>	-	-	<b>142</b>	<b>219,126</b>
<b>Gross Direct Premium</b>														
- In India	58,508	148,845	207,353	49,424	1,734	-	51,158	381	4	2,138	-	-	8,173	269,207
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-

# Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)

Schedules to the Financial Statements

## SCHEDULE – 2

### Claims Incurred [Net]

(Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025						Year ended 31 March 2024					
	Fire	Marine			Miscellaneous*	Total	Fire	Marine			Miscellaneous*	Total
		Marine Cargo	Marine Hull	Marine Total				Marine Cargo	Marine Hull	Marine Total		
Claims Paid (Direct)	3,814	3,267	-	3,267	142,358	149,439	2,975	2,273	-	2,273	107,433	112,681
Add : Re-insurance accepted to direct claims	2,354	13	-	13	17,798	20,165	1,534	169	-	169	12,272	13,975
Less : Re-insurance ceded to claims paid	(4,118)	(2,318)	-	(2,318)	(8,685)	(15,121)	(3,044)	(1,911)	-	(1,911)	(15,567)	(20,522)
<b>Net Claims Paid</b>	<b>2,050</b>	<b>962</b>	-	<b>962</b>	<b>151,471</b>	<b>154,483</b>	<b>1,465</b>	<b>531</b>	-	<b>531</b>	<b>104,138</b>	<b>106,134</b>
Add : Claims outstanding at the end of the year	5,772	1,378	-	1,378	405,540	412,690	4,114	901	-	901	322,063	327,078
Less : Claims outstanding at the beginning of the year	(4,114)	(901)	-	(901)	(322,063)	(327,078)	(2,684)	(424)	-	(424)	(249,056)	(252,164)
<b>Net Incurred Claims</b>	<b>3,708</b>	<b>1,439</b>	-	<b>1,439</b>	<b>234,948</b>	<b>240,095</b>	<b>2,896</b>	<b>1,008</b>	-	<b>1,008</b>	<b>177,144</b>	<b>181,048</b>
Claims Paid (Direct)												
- In India	3,814	3,206	-	3,206	142,358	149,378	2,975	2,225	-	2,225	107,433	112,633
- Outside India	-	61	-	61	-	61	-	48	-	48	-	48
Estimates of IBNR and IBNER at the end of the year (net)	1,638	776	-	776	214,114	216,528	1,311	506	-	506	172,660	174,477
Estimates of IBNR and IBNER at the beginning of the year (net)	1,311	506	-	506	172,660	174,477	1,124	261	-	261	157,920	159,305

\* Refer to Schedule - 2(A)

# Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)

Schedules to the Financial Statements

## SCHEDULE – 2 (A)

### Claims Incurred [Net]

Miscellaneous Claims Incurred [Net] breakup for the year ended March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Miscellaneous													
	Motor			Health				Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	Total
	Motor OD	Motor TP	Motor Total	Health	Personal Accident	Travel	Health Total							
Claims Paid (Direct)	46,115	47,047	93,162	47,183	845	-	48,028	355	-	279	-	-	534	142,358
Add : Re-insurance accepted to direct claims	-	-	-	17,741	9	-	17,750	-	-	48	-	-	-	17,798
Less : Re-insurance ceded to claims paid	(2,228)	(3,849)	(6,077)	(1,893)	(34)	-	(1,927)	(14)	-	(266)	-	-	(401)	(8,685)
<b>Net Claims Paid</b>	<b>43,887</b>	<b>43,198</b>	<b>87,085</b>	<b>63,031</b>	<b>820</b>	<b>-</b>	<b>63,851</b>	<b>341</b>	<b>-</b>	<b>61</b>	<b>-</b>	<b>-</b>	<b>133</b>	<b>151,471</b>
Add : Claims outstanding at the end of the year	12,348	370,993	383,341	14,257	726	-	14,983	555	2	359	-	6,151	149	405,540
Less : Claims outstanding at the beginning of the year	(9,952)	(298,059)	(308,011)	(6,926)	(316)	-	(7,242)	(209)	(16)	(273)	-	(6,151)	(161)	(322,063)
<b>Net Incurred Claims</b>	<b>46,283</b>	<b>116,132</b>	<b>162,415</b>	<b>70,362</b>	<b>1,230</b>	<b>-</b>	<b>71,592</b>	<b>687</b>	<b>(14)</b>	<b>147</b>	<b>-</b>	<b>-</b>	<b>121</b>	<b>234,948</b>
Claims Paid (Direct)														
- In India	46,115	47,047	93,162	47,183	845	-	48,028	355	-	279	-	-	534	142,358
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimates of IBNR and IBNER at the end of the year (net)	2,395	204,760	207,155	5,972	421	-	6,393	273	2	172	-	-	119	214,114
Estimates of IBNR and IBNER at the beginning of the year (net)	2,411	166,363	168,774	3,361	202	-	3,563	98	2	127	-	-	96	172,660

Miscellaneous Claims Incurred [Net] Breakup for the Year ended March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Miscellaneous													
	Motor			Health				Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	Total
	Motor OD	Motor TP	Motor Total	Health	Personal Accident	Travel	Health Total							
Claims Paid (Direct)	36,609	40,977	77,586	28,661	339	-	29,000	160	40	121	-	-	526	107,433
Add : Re-insurance accepted to direct claims	-	-	-	12,243	-	-	12,243	-	-	29	-	-	-	12,272
Less : Re-insurance ceded to claims paid	(8,599)	(5,161)	(13,760)	(1,168)	(14)	-	(1,182)	(7)	(26)	(115)	-	-	(477)	(15,567)
<b>Net Claims Paid</b>	<b>28,010</b>	<b>35,816</b>	<b>63,826</b>	<b>39,736</b>	<b>325</b>	<b>-</b>	<b>40,061</b>	<b>153</b>	<b>14</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>49</b>	<b>104,138</b>
Add : Claims outstanding at the end of the year	9,952	298,059	308,011	6,926	316	-	7,242	209	16	273	-	6,151	161	322,063
Less : Claims outstanding at the beginning of the year	(6,530)	(233,254)	(239,784)	(2,417)	(261)	-	(2,678)	(101)	(17)	(155)	-	(6,151)	(170)	(249,056)
<b>Net Incurred Claims</b>	<b>31,431</b>	<b>100,621</b>	<b>132,053</b>	<b>44,245</b>	<b>380</b>	<b>-</b>	<b>44,625</b>	<b>261</b>	<b>13</b>	<b>153</b>	<b>-</b>	<b>-</b>	<b>40</b>	<b>177,144</b>
Claims Paid (Direct)														
- In India	36,609	40,977	77,586	28,661	339	-	29,000	160	40	121	-	-	526	107,433
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimates of IBNR and IBNER at the end of the year (net)	2,411	166,363	168,774	3,361	202	-	3,563	98	2	127	-	-	96	172,660
Estimates of IBNR and IBNER at the beginning of the year (net)	1,473	155,407	156,880	625	167	-	792	50	3	89	-	-	106	157,920

# Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)

Schedules to the Financial Statements

## SCHEDULE – 3

### Commission

(Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025						Year ended 31 March 2024					
	Fire	Marine			Miscellaneous*	Total	Fire	Marine			Miscellaneous*	Total
		Marine Cargo	Marine Hull	Marine Total				Marine Cargo	Marine Hull	Marine Total		
Gross Commission	4,165	573	-	573	70,012	74,750	3,423	341	-	341	67,820	71,584
Add : Commission on Re-insurance accepted	576	18	-	18	1,768	2,362	655	1	-	1	1,206	1,862
Less : Commission on Re-insurance ceded	(4,613)	(491)	-	(491)	(3,087)	(8,191)	(3,549)	(349)	-	(349)	(3,551)	(7,449)
Net commission	128	100	-	100	68,693	68,921	529	(7)	-	(7)	65,475	65,997

### Channel wise break-up of Commission (Gross):

Individual Agents	24	1	-	1	5,340	5,365	88	2	-	2	3,455	3,545
Corporate Agents - Banks/FII/HFC	-	-	-	-	1,091	1,091	-	-	-	-	1	1
Corporate Agents - Others	226	-	-	-	3,455	3,681	99	-	-	-	2,925	3,024
Insurance Brokers	3,915	571	-	571	49,527	54,013	3,237	339	-	339	48,267	51,843
Direct Business - Online	-	-	-	-	-	-	-	-	-	-	-	-
MISP (Direct)	-	-	-	-	227	227	-	-	-	-	454	454
Web Aggregators	-	-	-	-	-	-	-	-	-	-	16	16
Insurance Marketing Firm	-	-	-	-	87	87	-	-	-	-	160	160
Common Service Centers	-	-	-	-	-	-	-	-	-	-	-	-
Micro Agents	-	-	-	-	-	-	-	-	-	-	-	-
Point of Sales (Direct)	-	-	-	-	-	10,285	10,285	-	-	-	12,542	12,542
Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4,165</b>	<b>573</b>	<b>-</b>	<b>573</b>	<b>70,012</b>	<b>74,750</b>	<b>3,423</b>	<b>341</b>	<b>-</b>	<b>341</b>	<b>67,820</b>	<b>71,584</b>

### Commission (Excluding Reinsurance) Business written:

- In India	4,165	573	-	573	70,012	74,750	3,423	341	-	341	67,820	71,584
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-

\* Refer to Schedule - 3(A)

# Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)

Schedules to the Financial Statements

## SCHEDULE – 3 (A)

### Commission

#### Miscellaneous Commission Breakup for the Year Ended March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Miscellaneous													
	Motor			Health			Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	Total	
	Motor OD	Motor TP	Motor Total	Health	Personal Accident	Travel								
Gross Commission	15,373	40,603	55,976	12,061	602	-	12,663	348	2	463	-	-	560	70,012
Add : Commission on Re-insurance accepted	-	-	-	1,733	-	-	1,733	-	-	34	-	-	1	1,768
Less : Commission on Re-insurance ceded	(442)	(442)	(884)	(334)	(25)	-	(359)	(7)	-	(541)	-	-	(1,296)	(3,087)
<b>Net commission</b>	<b>14,931</b>	<b>40,161</b>	<b>55,092</b>	<b>13,460</b>	<b>577</b>	<b>-</b>	<b>14,037</b>	<b>341</b>	<b>2</b>	<b>(44)</b>	<b>-</b>	<b>-</b>	<b>(735)</b>	<b>68,693</b>

#### Channel wise break-up of Commission (Gross):

Individual Agents	671	3,547	4,218	940	31	-	972	142	-	2	-	-	7	5,340
Corporate Agents - Banks/FII/HFC	-	-	-	1,090	-	-	1,090	-	-	-	-	-	-	1,091
Corporate Agents - Others	1,120	897	2,017	1,408	6	-	1,414	-	-	-	-	-	25	3,455
Insurance Brokers	11,152	28,235	39,386	8,387	557	-	8,944	206	2	461	-	-	528	49,527
Direct Business - Online	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MISP (Direct)	124	103	227	-	-	-	-	-	-	-	-	-	-	227
Web Aggregators	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Marketing Firm	17	59	76	10	1	-	11	-	-	-	-	-	-	87
Common Service Centers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Micro Agents	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Point of Sales (Direct)	2,289	7,763	10,052	227	6	-	233	-	-	-	-	-	-	10,285
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>15,373</b>	<b>40,603</b>	<b>55,976</b>	<b>12,061</b>	<b>602</b>	<b>-</b>	<b>12,663</b>	<b>348</b>	<b>2</b>	<b>463</b>	<b>-</b>	<b>-</b>	<b>560</b>	<b>70,012</b>

#### Commission (Excluding Reinsurance) Business written:

- In India	15,373	40,603	55,976	12,061	602	-	12,663	348	2	463	-	-	560	70,012
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-

### Miscellaneous Commission Breakup for the Year Ended March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Miscellaneous													
	Motor			Health				Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	Total
	Motor OD	Motor TP	Motor Total	Health	Personal Accident	Travel	Health Total							
Gross Commission	16,876	41,664	58,540	7,988	517	-	8,505	114	1	355	-	-	306	67,820
Add : Commission on reinsurance accepted	-	-	-	1,167	-	-	1,167	-	-	36	-	-	3	1,206
Less : Commission on reinsurance ceded	(1,175)	(894)	(2,069)	(241)	(20)	-	(261)	(4)	(1)	(404)	-	-	(812)	(3,551)
<b>Net commission</b>	<b>15,701</b>	<b>40,770</b>	<b>56,471</b>	<b>8,914</b>	<b>497</b>	<b>-</b>	<b>9,411</b>	<b>110</b>	<b>-</b>	<b>(13)</b>	<b>-</b>	<b>-</b>	<b>(504)</b>	<b>65,475</b>

### Channel wise break-up of Commission (Gross):

Individual Agents	438	2,107	2,545	855	7	-	862	39	-	6	-	-	3	3,455
Corporate Agents - Banks/FII/HFC	-	-	-	1	-	-	1	-	-	-	-	-	-	1
Corporate Agents - Others	1,855	480	2,336	587	1	-	589	-	-	-	-	-	-	2,925
Insurance Brokers	11,609	29,220	40,829	6,209	502	-	6,711	74	1	349	-	-	303	48,267
Direct Business - Online	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MISP (Direct)	129	325	454	-	-	-	-	-	-	-	-	-	-	454
Web Aggregators	2	14	16	-	-	-	-	-	-	-	-	-	-	16
Insurance Marketing Firm	21	117	138	22	-	-	22	-	-	-	-	-	-	160
Common Service Centers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Micro Agents	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Point of Sales (Direct)	2,822	9,400	12,222	313	7	-	320	-	-	-	-	-	-	12,542
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>16,876</b>	<b>41,664</b>	<b>58,540</b>	<b>7,988</b>	<b>517</b>	<b>-</b>	<b>8,505</b>	<b>114</b>	<b>1</b>	<b>355</b>	<b>-</b>	<b>-</b>	<b>306</b>	<b>67,820</b>

### Commission (Excluding Reinsurance) Business written:

- In India	16,876	41,664	58,540	7,988	517	-	8,505	114	1	355	-	-	306	67,820
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-

# Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)

Schedules to the Financial Statements

## SCHEDULE – 4

### Operating Expenses Related to Insurance Business

(Amount in ₹ Lakhs)

Particulars	Fire	Year ended 31 March 2025					Fire	Year ended 31 March 2024					Miscellaneous*	Total			
		Marine			Miscellaneous*	Total		Marine			Fire	Miscellaneous*					
		Marine Cargo	Marine Hull	Marine Total				Marine Cargo	Marine Hull	Marine Total							
1 Employees' remuneration and welfare benefits	2,242	310	-	310	22,912	25,464	1,893	197	-	197	20,568	22,658					
2 Travel, conveyance and vehicle running expenses	112	16	-	16	938	1,066	92	10	-	10	727	829					
3 Training expenses	3	-	-	-	29	32	7	1	-	1	51	59					
4 Rents, rates and taxes	169	23	-	23	1,854	2,046	167	22	-	22	1,538	1,727					
5 Repairs and maintenance	58	8	-	8	488	554	54	6	-	6	425	485					
6 Printing and stationery	10	2	-	2	82	94	16	2	-	2	123	141					
7 Communication expenses	28	4	-	4	234	266	31	3	-	3	244	278					
8 Legal and professional charges	146	21	-	21	1,756	1,923	147	16	-	16	1,616	1,779					
9 Auditors' fees, expenses etc.																	
(a) as auditor	5	1	-	1	42	48	5	1	-	1	42	48					
(b) as adviser or in any other capacity, in respect of																	
(i) Taxation matters	-	-	-	-	2	2	1	-	-	-	4	5					
(ii) Insurance matters	1	-	-	-	4	5	1	-	-	-	9	10					
(c) out of pocket expenses	1	-	-	-	6	7	-	-	-	-	4	4					
10 Advertisement and publicity	3	1	-	1	25	29	5	1	-	1	39	45					
11 Interest and bank charges	109	15	-	15	913	1,037	150	16	-	16	1,185	1,351					
12 Depreciation	141	21	-	21	1,179	1,341	181	19	-	19	1,430	1,630					
13 Brand / Trade mark usage fee / charges	-	-	-	-	1	1	-	-	-	-	1	1					
14 Business development and sales promotion expenses	16	4	-	4	132	152	14	2	-	2	113	129					
15 Information technology expenses	310	44	-	44	2,589	2,943	268	29	-	29	2,113	2,410					
16 Goods and services tax (GST)	22	3	-	3	185	210	22	2	-	2	171	195					
17 Others																	
Miscellaneous expenses	190	27	-	27	733	950	166	17	-	17	548	731					
Insurance awareness	-	1	-	1	-	1	3	-	-	-	27	30					
<b>Total</b>	<b>3,566</b>	<b>501</b>	-	<b>501</b>	<b>34,104</b>	<b>38,171</b>	<b>3,224</b>	<b>344</b>	-	<b>344</b>	<b>30,977</b>	<b>34,545</b>		----			
- In India	3,566	501	-	501	34,104	38,171	3,224	344	-	344	30,977	34,545					
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-		-			

\* Refer to Schedule - 4(A)

# Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)

