



21st ANNUAL REPORT

2020 - 2021



TATA AIA
— LIFE INSURANCE



DIRECTORS REPORT

21st Annual Report





GROWING FORWARD

EVERY DAY. EVERY YEAR.



TATA AIA LIFE INSURANCE COMPANY LIMITED

DIRECTORS' REPORT

To,

The Members of
Tata AIA Life Insurance Company Limited

Yours Directors have pleasure in presenting the 21st Annual Report of Tata AIA Life Insurance Company Limited ('Company') with the Audited Financial Statements of the Company for the year ended 31st March, 2021.

1. OUTLOOK FOR THE INDUSTRY AND THE COMPANY

During FY21, the Company registered a robust growth of 27% in IWNBP, which was 2nd highest amongst the top 10 private players of the industry. 2 year CAGR growth for the company @ 24% is the highest among top private players. The Company achieved #5 ranking in FY21 and has maintained this rank since FY19. Company is ranked #4 basis Retail Sum assured written during FY21. Its market share among private players increased from 6.4% in FY20 to 7.6% in FY21. Similarly, company also increased overall market share (incl. LIC) from 3.7% to 4.5% during FY21

Following the Vision, Mission and Values, company kept its focus on its strategic priorities i.e. focus on retail protection business with profitability, optimizing existing partnerships and expanding distribution network, catering to untapped customer segments, embracing digitalization for achieving efficiency and building trust by leveraging the brand equity of our shareholders.

During FY21, Company renewed its distribution agreement with IndusInd Bank. Partnership with HDFC Bank was also cemented further in FY21. Company also increased the distribution by adding 19,441 net new agents during FY21.

Company in line with its mission to provide the best and simplest life and health insurance solutions that are in sync with customers' needs, launched various wealth and protection solutions that secure the financial future of its consumers and also ensure their well being.

One such offering that aims at providing holistic coverage is Param Rakshak Solution that helps in taking care of health, wealth as well as protection needs. The solution is designed to provide coverage for various unforeseen events and risks, such as death, disability, hospitalization, wide range of critical illnesses such as cancer, cardiac conditions amongst others. The customer can choose to opt for these coverages to ringfence their financial goals and protect their families at affordable premiums.

Company also recently launched Fortune Guarantee Plus aimed at protecting consumers smiles and giving wings to their dreams. The long term guaranteed regular income provided by this plan allows consumers to plan their life goals with the confidence of certainty even in these uncertain times.

The Company was able to navigate volatile equity markets and periods of economic uncertainty in FY21 and continued to maintain a balance product mix. COVID-19 pandemic has awakened public awareness of the need for term life insurance. Protection sales went up significantly in 1Q21 (Apr-Jun'21) but moderated thereafter for rest of the year given hardening of the reinsurance cost across industry.

The Company continues to do well in consumer satisfaction parameters. 13th month persistency increased from 85.4% (YTD Feb'20) in FY20 to 88% in FY21 (YTD Feb'21) despite unfavourable impact of Covid-19 in March'20 collections. Further consumer complaints ratio reduced from 0.13% of policies in force in FY20 to 0.08% in FY21 reflecting the focus on consumer service excellence. Online Will Writing services was launched in FY21 as a value-added service to engage customers digitally.

Company has been continuously working to improve its claim settlement ratio and has one of the best claim settlement ratio i.e. [xx%]. During the year, company launched 2 claims initiatives – Easy Claims (doorstep services) and Express Claims (4-hour claims processing) in Jul'20 to make the claim experience faster and hassle free.

Company has also been simultaneously working towards improving employee satisfaction and happiness. Company won Aon Best Employer Award for 5th year in a row during FY21. Company achieved an employee engagement index of 87%, almost 16% higher than the industry standard, according to consultancy firm Kincentric. Company took various employee focussed initiatives during the year. Company launched initiative to enrol its entire workforce on Cure.Fit, an online health and wellness platform, to improve physical and mental well-being.