Schedules to the Financial Statements

## SCHEDULE – 4 (A)

### Miscellaneous Operating Expenses Related to Insurance Business for the Year Ended March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Miscellaneous													
	Motor			Health				Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	Total
	Motor OD	Motor TP	Motor Total	Health	Personal Accident	Travel	Health Total							
1 Employees' remuneration and welfare benefits	4,303	9,670	13,973	7,907	220	-	8,127	78	-	175	-	-	559	22,912
2 Travel, conveyance and vehicle running expenses	149	458	607	283	8	-	291	3	-	9	-	-	28	938
3 Training expenses	4	16	20	8	-	-	8	-	-	-	-	-	1	29
4 Rents, rates and taxes	227	690	917	848	20	-	868	5	-	13	-	-	51	1,854
5 Repairs and maintenance	77	238	315	147	4	-	151	2	-	5	-	-	15	488
6 Printing and stationery	13	40	53	25	1	-	26	-	-	1	-	-	2	82
7 Communication expenses	37	114	151	71	2	-	73	1	-	2	-	-	7	234
8 Legal and professional charges	490	595	1,085	608	10	-	618	5	-	11	-	-	37	1,756
9 Auditors' fees, expenses etc.														
(a) as auditor	7	21	28	13	-	-	13	-	-	-	-	-	1	42
(b) as adviser or in any other capacity, in respect of														
(i) Taxation matters	-	1	1	1	-	-	1	-	-	-	-	-	-	2
(ii) Insurance matters	1	2	3	1	-	-	1	-	-	-	-	-	-	4
(c) out of pocket expenses	1	3	4	2	-	-	2	-	-	-	-	-	-	6
10 Advertisement and publicity	4	12	16	8	-	-	8	-	-	-	-	-	1	25
11 Interest and bank charges	145	445	590	275	8	-	283	3	-	9	-	-	28	913
12 Depreciation	187	576	763	356	10	-	366	4	-	11	-	-	35	1,179
13 Brand / Trade mark usage fee / charges	-	1	1	-	-	-	-	-	-	-	-	-	-	1
14 Business development and sales promotion expenses	21	65	86	40	1	-	41	-	-	1	-	-	4	132
15 Information technology expenses	410	1,264	1,674	781	22	-	803	10	-	24	-	-	78	2,589
16 Goods and services tax (GST)	29	90	119	56	2	-	58	1	-	2	-	-	5	185
17 Others														
Miscellaneous expenses	107	326	433	243	7	-	250	2	-	21	-	-	27	733
Insurance awareness	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6,212</b>	<b>14,627</b>	<b>20,839</b>	<b>11,673</b>	<b>315</b>	<b>-</b>	<b>11,988</b>	<b>114</b>	<b>-</b>	<b>284</b>	<b>-</b>	<b>-</b>	<b>879</b>	<b>34,104</b>
- In India	6,212	14,627	20,839	11,673	315	-	11,988	114	-	284	-	-	879	34,104
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## Miscellaneous Operating Expenses Related to Insurance Business for the Year Ended March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Miscellaneous													
	Motor			Health				Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	Total
	Motor OD	Motor TP	Motor Total	Health	Personal Accident	Travel	Health Total							
1 Employees' remuneration and welfare benefits	4,380	8,646	13,026	6,812	175	-	6,987	22	-	122	-	-	411	20,568
2 Travel, conveyance and vehicle running expenses	147	375	522	173	4	-	177	1	-	6	-	-	21	727
3 Training expenses	11	27	38	12	-	-	12	-	-	-	-	-	1	51
4 Rents, rates and taxes	274	678	952	510	25	-	535	2	-	11	-	-	38	1,538
5 Repairs and maintenance	86	219	305	101	3	-	104	1	-	4	-	-	11	425
6 Printing and stationery	25	64	89	29	1	-	30	-	-	1	-	-	3	123
7 Communication expenses	49	126	175	58	1	-	59	-	-	2	-	-	8	244
8 Legal and professional charges	521	595	1,116	449	7	-	456	2	-	10	-	-	32	1,616
9 Auditors' fees, expenses etc.														
(a) as auditor	9	22	31	10	-	-	10	-	-	-	-	-	1	42
(b) as adviser or in any other capacity, in respect of														
(i) Taxation matters	1	2	3	1	-	-	1	-	-	-	-	-	-	4
(ii) Insurance matters	2	5	7	2	-	-	2	-	-	-	-	-	-	9
(c) out of pocket expenses	1	2	3	1	-	-	1	-	-	-	-	-	-	4
10 Advertisement and publicity	8	20	28	9	-	-	9	-	-	-	-	-	2	39
11 Interest and bank charges	240	610	850	282	7	-	289	2	-	10	-	-	34	1,185
12 Depreciation	289	736	1,025	341	9	-	350	2	-	12	-	-	41	1,430
13 Brand / Trade mark usage fee / charges	-	1	1	-	-	-	-	-	-	-	-	-	-	1
14 Business development and sales promotion expenses	23	58	81	27	1	-	28	-	-	1	-	-	3	113
15 Information technology expenses	428	1,089	1,517	503	13	-	516	3	-	17	-	-	60	2,113
16 Goods and services tax (GST)	34	88	122	41	1	-	42	-	-	1	-	-	5	171
17 Others														
Miscellaneous expenses	104	264	368	144	4	-	148	1	-	15	-	-	16	548
Insurance awareness	6	14	20	6	-	-	6	-	-	-	-	-	1	27
<b>Total</b>	<b>6,638</b>	<b>13,641</b>	<b>20,279</b>	<b>9,511</b>	<b>251</b>	<b>-</b>	<b>9,761</b>	<b>36</b>	<b>-</b>	<b>212</b>	<b>-</b>	<b>-</b>	<b>688</b>	<b>30,977</b>
- In India	6,638	13,641	20,279	9,511	251	-	9,761	36	-	212	-	-	688	30,977
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
 Schedules to the Financial Statements

**SCHEDULE – 5**

**Share Capital**

(Amount in ₹ Lakhs)

Particulars	As at 31 Mar 2025	As at 31 Mar 2024
<b>1 Authorised Capital</b>		
350,000,000 (Previous Year : 350,000,000) Equity Shares of ₹10/- each fully paid-up	35,000	35,000
<b>2 Issued Capital</b>		
293,393,120 (Previous Year : 269,302,193) Equity Shares of ₹10/- each fully paid-up	29,339	26,930
<b>3 Subscribed Capital</b>		
293,393,120 (Previous Year : 269,302,193) Equity Shares of ₹10/- each fully paid-up	29,339	26,930
<b>4 Called-up Capital</b>		
293,393,120 (Previous Year : 269,302,193) Equity Shares of ₹10/- each fully paid-up	29,339	26,930
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>29,339</b>	<b>26,930</b>

**SCHEDULE – 5A**

**Pattern of Shareholding**

(As certified by the management)

Shareholder	As at 31 Mar 2025		As at 31 Mar 2024	
	No of Shares	% of Holding	No of Shares	% of Holding
<b>Promoters</b>				
Indian	271,025,460	92.38%	259,211,612	96.25%
Foreign	-	-	-	-
<b>Investors</b>				
Indian	19,869,426	6.77%	8,055,650	2.99%
Foreign	-	-	-	-
<b>Others</b>				
Indian	2,498,234	0.85%	2,034,931	0.76%
Foreign	-	-	-	-
<b>Total</b>	<b>293,393,120</b>	<b>100.00%</b>	<b>269,302,193</b>	<b>100.00%</b>

**SCHEDULE – 6**

**Reserves and Surplus**

(Amount in ₹ Lakhs)

Particulars	As at 31 Mar 2025	As at 31 Mar 2024
<b>1 Capital Reserve</b>	-	-
<b>2 Capital Redemption Reserve</b>	-	-
<b>3 Share Premium</b>		
Balance brought forward from Previous Year	107,728	92,098
Add: Addition during the year	27,861	16,122
Less: Share / Debenture Issue Expenses	(328)	135,261
<b>4 Revaluation Reserve</b>	-	-
<b>5 General Reserve</b>	-	-
Less: Amount utilized for Buy-Back	-	-
Less: Amount utilized for issue of Bonus Shares	-	-
<b>6 Catastrophe Reserve</b>	-	-
<b>7 Other Reserves</b>	-	-
Debenture Redemption Reserve	-	-
Employee Stock Option Reserve	1,139	656
<b>8 Balance of profit in Profit &amp; Loss Account</b>	-	-
<b>Total</b>	<b>136,400</b>	<b>108,384</b>

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
 Schedules to the Financial Statements

**SCHEDULE – 7**

**Borrowings**

(Amount in ₹ Lakhs)

	Particulars	As at 31 Mar 2025	As at 31 Mar 2024
1	Debentures / Bonds (Refer Note 17.21d)		
	- Due within 12 months		-
	- Due after 12 months	42,500	42,500
2	Banks		
	- Due within 12 months		- 1
	- Due after 12 months		-
3	Financial institutions		
	- Due within 12 months		-
	- Due after 12 months		-
4	Others		
	<b>Total</b>	<b>42,500</b>	<b>42,501</b>

**Disclosure for Secured Borrowings**

(Amount in ₹ Lakhs)

Sl. No.	Source / Instrument	Amount Borrowed	Amount of Security	Nature of Security
1		-	-	-

**SCHEDULE – 8 & 8A**

**Investment Schedule (Refer Note 16.10)**

(Amount in ₹ Lakhs)

Particulars	SCH-8		SCH-8A		Total	
	Shareholders		Policyholders			
	As at 31 Mar 2025	As at 31 Mar 2024	As at 31 Mar 2025	As at 31 Mar 2024	As at 31 Mar 2025	As at 31 Mar 2024
<b>Long Term Investments</b>						
1	Government Securities and Government Guaranteed Bonds including Treasury Bills	66,165	52,405	299,448	273,223	365,613
2	Other Approved Securities	-	-	-	-	-
3	Other Investments					
	(a) Shares					
	(aa) Equity	-	-	-	-	-
	(bb) Preference	-	-	-	-	-
	(b) Mutual Funds	-	-	-	-	-
	(c) Derivative Instruments	-	-	-	-	-
	(d) Debentures / Bonds	29,138	19,569	131,876	102,023	161,014
	(e) Other Securities (Bank Deposits)	-	-	-	-	-
	(f) Subsidiaries	-	-	-	-	-
	(g) Investment Properties-Real Estate	-	-	-	-	-
4	Investments in Infrastructure and Housing	40,656	29,058	184,002	151,496	224,658
5	Other than Approved Investments	904	1,448	4,092	7,547	4,996
	<b>Total</b>	<b>136,863</b>	<b>102,479</b>	<b>619,418</b>	<b>534,289</b>	<b>756,281</b>
<b>Short Term Investments</b>						
1	Government Securities and Government Guaranteed Bonds including Treasury Bills	1	-	3	-	4
2	Other Approved Securities	-	-	-	-	-
3	Other Investments					
	(a) Shares					
	(aa) Equity	-	-	-	-	-
	(bb) Preference	-	-	-	-	-

Particulars	SCH-8		SCH-8A		Total	
	Shareholders		Policyholders			
	As at 31 Mar 2025	As at 31 Mar 2024	As at 31 Mar 2025	As at 31 Mar 2024	As at 31 Mar 2025	As at 31 Mar 2024
(b) Mutual Funds	3,910	3,364	17,696	17,536	21,606	20,900
(c) Derivative Instruments	-	-	-	-	-	-
(d) Debentures / Bonds	542	3,074	2,454	16,029	2,996	19,104
(e) Other Securities (Bank Deposits)	1,305	2,338	5,905	12,187	7,210	14,525
(f) Subsidiaries	-	-	-	-	-	-
(g) Investment Properties-Real Estate	-	-	-	-	-	-
4 Investments in Infrastructure and Housing	641	1,538	2,902	8,021	3,543	9,559
5 Other than Approved Investments	904	-	4,091	-	4,995	-
<b>Total</b>	<b>7,303</b>	<b>10,314</b>	<b>33,051</b>	<b>53,774</b>	<b>40,354</b>	<b>64,088</b>
<b>Grand Total</b>	<b>144,166</b>	<b>112,793</b>	<b>652,469</b>	<b>588,062</b>	<b>796,635</b>	<b>700,855</b>

**A) Aggregate value of the investments other than Listed Equity shares, Units of InvIT and Mutual Funds :-**

(Amount in ₹ Lakhs)

Particulars	Shareholders		Policyholders		Total	
	As at 31 Mar 2025	As at 31 Mar 2024	As at 31 Mar 2025	As at 31 Mar 2024	As at 31 Mar 2025	As at 31 Mar 2024
<b>Long Term Investments--</b>						
Book Value	136,862	102,479	619,413	534,289	756,275	636,768
Market Value	139,448	102,885	631,113	536,408	770,561	639,294
<b>Short Term Investments--</b>						
Book Value	3,393	6,950	15,355	36,237	18,748	43,188
Market Value	3,389	6,937	15,340	36,167	18,729	43,104

**B) Aggregate value of the investments in Listed Equity shares, Units of InvIT and Mutual Funds :-**

(Amount in ₹ Lakhs)

Particulars	Shareholders		Policyholders		Total	
	As at 31 Mar 2025	As at 31 Mar 2024	As at 31 Mar 2025	As at 31 Mar 2024	As at 31 Mar 2025	As at 31 Mar 2024
Long Term Investments	1	-	5	-	6	-
Short Term Investments	3,906	3,360	17,677	17,517	21,583	20,877

**Notes:**

- 1 The Company does not have investment in listed Equity shares other than units of InvIT.
- 2 Value of contracts under Shareholders' Account in relation to investments where deliveries are pending: ₹294 Lakhs (Previous Year: ₹425 Lakhs); and in respect of sale of Investments where payments are overdue: ₹Nil (Previous Year: ₹Nil).
- 3 Value of contracts under Policyholders' Account in relation to investments where deliveries are pending: ₹1,329 Lakhs (Previous Year: ₹2,215 Lakhs); and in respect of sale of Investments where payments are overdue: ₹Nil (Previous Year: ₹Nil).
- 4 Investments in Mutual Funds and Units of InvIT under Shareholders' Account include ₹4 Lakhs (Previous Year: ₹4 Lakhs) being the change in their fair value as at March 31, 2025, which is classified under Fair Value Change Account.
- 5 Investments in Mutual Funds and Units of InvIT under Policyholders' Account include ₹19 Lakhs (Previous Year: ₹19 Lakhs) being the change in their fair value as at March 31, 2025, which is classified under Fair Value Change Account.
- 6 All the above investments are performing assets.
- 7 Investments made are in accordance with the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015, as amended and IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, read with master circulars and various other notifications issued by the IRDAI in this context from time to time.
- 8 There are no Investments outside India.
- 9 Investment assets have been allocated in the ratio of Policyholders' and Shareholders' Funds as per IRDAI Circular. (Refer Note 16.10B).

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
 Schedules to the Financial Statements

**SCHEDULE – 9**

**Loans**

(Amount in ₹ Lakhs)

	Particulars	As at 31 Mar 2025	As at 31 Mar 2024
<b>1</b>	<b>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	-	57
	<b>Total</b>	-	57
<b>2</b>	<b>Borrower-Wise Classification</b>		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Industrial Undertakings	-	-
	(e) Companies	-	-
	(f) Others (Employee Benefit Trust)	-	57
	<b>Total</b>	-	57
<b>3</b>	<b>Performance-Wise Classification</b>		
	(a) Loans classified as standard		
	(aa) In India	-	57
	(bb) Outside India	-	-
	(b) Non-performing loans less provisions		
	(aa) In India	-	-
	(bb) Outside India	-	-
	<b>Total</b>	-	57
<b>4</b>	<b>Maturity-Wise Classification</b>		
	(a) Short Term	-	57
	(b) Long Term	-	-
	<b>Total</b>	-	57

**Provisions against Non-Performing Loans**

(Amount in ₹ Lakhs)

	Non-Performing Loans	Loan Amount	Provision
	Sub-standard	-	-
	Doubtful	-	-
	Loss	-	-
	<b>Total</b>	-	-

# Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)

Schedules to the Financial Statements

## SCHEDULE – 10

### Fixed Assets

(Amount in ₹ Lakhs)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	Opening as at 01 Apr 2024	Additions / Transfer	Deductions / Transfer	Closing as at 31 Mar 2025	As at 01 Apr 2024	For the Year 31 Mar 2025	On Sales / Adjustments	As at 31 Mar 2025	As at 31 Mar 2025	As at 31 Mar 2024
Computer Software*	4,637	777	16	5,398	3,121	425	12	3,534	1,864	1,516
Leasehold Property	1,780	16	1	1,795	373	296	1	668	1,127	1,408
Furniture & Fittings	444	45	42	447	202	32	9	225	222	242
Information Technology Equipment	1,745	319	53	2,011	1,268	408	52	1,624	387	477
Vehicles	103	-	-	103	63	13	-	76	27	40
Office Equipment	762	65	-	827	250	167	-	417	410	511
<b>Total</b>	<b>9,471</b>	<b>1,222</b>	<b>112</b>	<b>10,581</b>	<b>5,277</b>	<b>1,341</b>	<b>74</b>	<b>6,544</b>	<b>4,037</b>	<b>4,194</b>
Capital Work in Progress	252	1,384	1,223	413	-	-	-	-	413	252
<b>Grand Total</b>	<b>9,723</b>	<b>2,607</b>	<b>1,335</b>	<b>10,994</b>	<b>5,277</b>	<b>1,341</b>	<b>74</b>	<b>6,544</b>	<b>4,450</b>	<b>4,446</b>
Previous Year	8,077	2,586	941	9,723	3,905	1,630	258	5,277	4,446	

\* Useful life of software ranges between 1 to 19 years.