During FY21, company achieved a milestone of completing 20 years since incorporation. Significant progress has been made from FY15 . Quick highlights of key metrics evolution can be seen as below:

SN	Particulars	FY15	FY21
1	IWNBP (INR Cr)	234	3,416
2	Nos. of Agents - March	40,993	50,367
3	Nos. of Branches	TBU	221
4	Inforce NOP	TBU	4,60,607
5	Inforce Sum assured (INR Cr)	TBU	313,214
6	AUM (INR Cr)	19,777	46,281
7	13th M Persistency	75.9%	88% (YTD Feb'21)
8	Claim ratio	TBU	Not finalized

Company Outlook : In line with its strategic priorities, Company is planning to build a strong distribution platform including scaling up agency channel and optimizing partnership distribution with focus on tapping emerging customer segments. Company will continue to focus on product innovation and aims to be #1 in retail protection market in India. it also aims to become a partner to its customers and provide comprehensive health and wellness solutions to enable healthier, happier and longer lives. These initiatives will be supported by investments and capability enhancement in technology, digital and analytics

2. FINANCIAL SUMMARY AND HIGHLIGHTS

The combined financial results of Revenue Account (Policyholders' Account) and Profit and Loss Account (Shareholders' Account), are as under:

Particulars	Current Year	Previous Year
	(2020-2021)	(2019-2020)
	Rs. in '000	Rs. in '000
Premium earned	111,050,857	83,085,079
Premiums earned (net of reinsurance)	107,792,553	81,053,709

Total Investment Income **	87,426,630	2,295,372
Other income	892,787	739,718
Commission paid	10,572,347	8,388,095
Operating expenses (related to insurance business)	18,012,798	16,492,881
Benefits paid (net of reinsurance)	27,765,127	23,674,644
Change in valuation of liabilities in respect of Life Policies	68,998,536	38,840,014
Transfer to Linked Fund	69,321,669	-10,451,677
Funds for Future Appropriation –PAR	4004421	5099405
Other expenses	142134	123226
Provision for taxation	-3,176,119	1,481,512
Profit / Loss for the year	471,057	440,699
** Includes profit and loss on sale of investments		

3. CAPITAL

The authorized share capital of the Company as on 31st March, 2021 stood at Rs. 2,500 crores comprising 250,00,00,000 equity shares of Rs 10 each. The paid up equity share capital of the Company as on 31st March, 2021 is Rs. 1953.50 crores comprising 195,35,00,000 equity shares of Rs. 10 each.

The Shareholding Pattern is provided as a part of Form No. MGT-9 which is available on the Company's website.

4. MANAGEMENT

a. Board of Directors

The Company has a very strong Board of Directors, constituted in compliance with the Companies Act, 2013 and IRDAI Corporate Governance Guidelines, 2016. The Board comprises 9 Directors of which 3 are Independent Directors.

The Board of Directors provides strong oversight for overall corporate direction and strategy adopted by the Company.

The Board is responsible for corporate strategy and other responsibilities as laid down by IRDAI under the Corporate Governance guidelines. The Managing Director & CEO oversee implementation of the strategy, achievement of the business plan and day to day operations. The Independent Directors are eminent personalities with significant expertise in the fields of strategy, marketing, financial services and life insurance. There is an appropriate mix of executive, non-executive and independent Directors. None of the Directors are related to any other Director or employee of the Company.

S. no	Name	DIN	Director
1	Mr. Saurabh Agrawal	02144558	Chairman
2	Mr. Harish Bhat	00478198	Non Executive Director
3	Ms. Aarthi Subramanian	07121802	Non Executive Director
4	Mr. William Lisle	03024090	Non Executive Director
5	Mr. Mark Saunders	08587768	Non Executive Director

6	Mr. Pratip Kar	03346142	Independent Director
7	Mr. D K Mehrotra	00142711	Independent Director
8	Ms. Alice G. Vaidyan	07394437	Independent Director
9	Mr. Naveen Tahilyani	06594510	Managing Director & Chief Executive Officer

The details of Committees of the Board have been set out in the Corporate Governance Report.

a. Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgement, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

b. Directors :

Change in Directors during the year.

Inductions to the Board

On the recommendations of the NRC, the Board appointed :

- Ms. Alice G. Vaidyan (DIN : 07394437) was appointed as Independent Director of the Company w.e.f 1st August, 2020. Ms. Alice brings to the Board her extensive knowledge and rich experience from Indian insurance and reinsurance industry.
- Mr. Naveen Tahilyani (DIN : 06594510) was appointed as Managing Director and Chief Executive Officer of the Company w.e.f. 19th October, 2020. Mr. Naveen brings with him extensive knowledge and rich experience of over two decades in financial services -- Insurance, Banking & Asset management.

Re-appointments

- During the year, based on the recommendations of Nomination and Remuneration Committee (NRC), and the Board of Directors meeting, Mr. D. K. Mehrotra (DIN: 00142711) was re-appointed as the Independent Director of the Company for the second term w.e.f. 13th August, 2020 till 4th May, 2023 i.e. till Mr. Mehrotra attains the retirement age of 70 years, by passing Special resolution at the shareholders Annual General Meeting held on 31st July, 2020. The NRC and Board considered the integrity, expertise and experience (including the proficiency) for the re-appointment.

Cessation

- During the FY 2020-21, Mr. Rishi Srivastava (DIN : 8191487) resigned from the position of Managing Director and Chief Executive Officer of the Company w.e.f. 30th September, 2020. The Company appreciated the efforts of Mr. Rishi during his tenure with the organisation.
- During the FY 2020-21, Mr. Ankur Verma (DIN : 07972892), Alternate Director for Mr. Saurabh Agrawal (DIN : 02144558) on 25th November, 2020 vacated the office of the Alternate Director.

c. Retirement by Rotation

- In accordance with the requirements under the Companies Act, 2013, Mr. William Lisle (DIN : 03024090) Director of the Company is liable to retire by rotation at the ensuing

Annual General Meeting of the Company and, being eligible, offers himself for re-appointment. The Directors recommend him re-appointment.

d. Declaration by Directors

The Board of Directors of the Company as on 31st March, 2021 comprised nine Directors, out of which three are independent Directors. All independent Directors have confirmed that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013. The Company has received requisite declarations from the Independent Directors, under Section 149(7) of the Companies Act, 2013.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and with the requirements of registration in ID data bank as prescribed by the Ministry of Corporate Affairs.

The Company has also received declarations from all its Directors as per Section 164 of the Companies Act, 2013, confirming they are not disqualified from being appointed as Directors of the Company.

e. Terms of appointment of Independent Directors

Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website.

f. Fit and Proper criteria

In accordance with Guidelines for Corporate Governance issued by IRDAI, the Directors of insurers have to meet the 'fit and proper' criteria. Accordingly, all the Directors of the Company have confirmed compliance with the 'fit and proper' criteria, prescribed under the Corporate Governance Guidelines issued by the IRDAI.

g. Key Managerial Persons

Pursuant to the provisions of Section 203 of the Companies Act, 2013 read with the 'Guidelines for Corporate Governance for insurers in India' issued by IRDAI, the key managerial personnel of the Company as on 31st March, 2021 are:

- Mr. Naveen Tahilyani, Managing Director & CEO
- Mr. Samit Upadhyay, Chief Financial Officer
- Mr. S Swaminathan, Company Secretary

The Guidelines on Corporate Governance for Insurers in India dated 18th May, 2016 issued by Insurance Regulatory Development Authority of India defines "Key Management Person" as member of the core management team of an insurer including all whole-time directors/ Managing Directors/CEO and the functional heads one level below the MD/CEO, including the CFO, Appointed Actuary, Chief Investment Officer, Chief Risk Officer, Chief Compliance Officer and the Company Secretary. The Key Management Persons of the Company in addition to the above are :