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
 Schedules to the Financial Statements

**SCHEDULE – 11**

**Cash and Bank Balances**

(Amount in ₹ Lakhs)

	Particulars	As at 31 Mar 2025	As at 31 Mar 2024
1	Cash (including Cheques* , Drafts and Stamps)	101	56
2	Bank Balances		
	(a) Deposit Accounts		
	(aa) Short-Term (due within 12 months)	-	-
	(bb) Others	-	-
	(b) Current Accounts	5,255	3,755
	(c) Others	-	-
3	Money at Call and Short Notice		
	(a) With Banks	-	-
	(b) With Other Institutions	-	-
4	Others	-	-
	<b>Total</b>	<b>5,356</b>	<b>3,811</b>
	Balances With Non-Scheduled Banks Included In 2 And 3 Above		
	<b>Cash and Bank Balances</b>		
	In India	5,356	3,811
	Outside India	-	-

\* Cheques on hand amounted to ₹ 101 Lakhs (Previous Year : ₹ 56 Lakhs)

**SCHEDULE – 12**

**Advances and Other Assets**

(Amount in ₹ Lakhs)

	Particulars	As at 31 Mar 2025	As at 31 Mar 2024
	<b>Advances</b>		
1	Reserve Deposits with Ceding Companies	-	-
2	Application Money for Investments	-	-
3	Prepayments	706	538
4	Advances to Directors / Officers	-	-
5	Advance Tax Paid and Taxes Deducted at Source (Net of Provision for Taxation)	358	731
6	Goods & Services Tax Credit (Net)	-	-
7	<b>Others</b>		
	(i) Advance Recoverable in Cash or in Kind	1,124	1,142
	(ii) Advance to Employees	5	10
	(iii) Gratuity (excess of plan assets over obligation)	100	120
	<b>Total (A)</b>	<b>2,293</b>	<b>2,541</b>
	<b>Other Assets</b>		
1	Income Accrued on Investments	21,113	18,834
2	Outstanding Premiums	-	-
	Less : Provisions for doubtful, if any	-	-
3	Agents' Balances	27	12
4	Foreign Agencies Balances	-	-
5	Due from other entities carrying on Insurance Business (including Reinsurers)	20,787	13,439
	Less : Provisions for doubtful, if any	-	-
6	Due from Subsidiaries / Holding Company	-	-
7	Investments held for Unclaimed Amount of Policyholders	318	284
8	Interest on Investments held for Unclaimed Amount of Policyholders	-	-
9	<b>Others</b>		
	(i) Unsettled Investment Contract Receivable	2,064	4,550
	(ii) Deposits	3,429	1,865
	<b>Total (B)</b>	<b>47,738</b>	<b>38,984</b>
	<b>Total (A+B)</b>	<b>50,031</b>	<b>41,525</b>

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
 Schedules to the Financial Statements

**SCHEDULE – 13**

**Current Liabilities**

(Amount in ₹ Lakhs)

	Particulars	As at 31 Mar 2025	As at 31 Mar 2024
1	Agents' Balances	2,546	2,185
2	Balances due to other Insurance Companies (net)	17,810	17,313
3	Deposits held on Reinsurance Ceded	1,351	1,750
4	Premium received in advance		
	(a) For Long Term Policies	57,710	76,143
	(b) For Other Policies	2,480	1,031
5	Unallocated Premium	553	519
6	Sundry Creditors	11,051	10,285
7	Due to Subsidiaries / Holding Company	-	-
8	Claims Outstanding (net)	412,790	327,185
9	Due to Officers / Directors	-	-
10	Unclaimed Amount of Policyholders (Refer Note 17.32)	249	245
11	Income Accrued on Unclaimed Amounts (Refer Note 17.32)	34	34
12	Interest Payable on Debentures / Bonds	490	493
13	Goods and Services Tax Liabilities (net)	1,338	837
14	Others -		
	(i) Due to Policyholders	307	245
	(ii) TDS Payable	1,447	1,264
	(iii) Unsettled Investment Contracts Payable	1,623	2,640
	(iv) Other Statutory Dues	189	190
	(v) Book Overdraft	3,174	1,961
	(vi) Employee Payables	232	473
	(vii) Other Payable	17,270	18,925
	<b>Total</b>	<b>532,644</b>	<b>463,720</b>

**Details of Unclaimed Amounts and Investment Income Thereon**

(Amount in ₹ Lakhs)

	Particulars	As at 31 Mar 2025	As at 31 Mar 2024
	Opening Balance	279	330
	Add: Amount transferred to Unclaimed Amount	121	232
	Add: Cheques issued out of the Unclaimed Amount but not encashed by the Policyholders	-	-
	Add: Investment Income	4	9
	Less: Amount Paid during the year	116	292
	Less: Transferred to SCWF	5	0
	<b>Closing Balance of Unclaimed Amount</b>	<b>283</b>	<b>279</b>

**SCHEDULE – 14**

**Provisions**

(Amount in ₹ Lakhs)

	Particulars	As at 31 Mar 2025	As at 31 Mar 2024
1	Reserve for Unearned Premium	159,880	156,477
2	Reserve for Premium Deficiency	-	43
3	For Taxation (Net of Advance Tax and Tax Deducted at Source)	-	-
4	For Employee Benefit	3,081	2,790
5	Others		
	(i) Provision for Doubtful Debts	68	54
	<b>Total</b>	<b>163,029</b>	<b>159,364</b>

**SCHEDULE – 15**

**Miscellaneous Expenditure**

(To the extent not written off or adjusted)

(Amount in ₹ Lakhs)

	Particulars	As at 31 Mar 2025	As at 31 Mar 2024
1	Discount Allowed in Issue of Shares / Debentures	-	-
2	Others	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
IRDAI Registration No. 149 dated May 22, 2012

**SCHEDULE – 16:**

Significant Accounting Policies forming part of the Financial Statements for the year ended 31 March 2025

**Background**

Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited) ("the Company") was incorporated on June 26, 2009. The Company obtained the regulatory approval to undertake General Insurance business on May 22, 2012 from Insurance Regulatory and Development Authority of India (IRDAI) and holds a valid certificate of registration. The Company was formed as a joint venture between Poonawalla Fincorp Limited (formerly known as Magma Fincorp Limited), Celica Developers Private Limited, Jaguar Advisory Services Private Limited and HDI Global SE. Pursuant to acquisition of stake by Sanoti Properties LLP ("Sanoti"), an entity predominantly held by Mr. Adar Poonawalla, Sanoti is a majority shareholder in the Company as on the reporting date.

**16 Significant accounting policies**

**16.1 Basis of preparation of financial statements**

The financial statements have been prepared and presented on a going concern basis in accordance with Generally Accepted Accounting Principles followed in India under the historical cost convention, on accrual basis and in accordance with the applicable provisions of the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015, the IRDA Act, 1999, the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circulars / notifications issued by IRDAI from time to time, the applicable accounting standards referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014, and Companies (Accounting Standards) Amendment Rules 2016 dated March 30, 2016 to the extent applicable and the provisions of the Companies Act, 2013 (to the extent applicable), in the manner so required and conform to the statutory provisions in regard to general insurance operations in India. The financial statements are presented in Indian rupees rounded off to nearest lakhs.

Accounting policies are consistent with previous year except otherwise stated in the notes and except where different treatment is required as per new pronouncements made by the regulatory authorities. The management evaluates all recently issued or revised accounting pronouncements on an ongoing basis.

**16.2 Use of estimate**

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

**16.3 Revenue recognition**

**(A) Premium income:**

**(i) Products with insurance coverage upto 1 year**

Premium including reinsurance accepted (commonly known as "Gross Written Premium" or "GWP"), (with coverage period upto 1 year) is recorded net of Goods & Services Tax at the time of commencement of risk, on receipt of complete information.

**(ii) Long term products (with insurance coverage period more than one year)**

**Fire, Health and Personal Accident segments:**

Until September 30, 2024, the premium received on long term policies for the entire coverage period was recognised as GWP upfront in first year at the time of commencement of the risk.

Effective October 01, 2024, the premium received on long term policies is recognized as GWP in the respective years spread equally over the coverage period and the premium related to subsequent years is represented in Balance Sheet as Premium received in Advance until recognised as GWP in subsequent periods.

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
IRDAI Registration No. 149 dated May 22, 2012

**SCHEDULE – 16:**

Significant Accounting Policies forming part of the Financial Statements for the year ended March 31, 2025

**Third Party Liability premium on Private Car and Two-Wheeler products:**

The premium received on long term policies for the entire coverage period continues to be recognised as GWP in the respective years spread equally over the coverage period and the premium related to subsequent years is represented in Balance Sheet as Premium received in Advance until recognised as GWP in subsequent periods.

**Own Damage premium on Private Car and Two-Wheeler segments:**

Until September 30, 2024, the premium received on long term policies for the entire coverage period was recognised as GWP in the respective years in proportion of Insured Declared Value ("IDV") of the vehicle in the respective years. Effective October 01, 2024, the premium received on long term policies is recognized as GWP in the respective years spread equally over the coverage period. The premium related to subsequent periods continues to be represented in Balance Sheet as Premium received in Advance until recognised as GWP in subsequent periods.

The change in recognition of premium income (GWP) and Premium received in Advance effective October 01, 2024 is in accordance with the IRDAI Master Circular on Actuarial, Finance and Investment Functions of Insurers dated May 17, 2024 read with IRDAI instructions dated October 18, 2024.

**Refer note no. 17.11 for details.**

- (iii) Coinsurance follower premium is recorded on receipt of confirmation from the coinsurance leader.
- (iv) Instalment premium is recorded on receipt of premium.
- (v) Any subsequent adjustments to premium income including that on account of cancellation of policies are recorded in the period in which they occur and are recognised over the remaining period of risk or policy period, as applicable.
- (vi) Premium earning is recognised as income proportionately over the period of risk or the policy period, as applicable.

**(B) Interest / dividend income**

Interest income is recognised on accrual basis. Accretion of discount and amortisation of premium relating to debt securities is recognised over the holding / maturity period on effective interest rate basis. Dividend income is recognised when the right to receive the dividend is established.

**(C) Profit / loss on sale / redemption of securities**

Profit / loss on sale / redemption of securities is recognised on trade date. The net realised gains or losses on the debt securities is the difference between the net sale consideration and the amortized book value, which is computed on weighted average basis, as on the date of sale. Further, in case of listed equity shares and mutual fund units, the profit or loss on sale also includes the accumulated changes in the fair value previously recognised in the fair value change account. Sale consideration for the purpose of realised gain / loss is net of brokerage, stamp duty and taxes etc, if any, and excludes interest received on sales.

The difference between the acquisition price and the maturity value of treasury bills is recognised as income in the revenue accounts or the profit & loss account, as the case may be, over the remaining term of these instruments on effective interest rate basis.

**(D) Commission income on reinsurance ceded**

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

Profit commission under reinsurance treaties, wherever applicable, is recognised as income in the year in which the same is determined.

Profit commission and sliding scale commission under reinsurance treaties, wherever applicable, is determined at every balance sheet date as per terms of the respective treaties.

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
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**SCHEDULE – 16:**

**Significant Accounting Policies forming part of the Financial Statements for the year ended March 31, 2025**

**16.4 Reinsurance ceded**

Insurance premium on ceding of the risk is recognised at the time of recognition of the GWP of the underlying insurance policies in accordance with reinsurance arrangements with the reinsurers.

Any subsequent revision to premium ceded is recognised in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognised in the period in which they are cancelled.

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

**16.5 Acquisition costs**

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

This represents premium received during the period, where the risk commences subsequent to the balance sheet date and in case of long term motor insurance policies for new cars and new two wheelers sold on or after September 01, 2018 premium allocated to subsequent periods.

**16.6 Premium received in advance**

- (A) In case of insurance policies with coverage period upto one year this represents premium received during the period, where the risk commences subsequent to the balance sheet date.
- (B) In case of Long-Term Products with coverage period more than one year, the accounting is done as mentioned in para 16.3 (A).

**16.7 Reserve for unexpired risk ("UPR") (Other than Terrorism Pool and Marine Cargo Pool)**

Reserve for unexpired risk is recognised net of reinsurance ceded and represents premium written that is attributable to and allocated to succeeding accounting periods. UPR is calculated on a daily pro-rata basis except in the case of Marine Hull business in which case it is computed at 100% of net premium written during the preceding twelve months as on the balance sheet date.

**16.8 Reserve for Premium deficiency**

Premium deficiency is recognized for the company when the sum of expected claim costs and related expenses (including claim handling cost) exceed the reserve for unexpired risks for all segments taken together. Assessment of expected claim cost, related expenses and Premium Deficiency amount is duly certified by the Appointed Actuary in accordance with IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular.

**16.9 Claims incurred**

Claims are recognized as and when reported. Claims incurred comprises claims paid (net of salvage and other recoveries), change in the outstanding provision of claims and estimated liability for claims incurred but not reported ("IBNR") and claims incurred but not enough reported ("IBNER") net of amounts receivable from reinsurers / coinsurers. It also includes fees payable to surveyors, investigators, advocates handling claims and Third Party Administrators ("TPA"), provision for Solatium fund and other ancillary costs directly attributable to claims.

Claims liability (net of amounts receivable from reinsurers / coinsurers) is recognised on the date of intimation on management estimates of ultimate amounts that are likely to be paid on each claim, established by the management in light of past experience, based on estimates from surveyors / insured and based on actuarial valuation. These estimates are modified for changes, as appropriate on availability of further information.

IBNR represents that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims IBNER. Estimated liability for claims IBNR and claims IBNER is based on actuarial estimate duly certified by the Appointed Actuary of the Company in accordance with guidelines issued by IRDAI and Actuarial Practice Standards issued by the Institute of Actuaries of India.

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
IRDAI Registration No. 149 dated May 22, 2012

**SCHEDULE – 16:**

Significant Accounting Policies forming part of the Financial Statements for the year ended March 31, 2025

**16.10 Investments**

Investments are recorded at cost on trade date and includes brokerage, securities transaction tax, stamp duty and other charges incidental to transactions and excludes pre-acquisition interest, if any.

**(A) Classification**

Investments are made, accounted and classified in accordance with the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015, IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular and various other circulars / notifications / clarifications issued by the IRDAI in this context, as amended from time to time. Investments maturing within twelve months from the balance sheet date or investments made with the specific intention to dispose off within twelve months from the date of purchase are classified as short-term investments. Investments other than short term investments are classified as long-term investments.

**(B) Allocation of Investment Assets**

Investment assets are bifurcated into policyholders' and shareholders' funds on notional basis as required by IRDAI circular, as amended from time to time. Policyholders' funds represent an amount equivalent to the sum of the estimated liability for outstanding claims including IBNR and IBNER, Unexpired Risk Reserve ("URR"), Premium Deficiency Reserve, Catastrophe Reserve and Other Liabilities net off Other Assets as specified by IRDAI and the balance being disclosed as Shareholders' Funds.

**(C) Valuation**

**Debt Securities**

All debt securities are considered as 'held to maturity' and stated at historical cost adjusted for amortization of premium or accretion of discount on effective interest rate basis over the holding period / maturity of the security.

**Mutual Funds**

Investment in Mutual Fund units are stated at Net Asset Value ("NAV") at the Balance Sheet date. Unrealised gains / losses are credited / debited to fair value change account.

**Equity Shares and Other Exchange Traded Instruments**

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

Unlisted equity shares are stated at historical cost less provision for diminution in value.

**(D) Fair Value Change Account**

In accordance with the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular, any unrealised gains / losses arising due to change in fair value of Mutual Fund, Equity and Units of InvIT investments are accounted in "Fair Value Change Account" and carried in the Balance Sheet and is not available for distribution.

**(E) Impairment of Investments**

In accordance with the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular, any unrealised gains / losses arising due to change in fair value of Mutual Fund, Equity and Units of InvIT investments are accounted in "Fair Value Change Account" and carried in the Balance Sheet and is not available for distribution.

An amount, whether interest or principal is said to be overdue if it is not paid to the insurer on the specified date. An asset is classified as an NPA if the interest and / or instalment of principal remains overdue for more than 90 days. Once an investment gets classified as NPA, any unrealized interest is reversed from the investment income and provision on investment is accounted for in accordance with IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular.

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
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**SCHEDULE – 16:**

**Significant Accounting Policies forming part of the Financial Statements for the year ended March 31, 2025**

The Company assesses at each Balance Sheet date whether any impairment has occurred in respect of any of its investments. If any such indication exists, the carrying value of such investment is reduced to its recoverable amount and the impairment loss is recognised in the profit & loss account. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and investment is restated to that extent.

**16.11 Allocation of Income and Expenses**

**(A) Allocation of Investment Income and Miscellaneous Income**

Investment Income has been allocated between Revenue Account and Profit & Loss Account on the basis of the ratio of average policyholder's investment assets to average shareholder's investment assets, average being the balance at the beginning of the year and balance at the end of the reporting year.

The Investment Income allocated to Revenue Account has been further allocated to different segments on the basis of respective Net Written Premium of that particular segment.

Miscellaneous Income which is directly identifiable is allocated on actuals to Revenue Account(s) and Profit & Loss Account as applicable. Miscellaneous Income in Revenue Account which is not directly identifiable has been allocated to different segments on the basis of respective Gross Written Premium of that particular segment.

**(B) Allocation of Expenses**

Operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

- (i) Expenses which are attributable and identifiable to the business segments, are directly charged to respective business segment.
- (ii) Other expenses that are not identifiable to a segment, are allocated on the basis of ratio of gross written premium in each business segment.

In accordance with the IRDAI (Expenses of Management, including Commission, of Insurers) Regulations, 2024 read with Master Circular, operating expenses in excess of allowable limits on the overall basis are borne by the shareholders and are charged to Profit & Loss Account.

Expenses related to investment activities relating to shareholders funds are charged to Profit & Loss Account.

**16.12 Fixed Assets, Intangible Assets and Capital Work-In-Progress**

**(A) Fixed Assets**

Fixed assets are stated at cost of acquisition (including incidental expenses relating to acquisition and installation) 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.

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

Intangible assets are stated at the consideration paid for acquisition / development and licensing less accumulated amortisation.

**(B) Depreciation and Amortisation**

Depreciation on fixed assets is provided using the straight-line method based on the economic useful life as estimated by the management / limits specified in Schedule II to the Companies Act, 2013. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed off. Individual assets costing upto ₹5,000/- are depreciated fully within one month of acquisition. Lease hold improvements are amortised over the primary period of lease from the date the asset is available to the Company for its use.

Intangible assets are amortised over their estimated useful lives on straight-line basis, commencing from the date the asset is available to the Company for its use. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial period and the amortisation period is revised to reflect the changed pattern, if any.

## **SCHEDULE – 16:**

Significant Accounting Policies forming part of the Financial Statements for the year ended March 31, 2025

<b>Nature of Fixed Asset</b>	<b>Useful Life as per the Limits Prescribed in Schedule II of the Companies Act, 2013</b>	<b>Management Estimate of Useful Life</b>
	<b>Life in Years</b>	<b>Life in Years</b>
Furniture & Fittings	10	10
IT Equipment - Servers and Networks	6	6
IT Equipment - Others	3	3
Vehicles	8	4
Office Equipment	5	5
Electrical Equipment	10	10

In case of Vehicles, the management estimate of the useful life is lower than that prescribed in Schedule II of the Companies Act, 2013. This is based on internal assessment.

Management reviews its estimate of useful life at each Balance Sheet date.

### **(C) Impairment of Assets**

The Company assesses at each Balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such asset is reduced to its recoverable amount and the impairment loss is recognised in the profit & loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

## **16.13 Employee Benefits**

### **(A) Short Term Employee Benefits**

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognised in the year in which the employee renders the related service. These benefits includes salaries, bonus, ex-gratia and compensated absences.