- Mr. Gaurab Chaudhury, Chief Strategy Officer
- Mr. Harshad Patil, Chief Investments Officer
- Mrs. Kristyl Bhesania, EVP & Head - Human Resources
- Mr. Souvik Jash, EVP & Appointed Actuary
- Mr. Sachin Goel, Chief Technology Officer
- Mr. Ankur Saraf, Chief Risk Officer
- Mr. Saurabh Jain, SVP & Head - Internal Audit
- Mr. Venkatachalam Iyer, Chief Distribution Officer

- Mr. Yusuf Pachmariwala, EVP and Head of Operations
- Mr. Sanjay Arora, EVP & Head of Project Management

h. Programme for Directors

Directors including Independent Directors were familiarised 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 through induction programmes at the time of their appointment as Directors and through presentations on economy & industry overview, business overview, key regulatory developments, governance, strategy, investment, human resource and operating performance which are made to the Directors from time to time.

5. BOARD MEETINGS

For seamless scheduling of meetings, a calendar is prepared and circulated in advance. The Board met 6 times during the year, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act. The details of the Board and Board Committee meetings, and the attendance of Directors have been furnished in the Corporate Governance Report, attached as part of this Director's Report

6. BOARD COMMITTEES

The Company has duly constituted the following Committees as per the requirement laid down under the Companies Act, 2013 and Insurance Regulatory Development Authority of India Guidelines for Corporate Governance namely:

- Policyholders' Protection Committee
- Risk and Asset Liability Management Committee
- Audit Committee
- Investment Committee
- With Profits Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee

The details relating to composition of Committees constituted by the Board as well as changes in their composition and the number and date of meetings of such committees held during the year is mentioned under the heading "Board Committees" in the Corporate Governance report which is annexed to this report.

7. ANNUAL EVALUATION OF PERFORMANCE OF BOARD

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Companies Act, 2013 read with rules made thereunder, and the Corporate Governance Guidelines issued by IRDAI. The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as

the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

Pursuant to Schedule IV of the Companies Act, 2013, the Independent Directors met on 24th March, 2021 without the presence of Non-Independent Directors and Members of the Management. The Independent Directors inter alia evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board taking into account the views of Executive and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the Board meeting that followed the meeting of the Independent Directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

There were no material adverse observation or conclusion, consequent to such evaluation and review. The review concluded by affirming that the Board as a whole as well as its Chairman, all of its members, individually and the Committees of the Board continued to display commitment to good governance by ensuring a constant improvement of processes and procedures and contributed their best in overall growth of the organization.

8. AUDIT COMMITTEE

The details including the composition of the Audit Committee, number of meeting held and attendance for the meeting are included in the Corporate Governance Report, which is a part of this report.

9. POLICY OF NOMINATION AND REMUNERATION COMMITTEE

The Company has its Board approved Nomination and Remuneration policy in place.

Qualitative Disclosures

- The Remuneration Policy is formulated in accordance with Section 178 of the Companies Act, 2013 and Guidelines by Insurance Regulatory Development Authority of India and applicable provisions.
- The purpose of the remuneration policy is to put in place a framework for remuneration of Directors, Key Managerial Personnel and other employees, keeping in view various regulatory and other requirements. The policy is guided by the set of principles and objectives as particularly envisaged under Section 178 of the Companies Act, 2013, which include principles

pertaining to determining the qualifications, positive attributes, integrity and independence of Director etc.