### **(B) Long Term Employee Benefits**

#### **(i) Provident Fund**

Contributions paid / payable to the recognised provident fund, which is a defined contribution scheme, are charged to the Revenue Account in the year in which it is incurred.

#### **(ii) Gratuity**

The Company's gratuity benefit scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each balance sheet date based on actuarial valuation carried out by an independent actuary using projected unit credit method. Actuarial gains and losses are recognised in the Revenue Account.

#### **(iii) Compensated Absences**

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognised in the year in which the absences occur.

## **16.14 Foreign Currency Transactions**

Foreign currency transactions are accounted for at the rates prevailing on the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the Revenue Account / Profit & Loss Account. Monetary assets and liabilities denoted in foreign currencies as at the Balance Sheet date are translated at the closing exchange rates. Resultant exchange differences, if any, are recognised in the Revenue Account / Profit & Loss Account and related assets and liabilities are accordingly restated in the Balance Sheet. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency at the Balance Sheet date are reported using exchange rates at the date of the transaction.

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**SCHEDULE – 16:**

**Significant Accounting Policies forming part of the Financial Statements for the year ended March 31, 2025**

**16.15 Taxes on Income**

Income-tax expense is recognised in Profit & Loss Account and comprises current tax (i.e., amount of tax for the year determined in accordance with the provisions of Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

**(A) Current Tax**

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

**(B) Deferred Tax**

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one year and are capable of reversal in one or more subsequent years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted on the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

**16.16 Provisions and Contingencies**

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

A disclosure for a contingent liability, other than insurance contracts, 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.

Contingent assets are neither recognised nor disclosed in the financial statements.

**16.17 Earnings Per Share**

The basic earnings per share is calculated by dividing the net profit after tax by weighted average number of equity shares outstanding during the reporting period.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for basic earnings per share and also weighted average number of equity shares which may be issued on conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are considered. Dilutive potential equity shares are deemed to be converted as at the beginning of the period unless issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable on issuance of potential equity shares. Dilutive potential equity shares are determined independently for each period presented.

**16.18 Segment Reporting**

Based on the primary segments identified under the IRDA Act, 1999, the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 and Master Circular / notifications issued by IRDAI from time to time read with Accounting Standard 17 "Segment Reporting" referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014, the Company has classified and disclosed segment information for Fire, Marine and Miscellaneous lines of business. There are no reportable geographical segments, since all business is written in India.

The accounting policies used in segment reporting are same as those used in the preparation of financial statements.

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**16.19 Share/ Debentures Issue Expenses**

Securities issue expenses towards shares / debentures issued during the year are adjusted against the Share Premium Account.

**16.20 (A) Terrorism Pool**

In accordance with the agreement entered between the insurance companies for management of coverage of Terrorism Risk, the Company, together with other Insurance Companies, participates in the Terrorism Pool. This Pool is managed by the General Insurance Corporation of India Re ("GIC Re"). Amount collected as Terrorism premium in accordance with the requirements of the Tariff Advisory Committee ("TAC") are ceded at 100% of the Terrorism Premium collected to the Terrorism Pool, subject to conditions and an overall limit of ₹2,000 crore per risk.

In accordance with the Terms of the Agreement, GIC Re, retrocedes, to the Company, terrorism premium to the extent of the Company's share in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly statements received from the GIC Re. The reinsurance accepted on account of terrorism pool has been recorded in accordance with the last statement received from the GIC Re. The Company does not recognise income from the retroceded terrorism premium until expiry of 12 months from the GIC Re statement period and creates liability through reserve for unexpired risks to the extent of 100% of premium (net of claims and expenses) retroceded to the Company during the preceding 12 months.

**(B) Marine Cargo Pool**

General Insurance Companies have entered into an arrangement effective June 01, 2022 by creating a pool managed by GIC Re to share in the insurance of Marine Cargo risk insured in the Excluded Territories and War / SRCC risk. Excluded Territories means the Republic of Belarus, Ukraine and / or the Russian Federation.

The members will cede the entire premium underwritten in the above risk categories, after the obligatory cession, to the pool in accordance with the terms of the arrangement. GIC Re retro cedes to the Company, pool premium to the extent of the share agreed to be borne by the Company in the risk, which is recorded as reinsurance accepted. The reinsurance accepted on account of marine cargo pool has been recorded in accordance with the last statement received from the GIC Re.

The Company does not recognise income from the retroceded Marine Cargo premium until expiry of 12 months from the GIC Re statement period and creates liability through reserve for unexpired risks to the extent of 100% of premium (net of claims and expenses) retroceded to the Company during the preceding 12 months.

**16.21 Solatium Fund**

In accordance with the requirements of the IRDAI circular dated March 18, 2003 and based on recommendations made at the General Insurance Council ("Council") in its meeting held on February 04, 2005, the Company provides 0.1% of total third party premium of all Motor Policies towards contribution to the Solatium Fund. The provision includes any additional contribution provided for as per the recommendation of Council.

**16.22 Motor Vehicle Accident Fund Insured Vehicles**

The Company contributes to the Motor Vehicle Accident Fund Insured Vehicles established by the Central Government, Ministry of Road Transport and Highways ("MoRTH") as per the rules specified by Motor Vehicle (Amendment) Act, 2019. The fund has been established to provide for the Golden Hour Treatment Scheme, yet to be launched. The contribution is accounted as a deposit as at the balance sheet date.

**16.23 Transfer of Amounts to Senior Citizen Welfare Fund**

The Company transfers amounts outstanding for a period of more than 10 years in Unclaimed Amount of Policyholders to the Senior Citizen Welfare Fund ("SCWF") on or before March 01, of each financial year.

**16.24 Contribution to Environment Relief Fund**

The Company provides for contribution to the Environment Relief Fund established by the Central Government, an amount equal to the premium received in relation to Public Liability policies issued by the company, as per the rules specified by Public Liability Insurance Rules, 1992.

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**SCHEDULE – 16:**

Significant Accounting Policies forming part of the Financial Statements for the year ended March 31, 2025

**16.25 Employee Stock Option Plan ("ESOP")**

The Employees Stock Option Scheme ("the Scheme") provides for grant of the equity shares of the Company to eligible employees. The Company follows the fair value method for computing the compensation cost for options granted under the scheme(s). The compensation cost is amortised over the vesting period of the options.

**16.26 Borrowing Costs**

Interest on borrowings is recognised on time proportion basis taking into account the amount outstanding and rate applicable on the borrowings. They are charged to Profit & Loss Account in the period in which they are incurred.

**16.27 Receipts and Payments Account**

Receipts and Payments Account is prepared and reported using the Direct Method, in accordance with IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular.

**16.28 Loans Given**

Loans are stated at historical cost, subject to provisioning and impairment, if any, as per IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular.

**16.29 Operating Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments of assets / premises taken on operating lease are recognised as an expense in the revenue account.

**16.30 Cash and Cash Equivalents**

Cash & cash equivalents include cash and cheques in hand, bank balances and fixed deposits with original maturity of three months or less which are subject to insignificant risk of changes in values (other than fixed deposits forming part of investment portfolio) as per IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular.

**16.31 Goods and Services Tax**

The Goods and Services Tax ("GST") is collected as per the GST Laws in force and the same is considered as a liability. The Input Tax Credit ("ITC") eligible as per the GST Laws is considered as an asset. The ineligible ITC is examined and expensed off on such determination. The eligible unutilized ITC, if any, is carried forward for utilization in subsequent periods.

## SCHEDULE – 17:

Notes to Accounts forming part of the Financial Statements for the year ended March 31, 2025

### 17.1 Contingent Liabilities

(Amount in ₹ Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
1 Partly Paid-Up Investments	-	-
2 Claims, other than those against policies, not acknowledged as debts by the Company.	-	-
3 Underwriting Commitments Outstanding (in respect of Shares and Securities)	-	-
4 Guarantees given by or on behalf of the Company	-	-
5 Statutory Demands / Liabilities in dispute, not provided for		
• Service Tax	-	2,503
• Goods and Services Tax <sup>1</sup>	23,052	15,652
• Income Tax <sup>1</sup>	14,101	0.1
6 Reinsurance Obligations to the extent not provided for in Accounts	-	-
7 Others	-	-

<sup>1</sup> During the year, the Company has received GST demand amounting to ₹22,064 Lakhs plus penalty pertaining to availment of input tax credit on certain advertisement and marketing payments. Apart from this, there are other various GST demands amounting to ₹988 Lakhs in total.

During the year, the Company has received Income Tax demands amounting to ₹14,101 Lakhs pertaining to disallowances of certain advertisement and marketing expenses.

Based on the legal advice, the Company has appealed / or is in the process of filing the appeal against the above GST and Income Tax demand orders and does not expect any outflow of economic benefits.

<sup>2</sup> Apart from the contingent liabilities mentioned above, there are Show Cause Notices issued by various Government Authorities which are not considered as Obligation. When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified accordingly.

### 17.2 Micro & Small Scale Business Entities

There is no Micro, Small & Medium enterprise to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2025 (Previous Year : Nil). This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 17.3 Encumbrances on Assets

The assets of the Company are free from any encumbrances except in case of certain deposits made by the Company of ₹2,143 Lakhs (Previous Year : ₹1,849 Lakhs).

### 17.4 Capital Commitments

- There are no commitments made and outstanding for Loans and Investments as at March 31, 2025 (Previous Year : Nil).
- Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets (net of advances) is ₹565 Lakhs as at March 31, 2025 (Previous Year : ₹767 Lakhs).

### 17.5 Premium

- All premiums, net of reinsurance are written and received in India.
- Premium income recognized on "Varying Risk Pattern" is Nil (Previous year : Nil).

### 17.6 Sector-Wise Business Based on Gross Direct Premium (GDP)

Business Sector	Year ended 31 March 2025		Year ended 31 March 2024	
	GDP (₹ in Lakhs)	% of GDP	GDP (₹ in Lakhs)	% of GDP
Rural	78,140	23.4	96,237	31.6
Urban	255,300	76.6	208,182	68.4
<b>Total</b>	<b>333,440</b>	<b>100.0</b>	<b>304,419</b>	<b>100.0</b>
Business Sector	Year ended 31 March 2025		Year ended 31 March 2024	
	GDP (₹ in Lakhs)	% of GDP	GDP (₹ in Lakhs)	% of GDP
Social	1,188	0.36	381	0.13

Rural premium numbers for FY25 have been computed as per IRDAI (Rural, Social Sector and Motor Third Party Obligations) Regulations, 2024 and Rural premium numbers for FY24 have been computed as per IRDAI (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015.

### 17.7 Premium Retention & Reinsurance

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

For the year ended March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Basis	Gross Premium	Retention	Cession	Retention %	Cession %
Fire	Total Sum Insured	38,345	7,947	30,398	20.7%	79.3%
Marine Cargo	Value at Risk	5,337	1,968	3,369	36.9%	63.1%
Marine Hull	NA	-	-	-	-	-
Miscellaneous						
Motor	Total Sum Insured	206,802	198,530	8,272	96.0%	4.0%
Health Insurance	Value at Risk	96,516	93,656	2,860	97.0%	3.0%
Personal Accident	Value at Risk	2,662	2,534	128	95.2%	4.8%
Travel	NA	-	-	-	-	-
Workmen's Compensation	Value at Risk	1,188	1,140	48	96.0%	4.0%
Public/ Product Liability	Value at Risk	17	16	1	94.1%	5.9%
Engineering	Total Sum Insured	2,984	417	2,567	14.0%	86.0%
Aviation	NA	-	-	-	-	-
Crop	NA	-	-	-	-	-
Others	Value at Risk	9,644	1,248	8,396	12.9%	87.1%
<b>Total</b>		<b>363,495</b>	<b>307,456</b>	<b>56,039</b>	<b>84.6%</b>	<b>15.4%</b>

The above excludes Excess of Loss cover reinsurance premium and re-instatement premium of ₹3,190 Lakhs for the year ended March 31, 2025.

For the year ended March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Basis	Gross Premium	Retention	Cession	Retention %	Cession %
Fire	Total Sum Insured	36,658	7,772	28,886	21.2%	78.8%
Marine Cargo	Value at Risk	3,919	1,051	2,868	26.8%	73.2%
Marine Hull	NA	-	-	-	-	-
Miscellaneous						
Motor	Total Sum Insured	207,353	198,979	8,374	96.0%	4.0%
Health Insurance	Value at Risk	68,876	66,923	1,953	97.2%	2.8%
Personal Accident	Value at Risk	1,734	1,643	91	94.8%	5.2%
Travel	Value at Risk	-	-	-	-	-
Workmen's Compensation	Value at Risk	381	365	15	96.0%	4.0%
Public/ Product Liability	Value at Risk	4	2	3	36.0%	64.0%
Engineering	Total Sum Insured	2,416	331	2,085	13.7%	86.3%
Aviation	NA	-	-	-	-	-
Crop	NA	-	-	-	-	-
Others	Value at Risk	8,170	216	7,954	2.6%	97.4%
<b>Total</b>		<b>329,511</b>	<b>277,282</b>	<b>52,229</b>	<b>84.1%</b>	<b>15.9%</b>

The above excludes Excess of Loss cover reinsurance premium and re-instatement premium of ₹2,383 Lakhs for the year ended March 31, 2024.

### 17.8 Reinsurance Regulations

As per Insurance Regulatory and Development Authority (General Insurance - Reinsurance) (Amendment) Regulations, 2023, prior approval from IRDAI is required in case of placement of surplus over and above the domestic reinsurance arrangements with any reinsurer outside India in excess of defined limits of total reinsurance ceded outside India. In terms of the aforesaid regulations, the Company has submitted to the Authority, the details in respect of its reinsurance placements including those where the reinsurance support exceeds the defined limits from overseas reinsurers.

### 17.9 Premium Deficiency

Premium Deficiency Reserve is considered as the sum of expected claim costs, expenses and maintenance costs in excess of related unearned premium reserve for the period at insurer level. The Company has recognised Premium Deficiency Reserve amounting to ₹Nil as at March 31, 2025 (Previous year: ₹43 Lakhs).

## 17.10 Claims

a. All claims, net of reinsurance incurred and paid to claimants in / outside India are as under: (Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
In India	154,461	106,130
Outside India	22	4

b. There are no claims which are settled and unpaid for a period of more than six months as on the balance sheet date (Previous year : Nil).

c. Claims where the claim payment period exceeds four years is Nil (Previous year : Nil).

d. Ageing of Gross Claims Outstanding (Direct) is set out in table below: (Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
More than 6 months	171,939	125,670
Others	56,105	54,245

## 17.11 Change in Accounting Policy

IRDAI vide IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular thereon dated May 17, 2024 has prescribed accounting treatment for Long Term Products effective October 01, 2024, wherein, premium for long term policies collected at the time of sale is recognized on a 1/n basis where "n" denotes the policy duration. Accordingly, during the year, 2024-25, the Gross Written Premium is reduced by ₹3,121 Lakhs and Premium received in advance has been increased to that extent and there is corresponding decrease of Commissions & Brokerages (net) by ₹133 Lakhs and increase in the Operating Profit by ₹133 Lakhs for the year ended March 31, 2025, resulting in reversal of deferred tax assets by ₹367 Lakhs and correspondingly profit after tax is reduced by ₹234 Lakhs.

**17.12** Expenses directly identifiable with investment activity amounting to ₹41 Lakhs (Previous year: ₹37 Lakhs) are included under "Investment Expenses" in the Profit & Loss Account.

## 17.13 Employee Benefit Plans

**Defined Contribution Plan** (Amount in ₹ Lakhs)

Expenses on Defined Contribution Plan	Year ended 31 March 2025	Year ended 31 March 2024
Contribution to Staff Provident Fund	1,067	959
Contribution to National Pension Scheme	140	102

### Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. This plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The scheme is fully funded with Life Insurance Corporation of India (LIC). This defined benefit plan exposes the Company to actuarial risks, such as regulatory risk, credit risk, liquidity risk, etc., as defined below. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2025. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The disclosure required under the defined benefit plan as per AS-15 for gratuity fund is provided below:

**(a) Reconciliation of opening and closing balances of the present value of defined benefit obligation**

(Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
	Gratuity	Gratuity
Opening defined benefit obligation	1,231	974
Current service cost	209	177
Past service cost	-	-
Interest cost	84	68
Actuarial losses/(gains)	99	96
Benefit paid	(114)	(85)
Closing defined benefit obligation	1,509	1,231

## (b) Changes in the fair value of the plan assets are as follows

(Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
	Gratuity	Gratuity
Opening fair value of the plan assets	1,350	1,100
Interest Income on plan assets	109	83
Contributions by employer	266	246
Actuarial (losses)/gains	(3)	6
Benefit paid	(114)	(85)
Closing fair value of the plan assets	1,609	1,350

## (c) Net asset/(liability) recognized in the balance sheet

(Amount in ₹ Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
	Gratuity	Gratuity
Present value of the defined benefit obligations	(1,509)	(1,231)
Fair value of plan assets	1,609	1,350
Net asset/(liability)	100	120

## (d) Expense recognized in the Revenue Account

(Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
	Gratuity	Gratuity
Current service cost	209	177
Past service cost	-	-
Interest on defined benefit obligation	84	68
Net actuarial losses/(gains) recognized	102	90
Interest income on plan assets	(109)	(83)
<b>Total included in "Employee benefit expenses"</b>	<b>286</b>	<b>252</b>

## (e) Summary of actuarial assumptions

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
	Gratuity	Gratuity
Discount rate	6.54%	7.16%
Salary increase	8.00%	8.50%
Expected rate of return on plan assets	7.68%	7.67%

## (f) Experience adjustments

(Amount in ₹ Lakhs)

Particulars	31 March 2025	31 March 2024	31 March 2023	31 March 2022	31 March 2021
	Gratuity	Gratuity	Gratuity	Gratuity	Gratuity
Present value of defined benefit obligation	(1,509)	(1,231)	(974)	(759)	(586)
Fair value of plan assets	1,609	1,350	1,100	801	639
Funded Status - Surplus/(Deficit)	100	120	126	42	53
Experience (gain)/loss adjustment on plan liabilities	86	104	137	78	2
Experience gain/(loss) adjustment on plan assets	(3)	6	5	(23)	-
Experience (gain)/loss adjustment on plan liabilities due to change in assumption	13	(8)	(63)	(23)	9

The gratuity fund is managed by Life Insurance Corporation of India and the Company makes contribution to the fund.