- The basic objectives of the Remuneration Policy are :
 - To be compatible with the organization's Vision and mission.
 - To be externally & internally equitable
 - To ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
 - To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
 - While making appointment of employees for particular positions their relevant qualification, experience and expertise shall be taken into account.
- Remuneration of Managing Directors and other Senior Management Personnel
 - The philosophy for remuneration of Directors, Key Managerial Personnel and employees of the Company is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.
 - The Company has formulated Nomination and Remuneration Policy covering nomination and remuneration of Directors, KMP and Senior Management. The Nomination and Remuneration Policy is placed on the website of the Company at <https://www.tataaia.com>

Quantitative Disclosures

The details of quantitative disclosure for remuneration of the Managing Director and Chief Executive Officer are given below

- MD & CEO has received variable remuneration award during the financial year.
- Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms.
- Details of guaranteed bonus, if any, paid as joining/ sign on bonus – nil
- Number and total amount of sign on awards made during the financial year - nil

The details of the remuneration paid to MD and CEO are disclosed in the Annual Return in Form MGT-9.

10. INTERNAL FINANCIAL CONTROL WITH REFERENCE TO FINANCIAL STATEMENTS.

The Company has institutionalised a robust and comprehensive internal control mechanism across all the major processes. The Audit Committee of the Company approves the annual internal audit plan for the Company based on risk based metrics. The risk based audits are carried out across all departments, functions and branches of the Company. The audit observations are closely tracked to ensure closure of all identified observation on control weaknesses, regulatory or procedural non-compliance, if any.

Internal audit function, in addition to ensuring compliance to policies, procedures, regulations, processes, etc., also tests and reports on adequacy of internal financial controls over financial reporting.

The Company follows a strong 3 lines of defence model, wherein the business functions work as the first line of defence to ensure compliance to all applicable requirements, the Compliance and Risk

functions work very closely with the business as second line of defence and the internal audit function works as the third line of defence.

11. IND AS IMPLEMENTATION

The Ministry of Corporate Affairs (MCA) had issued a roadmap for implementation of Indian Accounting Standards (Ind AS) converged with International Financial Reporting Standard (IFRS). Subsequently, IRDAI issued instructions on implementation of Ind AS in the Insurance sector through various circulars. The Company complies with the requirement specified by the Authority from time to time.

As per IRDAI Circular dated 21st January, 2020 under Ref no IRDAI/F&A/CIR/ACTS/023/01/2020 the effective date of implementation of Ind AS shall be decided after the finalization of IFRS 17 by IASB and subsequent notification by MCA. The requirement of submitting the Proforma IND AS financial on a quarterly basis has been dispensed with.

12. FRAUD REPORTED BY THE AUDITOR

The Statutory Auditor and the Secretarial Auditor have not made any qualification, reservation, adverse remark or disclaimer in their report for FY 2020-21. Further, during the year under review, the Auditors have not come across any reportable incident of fraud to the Audit Committee or Board of Directors.

13. DETAILS OF SUBSIDIARY COMPANY, HOLDING COMPANY AND JOINT VENTURE

Tata Sons Private Limited holds 51% of the share capital of the Company and is the holding company of the Company and AIA International Limited holds 49% of the share capital of the Company. During the year the Company has not incorporated any subsidiary or entered into any joint venture.

Details of Shareholding is disclosed under Form MGT-9 as uploaded on the website of the Company.

14. DEPOSITS

The Company has not accepted any deposits from public as per Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet

15. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013, loans made, guarantees given, securities provided or acquisition of securities by an insurance company in the ordinary course of its business are exempted from the disclosure requirement under Section 134(3)(g) of the Companies Act, 2013.

Details relating to investments are available in the financials of the Company. These investments are done in the ordinary course of insurance business and in accordance with investment regulations issued by IRDAI from time to time.

16. PARTICULARS OF CONTRACT AND ARRANGEMENT WITH RELATED PARTIES

All contracts/arrangements/transactions entered into by the Company during the year under review with Related Parties were in ordinary course of business and on arm's length basis in terms of provisions of the Act.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on dealing with and materiality of related party Transactions and the Related Party Policy, formulated and adopted by the Company. The Audit Committee reviews at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval granted.