The estimates of future salary increases take into account regular increases, price inflation, promotional increases and other relevant factors if applicable.

The contribution expected to be made by the Company during the FY 2024-25, amounts to ₹447 Lakhs (Previous year : ₹361 Lakhs).

#### Accrued Leave

The Company has a scheme for accrual of leave for employees, the liability for which is determined on the basis of Actuarial Valuation carried out at the year end. Actuarial Assumption stated above is applicable for accrued leaves also.

(Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening Balance	929	762
Add: Provision made during the year	282	291
Less: Benefits paid during the year	(134)	(123)
Closing Balance	1,078	929

**17.14** The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

**17.15** During the year, there is no restructuring pertaining to loans given by the Company (Previous year : Nil).

**17.16 Details of Outsourcing Activities:** (Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Total Outsourcing Expenses	1,122	1,203
Break up of Outsourcing Expenses		
1. Legal and Professional Charges	718	750
2. Repairs and Maintenance	319	282
3. Roadside Assistance	34	88
4. Printing and Stationery	24	66
5. Miscellaneous Expenses	18	17
6. Information Technology Expenses	9	-

#### 17.17 Operating Lease

The Company's significant leasing arrangements include agreements for office premises. These lease agreements are generally mutually renewable / cancellable by the lessor / lessee. The future total of minimum lease payments relating to non cancellable operating leases are as follows:

(Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Payable not later than one year	471	898
Payable later than one year but not later than five years	55	526
Payable later than five years	-	-

- Rent expense charged to Revenue account include lease rent paid during the year for non-cancellable leases ₹898 Lakhs (Previous year : ₹795 Lakhs).
- The period of agreements ranges between three to nine years and is generally renewable thereafter at the option of the lessee.

#### 17.18 Computation of Managerial Remuneration

- In terms of disclosure requirements of para 9 of IRDAI Master Circular on Corporate Governance for Insurers, 2024, the elements of remuneration paid to Managing Director and Chief Executive Officer (MD & CEO) and the Executive Directors, all other directors and Key Management Persons are as follows :
  - The Managing Director and Chief Executive Officer (MD & CEO) is remunerated in terms of the approval granted by IRDAI as required under section 34A of the Insurance Act, 1938.

Details of the remuneration are as follows:-

(Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salary, perquisites & allowances (including incentives)	401	398
Contribution to Provident and other Funds	28	33
<b>Total</b>	<b>429</b>	<b>431</b>

Out of the above, ₹400 Lakhs has been charged to Revenue Account and the amount in excess of ₹400 Lakhs has been charged to Profit & Loss Account.

b. The details of remuneration of Key Management Persons (KMPs) as defined under IRDAI Master Circular on Corporate Governance for Insurers, 2024, are as under :

(Amount in ₹ Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salary, perquisites & allowances (including incentives)	1,694	1,632
Contribution to Provident and other Funds	104	97
<b>Total</b>	<b>1,798</b>	<b>1,729</b>

Expenses towards gratuity and leave provision are determined actuarially on overall Company basis and accordingly have not been considered in the above information.

c. In addition to above, MD & CEO and KMPs are entitled to Employee Stock Option Plan (ESOP) under the Company's ESOP Scheme.

d. Fees paid to Non Executive Directors for attending Board / Committee meetings amounted to ₹109 Lakhs (Previous year : ₹91 Lakhs).

(II) In terms of disclosure requirements as per IRDAI Master Circular on Corporate Governance for Insurers, 2024 the summary of disclosures are provided in Annexure 4.

**17.19** In terms of disclosure requirements of IRDAI Master Circular on Corporate Governance for Insurers, 2024, details of additional work done by Statutory Auditors is given below :-

(Amount in ₹ Lakhs)

Name of the Auditor	Services Rendered	Year ended 31 March 2025	Year ended 31 March 2024
M S K A & Associates	Certification	4	6
	Taxation Matters	-	-
Singhi & Co.	Certification	1	4
	Taxation Matters	2	5

**17.20** In accordance with the IRDAI (Expenses of Management, including Commission, of Insurers) Regulations, 2024, Expenses of Management (EoM) in excess of allowable limits on the overall basis are to be borne by the shareholders. Accordingly, excess Expenses of Management amounting to ₹5,822 Lakhs (Previous year : ₹8,072 Lakhs) is transferred from Revenue Account and charged to Profit & Loss Account.

The Company has filed an application with IRDAI for forbearance from the above Regulations for FY 2024-25. The approval for FY 2024-25 is awaited. During the year the Company has received the forbearance approval for FY 2022-23 and FY 2023-24 from IRDAI.

**17.21 a. Share Capital**

During the year, the Company has allotted 23,627,624 fresh equity shares (Previous year : 22,093,500) under preferential issue and allotted 463,303 fresh equity shares (Previous year : 539,516) under ESOP plan of the Company to the Trust.

**b. Share Application**

The amount of Share application money received by the Company, pending allotment as on balance sheet date is Nil (Previous year : Nil).

**c. Share Purchase Agreement for Proposed Transfer of Stake**

The Board of Directors of the Company at its meeting held on Wednesday, March 12, 2025, approved execution of the Share Purchase Agreement ("SPA") with respect to the proposed transfer of equity shares by Sanoti Properties LLP, Celica Developers Private Limited, Jaguar Advisory Services Private Limited, Mr. Keki Mistry, Atul DP Family Trust, Shahi Sterling Exports Private Limited, QRG Investments and Holdings Limited and such other employee shareholders (collectively referred to as "Sellers") to Patanjali Ayurved Limited, S.R. Foundation, RITI Foundation,

RR Foundation, Suruchi Foundation and Swati Foundation (collectively referred to as "Buyers") at a fair value as set out in the valuation report(s) issued by the Registered Valuer and Category I - Merchant Banker.

Pursuant to the SPA and subject to the terms and conditions thereof, the Buyers propose to acquire such number of equity shares of the Company from the Sellers which will result in the Buyers holding approximately 98.055% (on a fully diluted basis) of the Company's total issued and paid-up equity share capital.

The proposed acquisition is subject to the consent / permission of Insurance Regulatory and Development Authority of India, Competition Commission of India ("CCI"), Debenture Holders of the Company and such other regulatory / government authority, as may be applicable.

CCI approval has been received and other regulatory approvals are awaited.

**d. Debenture Issue**

**(i) Gist of the terms of issue are as follows:**

Security Name	8.75% MAGMA GENERAL INSURANCE 2032
Type, Nature and Seniority of Instrument	Unsecured, subordinated, unlisted, rated, redeemable, taxable, non-cumulative, non-convertible Debentures issued on private placement basis fully paid up
Face Value (per security)	₹1,000,000/- (₹Ten Lakh) per Debenture
Issue Size	₹1,000,000,000/- (₹One Hundred Crore)
Issue Date / Date of Allotment	30/03/2022
Redemption Date	30/03/2032
Call Option Date	Annually after 5 years i.e. 30/03/2027, 30/03/2028, 30/03/2029, 30/03/2030, 30/03/2031
Coupon Rate	8.75% per annum
Credit Rating	CARE AA (Rating Watch Negative)
Listing	Unlisted
Frequency of the Interest Payment	Annually, March 30, every year

Security Name	9.70% MAGMA GENERAL INSURANCE 2033
Type, Nature and Seniority of Instrument	Unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible Debentures issued on private placement basis fully paid up
Face Value (per security)	₹100,000/- (₹One Lakh) per Debenture
Issue Size	₹2,000,000,000/- (₹Two Hundred Crore)
Issue Date / Date of Allotment	28/12/2023
Redemption Date	28/12/2033
Call Option Date	Annually after 5 years i.e. 28/12/2028, 28/12/2029, 28/12/2030, 28/12/2031, 28/12/2032
Coupon Rate	9.70% per annum
Credit Rating	CARE AA (Rating Watch Negative) & CRISIL AA (Watch Negative)
Listing	Listed on BSE
Frequency of the Interest Payment	Annually, December 28, every year

Security Name	9.70% MAGMA GENERAL INSURANCE 2034
Type, Nature and Seniority of Instrument	Unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible Debentures issued on private placement basis fully paid up
Face Value (per security)	₹100,000/- (₹One Lakh) per Debenture
Issue Size	₹750,000,000/- (₹Seventy Five Crore)
Issue Date / Date of Allotment	20/03/2024
Redemption Date	20/03/2034
Call Option Date	Annually after 5 years i.e. 20/03/2029, 20/03/2030, 20/03/2031, 20/03/2032, 20/03/2033
Coupon Rate	9.70% per annum
Credit Rating	CARE AA (Rating Watch Negative) & CRISIL AA (Watch Negative)
Listing	Listed on BSE
Frequency of the Interest Payment	Annually, March 20, every year

Security Name	9.75% MAGMA GENERAL INSURANCE 2034
Type, Nature and Seniority of Instrument	Unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible Debentures issued on private placement basis fully paid up
Face Value (per security)	₹100,000/- (₹One Lakh) per Debenture
Issue Size	₹500,000,000/- (₹Fifty Crore)
Issue Date / Date of Allotment	20/03/2024
Redemption Date	20/03/2034
Call Option Date	Annually after 8 years i.e. 20/03/2032, 20/03/2033
Coupon Rate	9.75% per annum
Credit Rating	CARE AA (Rating Watch Negative) & CRISIL AA (Watch Negative)
Listing	Listed on BSE
Frequency of the Interest Payment	Annually, March 20, every year

**(ii) Maturity Pattern from the date of issue:**

Maturity Buckets	Borrowings Amount
1 - 5 Yrs	Nil
Above 5 Yrs	₹4,250,000,000
<b>Total</b>	₹4,250,000,000

**17.22 Employee Stock Option Plan (ESOP)**

The Company had introduced an Employee Stock Option Scheme, 2018 ('ESOP Plan') in financial year 2018-19. ESOP Plan provides that eligible employees are granted options to acquire equity shares of the Company that vest in graded manner. The vested options may be exercised within a specified period.

Under ESOP Plan, during the year 136,300 options under Grant VII (Previous year : 2,280,000 options under Grant VI) were granted at an exercise price of ₹126.02 per option (Previous Year : ₹86.35 per option). The options will vest over a period of one to three years from the date of grant as given below and are exercisable over a period of four years from the respective date of vesting.

Accordingly, during the year Nil Options (Previous year : 397,000) were vested out of Grant III, 461,000 Options (Previous year : 345,750) from Grant V and 684,000 Options (Previous year : Nil) from Grant VI.

**Grant - I (Granted in FY 2018-19)**

Vesting (%)	Vesting Period
30%	12 months from date of grant
30%	18 months from date of grant
40%	30 months from date of grant

**Grant - II (Granted in FY 2019-20)**

Vesting (%)	Vesting Period
30%	12 months from date of grant
30%	15 months from date of grant
40%	27 months from date of grant

**Grant - III (Granted in FY 2020-21)**

Vesting (%)	Vesting Period
30%	12 months from date of grant
30%	18 months from date of grant
40%	30 months from date of grant

**Grant - IV (Granted in FY 2020-21)**

Vesting (%)	Vesting Period
100%	12 months from date of grant

**Grant - V (Granted in FY 2021-22)**

Vesting (%)	Vesting Period
30%	12 months from date of grant
30%	18 months from date of grant
40%	30 months from date of grant

**Grant - VI (Granted in FY 2023-24)**

Vesting (%)	Vesting Period
30%	12 months from date of grant
30%	24 months from date of grant
40%	36 months from date of grant

**Grant - VII (Granted in FY 2024-25)**

Vesting (%)	Vesting Period
30%	12 months from date of grant
30%	24 months from date of grant
40%	36 months from date of grant

A summary of status of Company's Employee Stock Option Scheme in terms of option granted, forfeited and exercised by the employees is given below:

**Grant - I**

<b>Particulars</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Outstanding at the beginning of the year	28,448	128,914
Add: Granted during the year	-	-
Less: Forfeited/lapsed during the year	85	-
Less: Exercised during the year	28,363	100,466
<b>Outstanding at the end of the year</b>	<b>-</b>	<b>28,448</b>

**Grant - II**

<b>Particulars</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Outstanding at the beginning of the year	206,450	312,000
Add: Granted during the year	-	-
Less: Forfeited/lapsed during the year	-	-
Less: Exercised during the year	133,937	105,550
<b>Outstanding at the end of the year</b>	<b>72,513</b>	<b>206,450</b>

**Grant - III**

<b>Particulars</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Outstanding at the beginning of the year	407,500	664,000
Add: Granted during the year	-	-
Less: Forfeited/lapsed during the year	10,000	-
Less: Exercised during the year	139,500	256,500
<b>Outstanding at the end of the year</b>	<b>258,000</b>	<b>407,500</b>

**Grant - IV**

<b>Particulars</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Outstanding at the beginning of the year	-	-
Add: Granted during the year	-	-
Less: Forfeited/lapsed during the year	-	-
Less: Exercised during the year	-	-
<b>Outstanding at the end of the year</b>	<b>-</b>	<b>-</b>

**Grant - V**

<b>Particulars</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Outstanding at the beginning of the year	767,500	966,500
Add: Granted during the year	-	-
Less: Forfeited/lapsed during the year	-	100,000
Less: Exercised during the year	227,500	99,000
<b>Outstanding at the end of the year</b>	<b>540,000</b>	<b>767,500</b>

**Grant - VI**

<b>Particulars</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Outstanding at the beginning of the year	2,280,000	-
Add: Granted during the year	-	2,280,000
Less: Forfeited/lapsed during the year	38,400	-
Less: Exercised during the year	-	-
<b>Outstanding at the end of the year</b>	<b>2,241,600</b>	<b>2,280,000</b>

**Grant - VII**

<b>Particulars</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Outstanding at the beginning of the year	-	-
Add: Granted during the year	136,300	-
Less: Forfeited/lapsed during the year	-	-
Less: Exercised during the year	-	-
<b>Outstanding at the end of the year</b>	<b>136,300</b>	<b>-</b>

### **Method Used For Accounting**

The Company has adopted fair value method for computing the compensation cost for the options granted. The estimated fair value of each stock option granted in the stock option plan is ₹33.34 for Grant - I, ₹14.52 for Grant - II, ₹18.70 for Grant - III, ₹16.49 for Grant - IV, ₹30.69 for Grant - V, ₹36.07 for Grant - VI and ₹52.84 for Grant - VII.

### **Fair Value Methodology**

The fair value of Options on date of grant has been estimated using Black Scholes Model (BSM). The key assumptions used in BSM for calculating fair value under ESOP Plan Grant I, Grant II, Grant III, Grant IV, Grant V, Grant VI and Grant VII as on the date of grant viz. May 07, 2018, January 15, 2020, October 22, 2020, January 21, 2021, December 17, 2021, February 19, 2024 and May 17, 2024 are as follows :-

### **Information in Respect of Options Outstanding as on March 31, 2025**

<b>Particulars</b>	<b>Risk Free Interest Rate</b>	<b>Expected Life</b>	<b>Expected Volatility</b>	<b>Expected Dividend Yield</b>
Grant I	6.56% to 7.23%	2 to 4 Years	28.03%	Nil
Grant II	6.30% to 6.45%	3 to 4 Years	34.65%	Nil
Grant III	4.69% to 5.21%	3 to 5 Years	40.51%	Nil
Grant IV	4.69% to 5.21%	3 Years	40.51%	Nil
Grant V	5.01% to 5.57%	3 to 5 Years	43.99% to 40.54%	Nil
Grant VI	7.00% to 7.04%	3 to 5 Years	38.56% to 41.51%	Nil
Grant VII	6.95% to 6.97%	3 to 5 Years	38.74% to 43.50%	Nil

<b>Particulars</b>	<b>Exercise Price</b>	<b>No. of Options</b>	<b>Weighted Average Remaining Life</b>
Grant I	44.10	-	-
Grant II	42.08	72,513	5 months
Grant III	50.46	258,000	16 months
Grant IV	50.46	-	-
Grant V	79.67	540,000	30 months
Grant VI	86.35	2,241,600	60 months
Grant VII	126.02	136,300	63 months

### **17.23 Earning per Share ('EPS')**

<b>Particulars</b>		<b>Units</b>	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
Profit / (Loss) after Tax	(A)	₹ in Lakhs	105	(14,122)
Weighted average number of equity shares (Basic)	(B)	Nos.	279,389,319	263,930,650
Weighted average number of equity shares (Diluted)*	(C)	Nos.	280,858,874	263,930,650
Basic EPS	(A/B)	₹	0.04	(5.35)
Diluted EPS*	(A/C)	₹	0.04	(5.35)
Face Value per share		₹	10.00	10.00

\* In view of losses during the previous year, potential equity shares are anti-dilutive. Accordingly, effect of potential equity shares has not been considered while calculating dilutive earnings per share.

### **17.24 Pursuant to clause 7 of Part-II of Schedule-I of IRDAI Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, the Actuarial Valuation of Liabilities in respect of Claims Incurred But Not Reported ('IBNR') and Claims Incurred But Not Enough Reported ('IBNER') as at March 31, 2025 have been certified by the Appointed Actuary ('AA'). As per the Certificate, the assumptions considered by the AA for valuation of liabilities as at March 31, 2025 are as per manner prescribed in Part IV of Schedule-I of IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, issued by IRDAI and the Actuarial Practice Standards issued by the Institute of Actuaries of India.**

Pursuant to Actuarial Practice Standards (APS) 33 issued by Institute of Actuaries of India (IAI), the peer review of statutory valuation of liabilities for March 31, 2025 has been carried out by an independent actuary.

### **17.25 Corporate Social Responsibility (CSR)**

As per the Section 135 of the Companies Act, 2013, the Company does not have any obligation under CSR for the year ended March 31, 2025 (Previous year : Nil). Further, pursuant to the requirements of the IRDAI Master Circular on Corporate Governance for Insurers, 2024, the Company has spent ₹Nil for CSR activities for the year ended March 31, 2025 (Previous year : Nil).

### **17.26 Investor Education and Protection Fund**

There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company for the year ended March 31, 2025 (Previous year : Nil).

**17.27** As at March 31, 2025, the Company did not have any outstanding long term derivative contracts (Previous year : Nil).

**17.28 a. Contribution to Solatium Fund**

In accordance with the requirements of the IRDAI circular dated March 18, 2003 and based on recommendations made at the General Insurance Council meeting held on February 04, 2005, the Company has provided 0.10% of gross direct premium on all motor third party policies towards contribution to the Solatium fund.

During the year, the Company has provided ₹156 Lakhs (Previous year : ₹149 Lakhs) towards contribution to the Solatium fund, as a charge to revenue account and disclosed under claims outstanding in current liabilities. The Company has paid ₹149 Lakhs out of the amount provided for FY 2023-24 and further ₹149 Lakhs as additional contribution of 0.10% of Motor TP premium of FY24, as mandated by Ministry of Road Transport and Highways ("MoRTH") and same has been charged to revenue account of FY25.

**b. Motor Vehicle Accident Fund Insured Vehicles**

During the year, the Company has contributed ₹1,273 Lakhs being 1% of Motor TP premium for the FY 2022-23 (Previous year : Nil) to the "Motor Vehicle Accident Fund Insured Vehicles" established by the Central Government, Ministry of Road Transport and Highways ("MoRTH") as per the rules specified by Motor Vehicle (Amendment) Act, 2019.

**c. Terrorism Pool**

The Company, in accordance with the requirements of IRDAI, has participated in contributing to the Terrorism Pool. This pool is managed by the General Insurance Corporation of India ('GIC'). Amounts collected as terrorism premium are ceded at 100% to the Terrorism Pool, subject to certain conditions.

In accordance with the terms of the agreement, GIC retro cedes to the Company, terrorism premium to the extent of the share agreed to be borne by the Company in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly confirmation received from GIC. Accordingly, reinsurance accepted on account of the Terrorism Pool has been recorded up to December 31, 2024 (Previous year : upto December 31, 2023).

**d. Environment Relief Fund**

During the year, an amount of ₹2.94 Lakhs (Previous year : ₹3.16 Lakhs) was collected towards Environment Relief Fund for public liability policies. As per the notification dated December 17, 2024, issued by the Ministry of the Environment, Forest and Climate Change ("MoEF&CC"), Central Pollution Control Board ("CPCB") has been appointed as Environment Relief Fund manager w.e.f January 01, 2025 in place of erstwhile fund manager United India Insurance Company Limited. An amount of ₹3.25 Lakhs (Previous year : ₹2.70 Lakhs) has been transferred to fund manager. The balance amount of ₹0.15 Lakhs (Previous year : ₹0.46 Lakhs) is included under Current Liabilities in Schedule 13.

**17.29 Solvency Margin**

Particulars		Units	As at 31 March 2025	As at 31 March 2024
Required Solvency Margin	(A)	₹ in Lakhs	77,450	59,612
Available Solvency Margin	(B)	₹ in Lakhs	156,256	122,206
Solvency Ratio	(B/A)	Times	2.02	2.05
Minimum Solvency Ratio prescribed by Regulations		Times	1.50	1.50

**17.30 Taxation**

As required by Accounting Standard 22 (Accounting for Taxes on Income), the Company performs reassessment of the deferred tax assets (DTA) / deferred tax liabilities (DTL) at each reporting date. The Company has carried DTA on eligible temporary timing differences to the extent the Management of the Company is virtually / reasonably certain (as the case may be) about availability of sufficient future taxable income against which such DTA can be realized.

**The components of DTA are as under :**

(Amount in ₹Lakhs)

Timing difference on account of	As at 31 March 2025		As at 31 March 2024	
	DTA	DTL	DTA	DTL
Unexpired risk reserve (Rule 6E of Income Tax Rules, 1962)	1,946	-	4,689	-
WDV of Fixed Assets	20	-	-	8
Expense allowed on payment basis	241	25	195	30
Provision for standard assets and doubtful debts	16	-	12	-
Contribution to Solatium Fund	14	-	14	-
<b>Total deferred tax asset / (liability)</b>	<b>2,237</b>	<b>25</b>	<b>4,910</b>	<b>38</b>
<b>Net deferred tax asset</b>	<b>2,212</b>	<b>-</b>	<b>4,872</b>	<b>-</b>

### 17.31 Related Party Disclosures

Related Party disclosure as at and for the year ended March 31, 2025.

Names of the related parties and description of relationship:

#### Joint Venturer

Celica Developers Private Limited  
Jaguar Advisory Services Private Limited

HDI Global SE (upto 04/11/2023)

#### Investing Party and its Group Companies (with whom Company has transactions):

Sanoti Properties LLP

HDI Global Network AG (upto 04/11/2023)

#### Directors

Sanjay Chamria  
Kailash Nath Bhandari (upto 30/06/2024)  
Mayank Poddar  
Sunil Mitra (upto 22/07/2024)  
Sandhya Gadkari Sharma  
V. K. Viswanathan (upto 22/07/2024)  
Vinesh Kriplani  
Rajive Kumaraswami  
Jens Holger Wohlthat (w.e.f. 18/07/2024)  
Sanjay N Sachdev (w.e.f. 23/07/2024)  
Sudhir Hansraj Kapadia (w.e.f. 23/07/2024)

#### Relatives of Directors (with whom company has transactions):

Shaili Poddar (Daughter of Mayank Poddar)  
Mansi Poddar Tulshan (Daughter of Mayank Poddar)  
Ashita Poddar Khaitan (Daughter of Mayank Poddar)

#### Private Company in which Director or his relative is a Director (with whom Company has transactions):

CLP Business LLP  
Solvex Properties & Services Private Limited  
Magma Ventures Private Limited (formerly Magma  
Consumer Finance Private Limited)

Celica Automobiles Private Limited  
Celica Properties Private Limited  
Celica Motocorp Private Limited

#### Entities in which KMP or their Relatives are interested (with whom company has transactions):

Proman Associates LLP

#### Key Management Personnel (KMP)

Rajive Kumaraswami, MD & CEO  
Gaurav Parasmuria, CFO  
Vikas Mittal, Deputy CEO  
Amit Bhandari, Chief Technical Officer  
Amit Raheja, Head – Legal, Secretarial and CCO (w.e.f. January 23, 2025)  
Swati Singh, CS (w.e.f. July 01, 2024 to February 14, 2025)  
Sweta Pranay Bharucha, CS (upto June 30, 2024)

#### Relatives of Key Management Personnel (with whom Company has transactions):

Subramania Kumaraswami (Father of Rajive Kumaraswami)  
Manasi Mittal (Daughter of Vikas Mittal)

(Amount in ₹ Lakhs)

Name of related party	Nature of transaction	Transaction value for the year ended March 31, 2025	Outstanding amount as at March 31, 2025	Transaction value for the year ended March 31, 2024	Outstanding amount as at March 31, 2024
<b>Joint Venturer</b>					
HDI Global SE	Premium Ceded	-	-	53	-
	RI Commission Income on Premium Ceded	-	-	7	-
	Claims on Premium Ceded	-	-	12	-
	Payments of Reinsurance Balances	-	-	32	-
	Receipts against Reinsurance Claims	-	-	12	-
Celica Developers Private Limited	Equity Share Capital	-	3,597	-	3,597
	Premium for Policies Underwritten	-	-	0.58	-
	Security Deposit Given	-	5	5	5
	Payment of Rent	11	-	5	-
	Reimbursement of Utility Charges	6	0.48	-	-
	Reimbursement of Expenses	-	-	104	-
Jaguar Advisory Services Private Limited	Equity Share Capital	-	2,250	-	2,250

Name of related party	Nature of transaction	Transaction value for the year ended March 31, 2025	Outstanding amount as at March 31, 2025	Transaction value for the year ended March 31, 2024	Outstanding amount as at March 31, 2024
<b>Investing Party and its Group Companies</b>					
Sanoti Properties LLP	Equity Share Capital	1,181	21,256	2,209	20,075
	Share Premium	13,819	-	15,890	-
	Reimbursement of Expenses	-	-	2	-
HDI Global Network AG	Premium Ceded	-	-	4,382	-
	RI Commission Income on Premium Ceded	-	-	342	-
	Claims on Premium Ceded	-	-	1,054	-
	Receipts against Reinsurance Claims	-	-	373	-
	Payments of Reinsurance Balances	-	-	2,358	-
<b>Directors</b>					
Sunil Mitra	Payment of Sitting Fees	13	-	22	-
V. K. Viswanathan	Payment of Sitting Fees	15	-	26	-
Sandhya Gadkari Sharma	Payment of Sitting Fees	30	2	17	-
Kailash Nath Bhandari	Payment of Sitting Fees	10	-	27	-
Sanjay N Sachdev	Payment of Sitting Fees	17	2	-	-
Sudhir Hansraj Kapadia	Payment of Sitting Fees	15	2	-	-
Jens Wohlthat	Payment of Sitting Fees	11	2	-	-
<b>Key Management Personnel</b>					
Key Management Personnel	Managerial Remuneration	1,180	-	1,170	-
	Equity Share Capital	-	235	-	235
	Premium for Policies Underwritten	0.7	-	2	-
<b>Private Company in which Director is a Director</b>					
CLP Business LLP	Payment of Rent	34	-	32	-
	Security Deposit Given	-	16	-	16
Magma Ventures Pvt Ltd	Brand License Fees	1	-	1	-
Celica Automobiles Pvt Ltd	Premium for Policies Underwritten	0.01	-	0.22	-
Celica Motocorp Pvt Ltd	Premium for Policies Underwritten	0.17	-	0.19	-
<b>Entities in which Directors or their Relatives have Significant Influence</b>					
Celica Properties Pvt Ltd	Premium for Policies Underwritten	-	-	0.99	-
Solvex Properties & Services Private Limited	Payment of Utility Charges	-	-	5	0.47
	Payment of Maintenance Charges	-	-	0.29	-
	Advertisement & Publicity Expenses	-	-	2	-
<b>Entities in which KMP or their Relatives have Significant Influence</b>					
Proman Associates LLP	Business Promotion	-	-	0.18	-
<b>Relatives of Directors / KMPs</b>					
Shaili Poddar	Payment of Rent	-	-	6	-
	Security Deposit Refunded Back	-	-	5	-
Mansi Poddar Tulshan	Premium for Policies Underwritten	0.55	-	0.44	-
Ashita Poddar Khaitan	Premium for Policies Underwritten	0.46	-	0.37	-
Subramania Kumaraswami	Premium for Policies Underwritten	0.03	-	0.03	-
Manasi Mittal	Premium for Policies Underwritten	-	-	0.10	-

Note - Transaction amounts considered above are excluding taxes.

**17.32 Statement showing the age-wise analysis of the unclaimed amount of the policyholders for the year ended March 31, 2025**

As per the Master Circular on Operations and Allied Matters of Insurers dated June 19, 2024, below table mentions the age-wise analysis of unclaimed amount of the policyholders:

**As on March 31, 2025**

(Amount in ₹ Lakhs)

Sl. No.	Particulars	Total Amount	Age Wise Analysis (in months)							
			0-6	7-12	13-18	19-24	25-30	31-36	37-120	More than 120
1	Claims settled but not paid to the policyholders/ beneficiaries due to any reasons	-	-	-	-	-	-	-	-	-
2	Sum due to the policyholders / beneficiaries on maturity or otherwise	-	-	-	-	-	-	-	-	-
3	Any excess collection of the premium/ tax or any other charges which is refundable to the policyholders/ beneficiaries but not refunded so far	93	4	1	3	5	4	3	69	4
4	Cheques issued but not encashed by the policyholder / beneficiaries	190	26	23	3	5	8	5	114	6
5	Remittance through NEFT/ RTGS or any other electronic mode bounced back	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>283</b>	<b>31</b>	<b>24</b>	<b>6</b>	<b>9</b>	<b>12</b>	<b>9</b>	<b>183</b>	<b>10</b>

**As on March 31, 2024**

(Amount in ₹ Lakhs)

Sl. No.	Particulars	Total Amount	Age Wise Analysis (in months)							
			0-6	7-12	13-18	19-24	25-30	31-36	37-120	More than 120
1	Claims settled but not paid to the policyholders/ beneficiaries due to any reasons	-	-	-	-	-	-	-	-	-
2	Sum due to the policyholders / beneficiaries on maturity or otherwise	-	-	-	-	-	-	-	-	-
3	Any excess collection of the premium/ tax or any other charges which is refundable to the policyholders/ beneficiaries but not refunded so far	90	3	5	4	3	3	4	67	-
4	Cheques issued but not encashed by the policyholder / beneficiaries	189	20	18	8	5	13	8	117	-
5	Remittance through NEFT/ RTGS or any other electronic mode bounced back	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>279</b>	<b>23</b>	<b>23</b>	<b>12</b>	<b>9</b>	<b>16</b>	<b>11</b>	<b>185</b>	<b>-</b>

**Details of unclaimed amounts pertaining to policyholders**

(Amount in ₹ Lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Policy Dues	Income Accrued	Policy Dues	Income Accrued
<b>Opening Balance</b>	245	34	305	26
Add: Amount transferred to Unclaimed Fund	121	-	232	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders	-	-	-	-
Add: Investment Income on Unclaimed Fund	-	4	-	9
Less: Amount of claims paid during the year	114	2	291	1
Less: Amount transferred to Senior Citizens' Welfare Fund (net of claims paid in respect of amounts transferred earlier)	3	2	0	-
<b>Closing balance of Unclaimed amount Fund</b>	<b>249</b>	<b>34</b>	<b>245</b>	<b>34</b>

**17.33** Provision for Free Look period is computed considering the earned premium for new individual health insurance policies expected to be cancelled within 30 days post balance sheet date.

The provision for Free Look period is ₹0.81 Lakhs (Previous year : ₹0.22 Lakhs), as certified by the Appointed Actuary.

**17.34 Indian Accounting Standards (Ind AS) Implementation in Insurance sector**

In convergence with International Financial Reporting Standards (IFRS), India has formulated Ind AS and the various standards of the Ind AS have become applicable to different sectors in last few years. Ind AS is yet to be notified for adoption by Insurance Companies in India. IRDAI issued Approach note dated September 30, 2024 clarified regarding endeavour to implement Ind AS in Insurance Sector effective from April 01, 2027.

As advised by IRDAI, the Company has constituted a Steering Committee to oversee and prepare itself for the implementation of Ind AS as and when the same are notified by the ICAI and the guidelines in this regard are issued by IRDAI.

Once implemented, Ind AS is likely to significantly impact the financial results and financial reporting systems and process of Insurance Companies.

**17.35** Previous year figures have been regrouped / reclassified wherever necessary, for better presentation, understanding and comparison with those of the current year.

(Amount in ₹ Lakhs)

Sl No.	Particulars (Schedule and Head of Account)		Regrouped / Restated Amount	Amt as per Financials of Previous Year	Difference	Reason for Regrouping / Restatement
	Regrouped From	Regrouped To				
1	"Investment Income from Terrorism Pool" under the head Other Income in "Revenue Account"	Added to "Interest, Dividend and Rent - Gross" in "Revenue Account"	281	281	-	Investment Income from Terrorism Pool was earlier shown as separate line item in Revenue Account. Now it is added with Interest, Dividend and Rent - Gross as per new IRDAI Regulations.
2	"Investment Expenses" under "Operating Expenses related to Insurance Business" in Schedule 4	Subtracted from "Interest, Dividend and Rent - Gross" in "Revenue Account"	208	208	-	Investment Expenses pertaining to Revenue Account was earlier shown as separate line item in Revenue Account. Now it is subtracted from Interest, Dividend and Rent - Gross as per new IRDAI Regulations.
3	"Employees' remuneration and welfare benefits" in Schedule 4	"Towards Remuneration of MD/CEO/WTD/ Other KMPs" under the head Other Income in "Revenue Account"	31	31	-	Excess of Managerial Remuneration over and above limits as prescribed by IRDAI Regulation which was earlier netted from "Employees' remuneration and welfare benefits" is now shown under the head Other Income as per new IRDAI Regulations.

Sl No.	Particulars (Schedule and Head of Account)		Regrouped / Restated Amount	Amt as per Financials of Previous Year	Difference	Reason for Regrouping / Restatement
	Regrouped From	Regrouped To				
4	"Amortization of (Premium) / Discount on Investments" which was netted with "Interest, Dividend and Rent - Gross" in "Profit & Loss Account"	"Amortization of (Premium) / Discount on Investments" under "Interest, Dividend and Rent - Gross" in "Profit & Loss Account"	6,270	6,519	(248)	"Amortization of (Premium) / Discount on Investments" which was netted with "Interest, Dividend and Rent - Gross" in "Profit & Loss Account" is now grossed up and shown as a separate line item, as per new IRDAI Regulations.
5	"Agents' Balances" under "Schedule 13"	"Agents' Balances" under "Schedule 12"	2,185	2,173	12	Receivable from Agents' Balances which were netted "Agents Balances" in Schedule 13 is now grossed up and shown as "Agents Balances" in Schedule 12, for better presentation of Financial Statements.
6	"Manpower hire charges" & "Membership fees and subscription expenses" in Schedule 4	Clubbed with "Legal and professional charges" in Schedule 4	1,779	1,451	328	For better presentation of Financial Statements.
7	"Goods and services tax (GST)" in Schedule 4	Clubbed with "Rents, rates and taxes" in Schedule 4	1,921	1,727	194	For better presentation of Financial Statements.
8	"Electrical Equipment" in Schedule 10	Clubbed with "Office Equipment" in Schedule 10	511	507	4	For better presentation of Financial Statements.