During the year, there were no material contracts or arrangements or transactions with related parties that need to be disclosed as per Section 188(1) of the Companies Act, 2013. Details of transactions with related party as per Form AOC-2 are provided in (Insert Annexure-number) to this Report.

M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, reviewed the related party transactions for each quarter, and their report is placed at the meeting of the Board Audit Committee, along with details of such transactions.

The particulars of contracts or arrangements entered into by the Company with related parties referred to in Section 188 of the Companies Act, 2013 including arm's length transactions are disclosed under Financials Statement of the Company.

17. CORPORATE SOCIAL RESPONSIBILITY

The Company has formulated the Corporate Social Responsibility (CSR) Policy. The CSR Policy relates to the CSR outlook of the Company and the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013 and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company. During the year under consideration no changes is being carried out in such policy. The Corporate Social Responsibility (CSR) Policy is placed on the website of the Company at <https://www.tataaia.com>.

During the year, the Company has spent Rs. 5,659,408 lakhs against the budgeted amount of Rs. 13,000,000 towards Corporate Social Responsibility (CSR) related activities in the areas of health and wellness, women empowerment and sports & education. The balance amount of Rs 7,340,592 will be carried forward to FY 2021-22 in terms of second proviso to Section 135 (5) of the Companies Act,2013, which has been delayed due to covid crisis across the country.

The composition of the CSR Committee, number of meetings held during the year is mentioned under the heading "Corporate Social Responsibility (CSR) Committee" in the Corporate Governance report which is annexed to this report.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, require disclosure of certain specified information pertaining to conservation of energy, technology absorption,

foreign exchange earnings and outgo in the Directors' Report. The Company is in the Life Insurance sector and hence the disclosure relating to conservation of energy does not apply as there is no material development being carried out in the areas of the conservation of energy and technology absorption for disclosure.

During the year under review, the Company has used information technology extensively in its operation.

The details of the foreign exchange earnings and outgo for the FY 2020-21 is as follows:

- Foreign exchange earned : Rs. 59.89 crores
- Foreign exchange outgo : Rs. 52.59 crores

19. ENTERPRISE RISK MANAGEMENT

The Company follows a comprehensive ERM approach that aims at identification, evaluation, management and reporting of top risks that could affect the achievement of its strategic objectives.

The ERM framework closely considers the risk to the Company's strategic plan. Potential risks and associated indicators along with tolerance limits are identified, monitored, reviewed and reported. The target operating model ensures that the ERM framework remains effective. The Board Risk Committee approves and formalises the ERM framework.

The Company classifies the overall risk management environment into three pillars viz. (a) Risk Governance & Reporting (b) Capabilities & Culture; and (c) Process & Decision Making.

(a) Risk Governance & Reporting:

The Risk & Asset Liability Management Committee (RALMC) - a Committee of the Board - provides executive sponsorship for the Risk Management System in the Company. The committee provides overall direction for the implementation of risk management initiatives. The committee also approves guidelines, strategies and other support structures for identification and management of risks.

The Chief Risk Officer (CRO) directly reports to the Chief Executive Officer & Managing Director of Tata AIA Life and is a member of the Management Executive Committee, which deals with day-to-day issues of the organisation and thus overviews all critical decisions in the Company. The CRO submits his report on risk management to RALMC.

Besides, the Internal Audit function systematically reviews all key processes and provides an assurance service to the Board through the Audit Committee of Directors.

(b) Capability & Culture:

Functional goals of critical roles and competency framework in the Company embed prudent Risk Management principles.

The Company has ensured the induction of risk team in various committees like Product Design & Implementation Committee, Outsourcing Committee, Market Conduct Committee, Info Security Committee, Staff Conduct Committee, to promote a Risk awareness culture. Additionally, the Risk Team also participates in critical cross-functional projects.