### 17.36 Ultimate Beneficiaries

- The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) 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, 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;
- The Company has not received any funds from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

### 17.37 Details of penal actions taken by various Government Authorities

For the year ended March 31, 2025

(Amount in ₹ Lakhs)

Sl. No.	Authority	Non-Compliance / Violation	Penalty Awarded	Penalty Paid	Penalty Waived /- Reduced
1	Insurance Regulatory and Development Authority (IRDAI)	-	-	-	-
2	Income Tax Authorities	-	-	-	-
3	GST 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 Court/Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities Exchange Board of India	-	-	-	-
9	Competition Commission of India	-	-	-	-
10	Any other Central / State / Local Government / Statutory Authority	-	0.02	0.02	-

For the year ended March 31, 2024

(Amount in ₹ Lakhs)

Sl. No.	Authority	Non-Compliance / Violation	Penalty Awarded	Penalty Paid	Penalty Waived / Reduced
1	Insurance Regulatory and Development Authority (IRDAI)	-	-	-	-
2	Income Tax Authorities	-	-	-	-
3	GST 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 Court/Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities Exchange Board of India	-	-	-	-
9	Competition Commission of India	-	-	-	-
10	Any other Central / State / Local Government / Statutory Authority	-	2	2	-

**17.38 a. Segment Reporting**

The statement of segment reporting is included in **Annexure 1**.

**b. Accounting Ratios**

The statement of accounting ratios is provided in **Annexure 2**.

**c. Summary of Financial Statements**

The summary of financial statements is provided in **Annexure 3**.

As per our Report of even date attached

For and on behalf of the Board of Directors

For Singhi & Co.  
Chartered Accountants  
Firm Regn. No. 302049E

For M S K A & Associates  
Chartered Accountants  
Firm Regn. No. 105047W

Sanjay Chamria  
Chairman  
DIN 00009894

Rajive Kumaraswami  
Managing Director & CEO  
DIN 07501971

Shweta Singhal  
Partner  
Membership No. 414420

Swapnil Kale  
Partner  
Membership No. 117812

Mayank Poddar  
Director  
DIN 00009409

Gaurav Parasrampuria  
Chief Financial Officer

Mumbai, April 29, 2025

Sudhir Kapadia  
Director  
DIN 05307843

Sidhi Jatkar  
Company Secretary  
Membership No. A27539

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
 IRDAI Registration No. 149 dated May 22, 2012

**SCHEDULE – 17:** Notes to Accounts forming part of the Financial Statements for the year ended March 31, 2025

**Annexure 1**

**Segment Reporting**

**Primary Reportable Segments**

**Segment Information for the year ended March 31, 2025**

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

(Amount in ₹ Lakhs)

Particulars	Fire	Marine	Miscellaneous										Total	
			Motor OD	Motor TP	Health	Personal Accident	Travel	Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	
Premium received in advance	612	-	321	55,543	3,605	53	-	9	-	-	-	-	47	60,190
Claims outstanding at the end of the year	5,795	1,378	12,419	370,993	14,257	726	-	555	2	360	-	-	6,305	412,790
Reserve for unexpired risk at the end of the year	6,782	539	23,633	82,448	43,613	1,288	-	586	13	231	-	-	747	159,880
Reserve for premium deficiency	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding premiums	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Segment Information for the year ended March 31, 2024**

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

(Amount in ₹ Lakhs)

Particulars	Fire	Marine	Miscellaneous										Total	
			Motor OD	Motor TP	Health	Personal Accident	Travel	Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	
Premium received in advance	0	-	361	76,718	88	1	-	4	-	0	-	-	2	77,174
Claims outstanding at the end of the year	4,150	901	10,020	298,059	6,926	316	-	209	16	273	-	-	6,315	327,185
Reserve for unexpired risk at the end of the year	9,107	306	32,073	82,001	31,554	946	-	204	1	178	-	-	107	156,477
Reserve for premium deficiency	-	43	-	-	-	-	-	-	-	-	-	-	-	43
Outstanding Premiums	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## Secondary Reportable Segments

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

### Segment Reporting for the year ended March 31, 2025

(Amount in ₹ Lakhs)

Particulars	Fire	Marine	Miscellaneous										Total	
			Motor OD	Motor TP	Health	Personal Accident	Travel	Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	
Premiums earned (Net) (Refer Schedule 1)	8,939	1,239	56,461	149,221	81,597	2,092	-	759	(3)	324	-	-	235	300,864
Profit / (Loss) on sale / redemption of investments (Net)	11	2	77	253	151	4	-	2	-	1	-	-	-	501
Interest, dividend and rent (Gross)	1,261	204	6,728	20,969	13,124	341	-	159	1	72	-	-	118	42,977
Other														
a) Other Income														
i) Miscellaneous Income	17	2	17	9	24	-	-	-	-	-	-	-	1	70
b) Contribution from the Shareholders' Account														
i) Towards Excess Expenses of Management (EoM)	-	-	922	2,843	1,757	48	-	22	-	54	-	-	176	5,822
ii) Towards Remuneration of MD/CEO/ WTD/Other KMPs	3	-	5	13	8	-	-	-	-	-	-	-	-	29
<b>TOTAL SEGMENTAL REVENUE (A)</b>	<b>10,231</b>	<b>1,447</b>	<b>64,210</b>	<b>173,308</b>	<b>96,661</b>	<b>2,485</b>	<b>-</b>	<b>942</b>	<b>(2)</b>	<b>451</b>	<b>-</b>	<b>-</b>	<b>530</b>	<b>350,263</b>
Claims Incurred (Net) (Refer Schedule 2)	3,708	1,439	46,283	116,132	70,362	1,230	-	687	(14)	147	-	-	121	240,095
Commission (Net) (Refer Schedule 3)	128	100	14,931	40,161	13,460	577	-	341	2	(44)	-	-	(735)	68,921
Operating Expenses related to Insurance Business (Refer Schedule 4)	3,566	501	6,212	14,627	11,673	315	-	114	-	284	-	-	879	38,171
Premium Deficiency	-	(43)	-	-	-	-	-	-	-	-	-	-	-	(43)
<b>TOTAL SEGMENTAL EXPENDITURE (B)</b>	<b>7,402</b>	<b>1,997</b>	<b>67,426</b>	<b>170,920</b>	<b>95,495</b>	<b>2,122</b>	<b>-</b>	<b>1,142</b>	<b>(12)</b>	<b>387</b>	<b>-</b>	<b>-</b>	<b>265</b>	<b>347,144</b>
<b>SEGMENTAL PROFIT / (LOSS) (C) = (A - B)</b>	<b>2,829</b>	<b>(550)</b>	<b>(3,216)</b>	<b>2,388</b>	<b>1,166</b>	<b>363</b>	<b>-</b>	<b>(200)</b>	<b>10</b>	<b>64</b>	<b>-</b>	<b>-</b>	<b>265</b>	<b>3,119</b>

Segment Reporting for the year ended March 31, 2024

Amount in ₹ Lakhs)

Particulars	Fire	Marine	Miscellaneous										Total	
			Motor OD	Motor TP	Health	Personal Accident	Travel	Workmen's Compensation/ Employer's Liability	Public/ Product Liability	Engineering	Aviation	Crop	Others	
Premiums earned (Net) (Refer Schedule 1)	6,983	530	41,839	125,617	50,002	1,020	-	255	(2)	252	-	-	142	226,639
Profit / (Loss) on sale / redemption of investments (Net)	(18)	(2)	(147)	(362)	(177)	(4)	-	(1)	-	(1)	-	-	-	(712)
Interest, dividend and rent (Gross)	1,114	85	7,012	18,047	8,468	199	-	46	-	50	-	-	16	35,037
Other														
a) Other Income														
i) Miscellaneous Income	9	1	18	7	5	-	-	-	-	-	-	-	1	41
b) Contribution from the Shareholders' Account														
i) Towards Excess Expenses of Management (EoM)	-	-	1,635	4,159	1,924	48	-	11	-	67	-	-	228	8,072
ii) Towards Remuneration of MD/CEO/ WTD/Other KMPs	3	-	6	14	7	-	-	-	-	-	-	-	1	31
<b>TOTAL SEGMENTAL REVENUE (A)</b>	<b>8,091</b>	<b>614</b>	<b>50,363</b>	<b>147,482</b>	<b>60,229</b>	<b>1,263</b>	<b>-</b>	<b>311</b>	<b>(2)</b>	<b>368</b>	<b>-</b>	<b>-</b>	<b>388</b>	<b>269,108</b>
Claims Incurred (Net) (Refer Schedule 2)	2,896	1,008	31,431	100,621	44,245	380	-	261	13	153	-	-	40	181,048
Commission (Net) (Refer Schedule 3)	529	(7)	15,701	40,770	8,914	497	-	110	-	(13)	-	-	(504)	65,997
Operating Expenses related to Insurance Business (Refer Schedule 4)	3,224	344	6,638	13,641	9,511	251	-	36	-	212	-	-	688	34,545
Premium Deficiency	-	19	-	-	-	-	-	-	-	-	-	-	-	19
<b>TOTAL SEGMENTAL EXPENDITURE (B)</b>	<b>6,649</b>	<b>1,364</b>	<b>53,770</b>	<b>155,032</b>	<b>62,670</b>	<b>1,128</b>	<b>-</b>	<b>407</b>	<b>13</b>	<b>352</b>	<b>-</b>	<b>-</b>	<b>224</b>	<b>281,609</b>
<b>SEGMENTAL PROFIT / (LOSS) (C) = (A - B)</b>	<b>1,442</b>	<b>(750)</b>	<b>(3,407)</b>	<b>(7,550)</b>	<b>(2,441)</b>	<b>135</b>	<b>-</b>	<b>(96)</b>	<b>(15)</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>164</b>	<b>(12,501)</b>

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
 IRDAI Registration No. 149 dated May 22, 2012

**SCHEDULE – 17: Notes to Accounts forming part of the Financial Statements for the year ended March 31, 2025**

**Annexure 2**

The following ratios have been calculated as per IRDAI Circular IRDAI/F&A/CIR/MISC/256/09/2021 September 30, 2021

**Ratios for the year ended March 31, 2025**

Sl. No.	Particular	For the year ended 31 March 2025													
		Fire	Marine	Motor OD	Motor TP	Health Insurance	Personal Accident	Travel	Workmen's Compensation	Public / Product Liability	Engineering	Aviation	Crop	Others	Total
1	Gross Direct Premium Growth Rate (GDPI (CY) - GDPI (PY)) / GDPI (PY)	7.4%	32.5%	(13.4%)	4.9%	44.9%	53.5%	-	211.8%	325.0%	27.0%	-	-	17.9%	9.5%
2	Gross Direct Premium to Net Worth Ratio GDPI / Net Worth								NA					2.77	
3	Growth Rate of Net Worth [(Net worth of CY - Net worth of PY)] / Net Worth - PY								NA					33.9%	
4	Net Retention Ratio Net Premium / (Gross Direct Premium Income + Reinsurance Accepted)	17.2%	27.6%	94.8%	95.9%	97.0%	91.4%	-	96.0%	52.9%	12.6%	-	-	9.1%	83.7%
5	Net Commission Ratio Net Commission / Net Written Premium	1.9%	6.8%	31.1%	26.8%	14.4%	23.7%	-	29.9%	22.2%	(11.7%)	-	-	(83.9%)	22.7%
6	Expenses of Management to Gross Direct Premium Ratio Expenses of Management / GDPI	23.0%	20.8%	42.6%	35.4%	33.1%	34.4%	-	38.9%	11.8%	27.5%	-	-	14.9%	33.9%
7	Expenses of Management to Net Written Premium Ratio Expenses of Management / NWPI	55.9%	40.8%	44.0%	36.6%	26.8%	36.6%	-	39.9%	22.2%	63.7%	-	-	16.4%	35.2%
8	Net Incurred Claims to Net Earned Premium Net Incurred Claims / Net Earned Premium	41.5%	116.1%	82.0%	77.8%	86.2%	58.8%	-	90.5%	466.7%	45.4%	-	-	51.5%	79.8%
9	Claims paid to claims provisions Claim Paid / Claims provision made previously	16.1%	50.2%	53.4%	25.3%	82.0%	37.0%	-	87.7%	0.2%	5.4%	-	-	48.4%	27.2%
10	Combined Ratio (Claims, commission plus expenses of management) / NWPI	97.3%	157.0%	126.0%	114.4%	113.1%	95.4%	-	130.4%	488.9%	109.0%	-	-	67.9%	115.0%
11	Investment income ratio Investment income / Average Assets under management							NA						7.0%	
12	Technical Reserves to Net Premium Ratio (UPR + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER) / Net Written Premium	1.90	1.30	0.75	3.03	0.62	0.83	-	1.00	1.67	1.57	-	-	8.05	1.88
13	Underwriting Balance Ratio (Underwriting profit / loss) / Net earned premium							NA						(0.15)	

Sl. No.	Particular	For the year ended 31 March 2025												
		Fire	Marine	Motor OD	Motor TP	Health Insurance	Personal Accident	Travel	Workmen's Compensation	Public / Product Liability	Engineering	Aviation	Crop	Others
14	Operating Profit Ratio (Underwriting profit / loss + Investment Income) / Net Earned Premium								NA					1.0%
15	Liquid Assets to Liabilities Ratio Liquid Assets / Policyholders Liabilities								NA					0.07
16	Net Earning Ratio Profit After Tax / Net Premium								NA					0.03%
17	Return on Net Worth Ratio Profit After Tax / Net Worth								NA					0.1%
18	Solvency Margin Ratio ASM / RSM								NA					2.02
19	NPA Ratio Policyholders' Funds								NA					
	Gross NPA Ratio									NA				-
	Net NPA Ratio									NA				-
	Shareholders' Funds								NA					
	Gross NPA Ratio									NA				-
	Net NPA Ratio									NA				-
20	Debt Equity Ratio (Debt/Equity)								NA					0.35
21	Debt Service Coverage Ratio (Earnings before Interest and Tax/ Interest and Principal Instalments Due)								NA					1.69
22	Interest Service Coverage Ratio (Earnings before Interest and Tax/ Interest due)								NA					1.69
23	Equity Holding Pattern and information on earnings No. of shares								NA					293,393,120
	Percentage of shareholding Indian								NA					100.00%
	Foreign								NA					-
	Percentage of Government holding (in case of public sector insurance companies)								NA					-
	Basic EPS before extraordinary items (net of tax expense) for the period (not to be annualized)								NA					0.04
	Diluted EPS before extraordinary items (net of tax expense) for the period (not to be annualized)								NA					0.04
	Basic EPS after extraordinary items (net of tax expense) for the period (not to be annualized)								NA					0.04
	Diluted EPS after extraordinary items (net of tax expense) for the period (not to be annualized)								NA					0.04
	Book value per share (₹)								NA					41.07

**Ratios for the year ended March 31, 2024**

Sl. No.	Particular	For the year ended 31 March 2024													
		Fire	Marine	Motor OD	Motor TP	Health Insurance	Personal Accident	Travel	Workmen's Compensation	Public / Product Liability	Engineering	Aviation	Crop	Others	Total
1	Gross Direct Premium Growth Rate	(1.4%)	17.2%	(0.4%)	16.9%	103.9%	80.9%	-	104.6%	0.2%	117.8%	-	-	38.6%	20.1%
	(GDPI (CY) - GDPI (PY)) / GDPI (PY)														
2	Gross Direct Premium to Net Worth Ratio							NA							3.38
	GDPI / Net Worth														
3	Growth Rate of Net Worth							NA							4.5%
	[(Net Worth of CY - Net Worth of PY)] / Net Worth - PY														
4	Net Retention Ratio	18.6%	17.4%	94.7%	95.8%	97.2%	90.9%	-	95.9%	(51.3%)	12.7%	-	-	1.9%	83.4%
	Net Premium / (Gross Direct Premium Income + Reinsurance Accepted)														
5	Net Commission Ratio	7.8%	(1.0%)	28.3%	28.6%	13.3%	31.5%	-	30.2%	5.0%	(4.3%)	-	-	(329.3%)	24.0%
	Net Commission / Net Written Premium														
6	Expenses of Management to Gross Direct Premium Ratio	21.2%	17.6%	40.2%	37.2%	35.4%	44.3%	-	39.4%	25.0%	26.5%	-	-	12.2%	34.9%
	Expenses of Management / GDPI														
7	Expenses of Management to Net Written Premium Ratio	55.0%	49.4%	40.3%	38.1%	27.5%	47.5%	-	40.0%	-	65.0%	-	-	120.3%	36.6%
	Expenses of Management / NWPI														
8	Net Incurred Claims to Net Earned Premium	41.5%	190.3%	75.1%	80.1%	88.5%	37.2%	-	102.2%	(596.8%)	60.1%	-	-	28.2%	79.9%
	Net Incurred Claims / Net Earned Premium														
9	Claims paid to claims provisions	19.8%	25.8%	56.1%	31.6%	89.2%	80.0%	-	169.2%	100.8%	20.2%	-	-	1.1%	33.6%
	Claim Paid / Claims provision made previously														
10	Combined Ratio	96.5%	239.7%	115.4%	118.2%	116.0%	84.6%	-	142.2%	-596.8%	125.1%	-	-	148.5%	116.5%
	(Claims, commission plus expenses of management) / NWPI														
11	Investment income ratio							NA							6.6%
	Investment income / Average Assets under management														
12	Technical Reserves to Net Premium Ratio	1.94	1.83	0.76	2.66	0.57	0.80	-	1.13	(7.31)	1.47	-	-	41.97	1.76
	(UPR + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER) / Net Written Premium														
13	Underwriting Balance Ratio							NA							(0.24)
	(Underwriting Profit / Loss) / Net Earned Premium														

Sl. No.	Particular	For the year ended 31 March 2024												
		Fire	Marine	Motor OD	Motor TP	Health Insurance	Personal Accident	Travel	Workmen's Compensation	Public / Product Liability	Engineering	Aviation	Crop	Others
14	Operating Profit Ratio								NA					(5.5%)
	(Underwriting Profit / Loss + Investment Income) / Net Earned Premium													
15	Liquid Assets to Liabilities Ratio								NA					0.12
	Liquid Assets / Policyholders Liabilities													
16	Net Earning Ratio								NA					(5.1%)
	Profit After Tax / Net Premium													
17	Return on Net Worth Ratio								NA					(15.7%)
	Profit After Tax / Net Worth													
18	Solvency Margin Ratio								NA					2.05
	ASM / RSM													
19	NPA Ratio													
	Policyholders' Funds													
	Gross NPA Ratio								NA					-
	Net NPA Ratio								NA					-
	Shareholders' Funds													
	Gross NPA Ratio								NA					-
	Net NPA Ratio								NA					-
20	Debt Equity Ratio								NA					0.47
	(Debt/Equity)													
21	Debt Service Coverage Ratio								NA					(10.46)
	(Earnings before Interest and Tax/ Interest and Principal Instalments Due)													
22	Interest Service Coverage Ratio								NA					(10.46)
	(Earnings before Interest and Tax/ Interest Due)													
23	Equity Holding Pattern and information on earnings								NA					
	No. of shares													269,302,193
	Percentage of shareholding													
	Indian													100.00%
	Foreign													-
	Percentage of Government holding (in case of public sector insurance companies)								NA					-
	Basic EPS before extraordinary items (net of tax expense) for the period (not to be annualized)								NA					(5.35)
	Diluted EPS before extraordinary items (net of tax expense) for the period (not to be annualized)								NA					(5.35)
	Basic EPS after extraordinary items (net of tax expense) for the period (not to be annualized)								NA					(5.35)
	Diluted EPS after extraordinary items (net of tax expense) for the period (not to be annualized)								NA					(5.35)
	Book value per share (₹)								NA					33.40

**Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)**  
IRDAI Registration No. 149 dated May 22, 2012

**SCHEDULE – 17:** Notes to Accounts forming part of the Financial Statements for the year ended  
March 31, 2025

**Annexure 3**

**Summary of Financial Statements**

(Amount in ₹ Lakhs)

Sl. No.	Particulars	2024-25	2023-24	2022-23	2021-22	2020-21
<b>OPERATING RESULTS</b>						
1	Gross Direct Premium	333,440	304,419	253,412	175,717	128,359
2	Gross Written Premium	363,495	329,511	258,829	181,518	134,904
3	Net Premium Income <sup>1</sup>	304,267	274,899	194,290	112,176	79,825
4	Income from Investments (net) <sup>2</sup>	43,478	34,325	25,902	20,292	18,675
5	Other Income	70	41	44	18	14
6	Contribution from Shareholders' Account					
	- Towards Excess EOM	5,822	8,072	25,134	8,958	814
	- Towards Remuneration of MD/CEO/ WTD/Other KMPs	29	31	274	213	151
	<b>Total Income</b>	<b>353,666</b>	<b>317,368</b>	<b>245,645</b>	<b>141,656</b>	<b>99,478</b>
7	Commissions (net)	68,921	65,997	7,606	(2,183)	(5,525)
8	Operating Expenses	38,171	34,545	91,901	57,088	37,748
9	Premium Deficiency	(43)	19	11	(8)	3
10	Net Incurred Claims	240,095	181,048	111,410	62,764	60,660
11	Change in Unexpired Risk Reserve	3,403	48,260	40,872	20,754	3,655
12	<b>Operating Profit / (Loss)</b>	<b>3,119</b>	<b>(12,501)</b>	<b>(6,156)</b>	<b>3,241</b>	<b>2,937</b>
<b>NON OPERATING RESULTS</b>						
13	Total income under Shareholder's Account	9,731	6,278	4,037	2,830	2,753
14	Total expenses under Shareholder's Account	10,085	10,037	26,616	7,747	3,125
15	<b>Profit / (Loss) before Tax</b>	<b>2,765</b>	<b>(16,260)</b>	<b>(28,735)</b>	<b>(1,676)</b>	<b>2,565</b>
16	Provision for Tax	2,660	(2,138)	(18)	(430)	625
	Provision for Income Tax	-	-	-	296	542
	Provision for Deferred Tax	2,660	(2,138)	(14)	(761)	83
	Tax adjustment of earlier years	-	-	(3)	35	-
17	<b>Profit / (Loss) after Tax</b>	<b>105</b>	<b>(14,122)</b>	<b>(28,717)</b>	<b>(1,246)</b>	<b>1,940</b>
<b>MISCELLANEOUS</b>						
18	Policyholders' Account					
	Total Funds	652,468	595,609	450,617	336,174	263,775
	Total Investments	652,468	595,609	450,617	336,174	263,775
	Yield on Investments	7.32%	7.19%	6.85%	6.08%	6.38%
19	Shareholders' Account					
	Total Funds	120,488	89,958	86,100	41,226	42,531
	Total Investments	144,166	114,421	75,296	48,273	35,601
	Yield on Investments	7.32%	7.19%	6.85%	6.08%	6.38%
20	Paid up Equity Capital	29,339	26,930	24,667	15,471	15,471
21	Net Worth <sup>3</sup>	120,488	89,958	86,100	41,226	42,531
22	Total Assets	858,684	755,566	589,738	410,682	324,464
23	Yield on Total Investments	7.32%	7.19%	6.85%	6.08%	6.38%
24	Earning Per Share Basic (₹)	0.04	(5.35)	(14.22)	(0.81)	1.26
25	Book Value Per Share (₹)	41.07	33.40	34.90	26.65	27.49
26	Total Dividend declared/paid for the year	-	-	-	-	-
27	Dividend Per Share (₹)	-	-	-	-	-
28	Solvency Ratio	2.02	2.05	2.10	1.76	1.79

<sup>1</sup> Net of reinsurance

<sup>2</sup> Net of losses on sale / redemption of investments

<sup>3</sup> Shareholders' funds (Net worth) = (Share capital + Reserve & Surplus + Employee Stock Option Reserve) - (Miscellaneous expenditure + Debit balance in profit & loss account)

# Magma General Insurance Limited (formerly Magma HDI General Insurance Company Limited)

IRDAI Registration No. 149 dated May 22, 2012

## SCHEDULE – 17 : Notes to Accounts forming part of the Financial Statements for the year ended March 31, 2025

Disclosure as per IRDAI Guidelines (Ref: IRDAI/F&I/CIR/MISC/82/5/2024 dated 22nd May 2024 of Master Circular on Corporate Governance for Insurers, 2024)

### Annexure 4

#### i. Qualitative Disclosures

The Nomination and Remuneration Committee (NRC) of the company comprises 5 Directors including 3 Independent Directors and 2 Non-Executive Directors. The NRC is chaired by an Independent Director. The NRC oversees and governs the compensation practices of the company. It ensures that remuneration is adjusted for various types of risks and outcomes are symmetric with risk outcomes. Under the guidance of the Board and the NRC, the company follows compensation practices intended to drive meritocracy and fairness and to attract, retain and motivate competent resources.

The remuneration includes fixed and variable components. The variable component includes cash and non-cash components. The NRC defines Key Performance Indicators (KPIs) for Managing Director cum CEO and KMPs for performance measurement linked to the financial and strategic plan approved by the Board. The Company has incorporated the Malus & Clawback arrangement for deferred variable pay as mentioned below:

- (a) Malus arrangement wherein in the case of subdued or negative financial performance arising not on account of gross negligence or misconduct of the Key Managerial Persons (KMP), the company may withhold variable pay.
- (b) Clawback arrangement wherein in the case of gross negligence or misconduct or cause as defined in the Company's Code of Conduct, the KMP shall be liable to return previously paid or vested variable pay.

#### ii. Quantitative Disclosures

##### Remuneration and other payments made during the Financial Year to MD/CEO/WTD

(Amount in ₹ Lakhs)

Sl. No.	Name of MD/ CEO/ WTD	Designa- tion	Fixed Pay			Variable Pay					Total Fixed and Variable Pay (c) + (f)	Amount Debited to Rev- enue A/c	Amount Debited to Profit/ Loss A/c	Value of Joining/ Sign on Bonus	Retirement Bene- fits like Gratuity, Pension, etc. paid during the year	Amount of deferred re- muneration of earlier years paid/ settled during the year		
			Pay & Allow- ances (a)	Per- quisi- tes, etc. (b)	Total (c) = (a) + (b)	Cash Component (d)	Share linked component (e)	Total (f) = (d) + (e)	Paid	De- ferred *								
1	Rajive Kumaraswami	Managing Director & CEO	310	0	311	5	113	-	-	-	5	113	429	400	29	NIL	NIL	110

##### Details of Outstanding Deferred Remuneration of MD/CEO/WTD as at March 31, 2025

(Amount in ₹ Lakhs)

Sl. No.	Name of MD/ CEO/ WTD	Designation	Remuneration pertains to Financial Year #	Nature of remuneration outstanding	Amount Outstanding
1	Rajive Kumaraswami	Managing Director & CEO	FY 2024-25	Annual bonus	113
				ESOPs**	-

\* Amount is net of provisions.

\*\* ESOP for FY 24-25 is yet to be granted.

# The details of outstanding deferred remuneration in the table above represents such remuneration applicable for FY25 and onwards.



# GLOSSARY

# Glossary

## Explanation of key financial terms used or any ratios calculated in Annual Report

Sr. No.	Terms	Description
1	Accretion of Discount / Amortisation of Premium	Premium/ discount refers to the price paid for a bond as against the par value of the bond. This discount or premium is spread over the remaining life of the bond and is called accretion or amortisation, respectively
2	Available Solvency Margin / ASM	Available solvency margin means the excess of value of assets of an insurance company over the value of its liabilities, with certain further prescribed adjustments by the IRDAI
3	Bad Debts	Bad debt expense is the amount of an account receivable that is considered to be not collectible
4	Book Value Per Share	This is computed as net worth divided by number of outstanding shares
5	Catastrophic Loss	One or more related losses whose consequences are extremely harsh in their severity. The loss is usually of such magnitude as to be difficult to predict.
6	Certificate of Registration	Certificate granted by Insurance Regulatory and Development Authority of India under the IRDA (Registration of Indian Insurance Companies) Regulations, 2000, registering an insurance company to transact the classes of business specified therein
7	Claim Incurred (Net)	Claim incurred (net) are gross incurred claims less all claims recovered from reinsurers related to those gross incurred claims. The gross claims incurred comprise claims paid, settlement costs, wherever applicable and change in the outstanding provision for claims at the period end
8	Co-insurance	Sharing of the same risk by multiple insurance companies
9	Combined Ratio	The combined ratio is a measure of profitability of a non- life insurance company's underwriting business. The combined ratio is the sum of the loss ratio and the net expense ratio
10	Commission	It is the incentive received by the insurance agent or salesperson for the sales achieved in a given period and includes brokerage, rewards and distribution fees
11	Deferred Tax Asset	An asset that is used to represent lower amount of tax that a company will have to pay in a later tax period
12	Deferred Tax Liability	A tax liability that a company owes and does not pay at the current point, although it will be responsible for paying it in a later tax period
13	EPS	Earning Per Share (EPS) is arrived at by dividing Net Profit After Tax by the weighted average number of shares
14	Excess of Loss Reinsurance / XOL (Also known as Non-proportional Reinsurance)	A type of reinsurance transaction pursuant to which the reinsurer, subject to a specified limit, indemnifies the ceding insurer against the amount of loss in excess of a specified retention amount
15	Expenses Of Management (EOM)	All expenses in the nature of operating expenses including commission, brokerage / remuneration to the insurance agents, intermediaries and insurance intermediaries which are charged to the revenue account, but do not include the charges against profits such as income tax and other charges, as defined in the Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health insurance business) Regulations, 2016
16	Fair Value Change Account	Unrealised gains/ losses arising due to changes in the fair value of listed equity shares and mutual funds
17	FIMMDA	Fixed Income Money Market and Derivatives Association of India
18	Gross Direct Premium Income / GDPI	GDPI is the total premium received before taking into account reinsurance assumed and ceded
19	Gross Written Premium / GWP	GWP is the sum of GDPI and reinsurance inward premium accepted
20	GST	Goods and Services Tax
21	ICRA & Brickwork Rating	Credit Rating Agencies
22	Incurred But Not Enough Reported / IBNER	IBNER is a reserve reflecting expected changes (increases and decreases) in the estimates of reported claims as on the accounting date

Sr. No.	Terms	Description
23	Incurred But Not Reported Claim Reserves / IBNR	Includes IBNER, estimate for reopened claims, provision for incurred but not reported claims, provision for claims in transit as on the accounting date
24	Investment Income	Investment income will include, income taken to revenue account and profit & loss account (interest, profit/loss on sale, accretion of discount, amortization of premium, dividend earned during the period) and taken to financial statements pertaining to all the securities held under that category during that period
25	KMP	Key Managerial Personnel
26	Loss Ratio	Loss ratio is the ratio of claims incurred (net) to NEP
27	MAT	Minimum Alternate Tax
28	NCD	Non-Convertible Debentures
29	Net Written Premium / NWP	GWP less premium on reinsurance ceded
30	Net Earned Premiums / NEP	Net written premium adjusted by the change in UPR for the period
31	Net Expense Ratio	Net expense ratio is the ratio of the sum of operating expenses related to insurance business and commission paid (net) to the NWP
32	Net Retention Ratio	Premium retained by the Company and is calculated as Net Written Premium divided by Gross Written Premium
33	Net Worth	Net worth represents the shareholders' funds and is computed as sum of share capital plus all reserves and surplus (except revaluation reserve and fair value change account but including ESOP Reserve), net of miscellaneous expenditure and debit balance in the profit & loss account
34	NPA	Non Performing Asset
35	Policyholders' Funds	The policyholders' funds shall be the sum of (a) estimated liability for outstanding claims including IBNR and IBNER (b) unexpired risk reserve ("URR") (c) catastrophe reserve (d) premium deficiency (e) other liabilities net off other assets  "Other liabilities" comprise (i) premium received in advance (ii) unallocated premium (iii) balance due to other insurance companies and (v) Sundry creditors (due to policyholders). Other assets comprise (i) outstanding premium (ii) due from other entities carrying on insurance business including re-insurers, and (iii) balance with terrorism pool (if applicable)
36	Premium Ceded	Premium on reinsurance ceded is the premium in relation to the risk that we cede to our reinsurers
37	Premium Deficiency Reserve	The reserve held in excess of the UPR, 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
38	Reinsurance	Reinsurance is a transaction whereby one company, the reinsurer, agrees to indemnify another insurance company, the reinsured against all or part of the loss that the latter sustains under a policy or policies that it has issued, in return for a premium
39	Reinsurance Ceded / Accepted	Reinsurance means an insurance contract between one insurance company (cedant) and another insurance company (reinsurer) to indemnify against losses on one or more contracts issued by the cedant in exchange for consideration. The consideration paid/ received is termed as reinsurance ceded/accepted. The intent of reinsurance is for an insurance company to reduce the risks associated with underwritten policies by spreading risks across alternative institutions
40	Required Solvency Margin / RSM	Shall be the higher of the amounts of RSM 1 and RSM 2 for each line of business ("LOB" separately)  RSM 1 means required solvency margin based on net premiums, and shall be determined as 20% of the amount which is the higher of (a) the gross premiums multiplied by factor specified for each LOB and (b) the net premiums  RSM 2 means required solvency margin based on net incurred claims and shall be determined as 30% of the amount which is the higher of (a) the gross incurred claims multiplied by a factor specified for each LOB and (b) the net incurred claims

Sr. No.	Terms	Description
41	Retained Risk	The amount of liability for which an insurance company will remain responsible after accounting for its reinsurance arrangements
42	Retention Limit	The maximum amount of risk retained by an insurer, beyond which the insurer cedes the risk to reinsurers
43	Retrocession	Retrocession is the ceding of reinsurance accepted to another reinsurer
44	Senior Citizens' Welfare Fund / SCWF	As part of the Finance Act 2015, the government has brought in the Senior Citizens' Welfare Fund Act, 2015 (SCWF). This mandates the transfer of unclaimed amounts of policyholders to the fund (SCWF) after a period of 10 years
45	Share Issue Expenses	Expenses incurred towards issuing of shares
46	Shareholders' Funds	Shareholders' funds comprise share capital plus all reserves and surplus (except revaluation reserve and fair value change account but including ESOP Reserve) net of accumulated losses and Miscellaneous expenditure to the extent not written off as at the balance sheet date
47	Solatium Fund	In 'Hit & Run' cases, accident victims are eligible for compensation through a Special Fund constituted in terms of Section 163 of the Motor Vehicles Act, 1988 called Solatium Fund
48	Solvency Ratio (Solvency)	The ratio of ASM to the RSM
49	Technical Reserves	Technical reserves mean reserve for unearned premium plus premium deficiency reserve plus reserve for outstanding claims (including IBNR and IBNER)
50	Third Party Administrators / TPA	A company registered with IRDAI, and engaged by an insurer, for a fee or remuneration, by whatever name called and as may be mentioned in the agreement, for providing health services as mentioned under the Insurance Regulatory and Development Authority of India (Third Party Administrators - Health Services) Regulations, 2016
51	Third-Party Loss / TP Loss	A loss suffered by a person(s) other than the insured or insurer who has incurred losses or is entitled to receive payment due to acts or omissions of the insured
52	Treaty	A reinsurance contract in which a reinsurance company agrees to accept all of a particular type of risk from the ceding insurance company. Reinsurers in a treaty contract are obliged to accept all risks outlined in the contract
53	Underwriting Balance Ratio	Computed as underwriting profit or loss divided by net earned premium for the respective class of business
54	Underwriting Results	Underwriting profit or loss which is computed as net premium earned less net claims incurred less premium deficiency reserve less net commission less operating expenses related to insurance business
55	Unearned Premium Reserve / UPR	An amount representing that part of the premium written which is attributable and to be allocated to the succeeding accounting periods
56	Unexpired Risk Reserve / URR	Reserves in respect of the liabilities for unexpired risks and determined as the aggregate of unearned premium reserve and premium deficiency reserve



(erstwhile Magma HDI General Insurance Company Limited)

#### Registered Office

Address: Developement House, 24, Park Street,  
Kolkata, Pin - 700 016.  
Website: [www.magmainsurance.com](http://www.magmainsurance.com)  
Email: [customercare@magmainsurance.com](mailto:customercare@magmainsurance.com)  
Toll Free No.: 1800 266 3202  
CIN: U66000WB2009PLC136327  
IRDAI Registration No.: 149

#### Corporate Office & Customer Service

Address: Equinox Business Park, Tower 3,  
2<sup>nd</sup> Floor, LBS Road, Kurla West, Mumbai,  
Maharashtra , Pin - 400 070.  
Email: [customercare@magmainsurance.com](mailto:customercare@magmainsurance.com)  
Toll Free No.: 1800 266 3202