(c) Process & Decision Making:

At the Company level, established risk indicators and tolerances help in the identification of risks to its strategic objectives.

- i. **Risk Identification:** Identification of critical risks have three sub-components:
 - a) **Financial Risk:** Identified and reported through the Embedded Value at Risk (“EVaR”) metric. The financial risks captured are Investment Risk and Insurance Risk.
 - b) **Operational Risk:** Risk and Controls Self Assessments (RCSA) are used to identify risks. Loss events, audit findings and regulatory changes further supplement the RCSAs.
 - c) **Information Security Risk:** Various assessment techniques including vulnerability and penetration testing along with a study of emerging risk trends help in identification of risks.
- ii. **Risk Assessment:** Identified key risks are assessed basis defined Key risk indicators and tolerance limits.
 - a) Financial risks assessments are assessed based on the level of exposure (EVaR) and recent trend on Embedded Value. These are measured against the defined tolerance for each risk to determine the level of the corrective action needed.
 - b) Operational risks are assessed through a periodic RCSA exercise spanning critical functions and with focus on necessary control improvements, preventive measures on frauds. Risk assessment considers observations from previously identified control gaps, feedback received from Business Continuity Plan BCP drills.
 - c) Information Security risk assessment is carried out through Vulnerability Assessment & Penetration Testing, Red team assessment and various internal audits and assessments.
- iii. **Risk Treatment:** Risk response for assessed risks are finalised; mitigation measures are planned and implemented. Detailed mitigation plans have been identified for rolling out mitigation strategies for “top risks”. These action plans include clearly defined objectives, ownership and timelines.
- iv. **Monitoring & Review:** Mitigation strategy and implementation action plan are discussed and tracked at Risk and Asset Liability Management Committee.

The Company’s focus continues on upskilling of people and processes in order to maintain its growth trajectory. Company is carefully monitoring the latest developments around COVID 19 including its direct implications on Employees, sales, business operations and claims. Other implications being closely monitored, include volatility in interest rates, equity markets and credit spreads. During this phase company is focusing on digitization of sales to counter the impact on top-line. Other business processes have been enabled to work remotely and have been running smooth since the March 2020 lock down.

20. INVESTMENTS

The investment funds of the Company are managed as per the objectives laid down in the Investment Policy and Asset-Liability Management (ALM) Policy

Investments are made and accounted for in accordance with the provisions of Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority (Investments) Regulations, 2000, amended from time to time, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance

Companies) Regulations, 2002, Investment Policy of the Company and various other circulars/notifications issued by the IRDAI in this context from time to time.

These policies lay down the asset allocation and risk appetite guidelines for different funds, some of which have in-built guarantees. These are tracked on a regular basis and are backed with suitable assets. The asset allocation in the conventional and shareholder funds was in line with the investment policy.

During the year gone by, the Indian equity market registered a stellar performance on the back of factors such as the ultra-low rates from the global central banks, ample liquidity and lowering of the repo rate by the RBI, a strong fiscal stimulus in many large economies as well as a sharp recovery in profits of many Indian companies in the listed space. Additionally, the large FPI inflows in the Indian equity market acted as a catalyst for outsized market returns during fiscal FY 2021.

The Company's funds performed well with the key equity funds outperforming the respective benchmarks in the medium term and also doing well with respect to the peers.

21. PRODUCT SUITE

The Company has a balanced portfolio and offers plans in multiple life insurance segments such as protection plans, wealth plans, retirement plans, savings plans, group plans and micro-insurance plans. In FY 2020-21, the Company launched a host of new products/riders to meet various life stage needs of our customer so that they are financially prepared for their future.

22. OUTSOURCING ARRANGEMENTS

In accordance with IRDAI (Outsourcing of Activities by Indian Insurers) Regulations, 2017 the company has in place a Board approved policy governing the outsourcing arrangements. The outsourcing committee constituted under the regulations comprise of key management persons who validate company's need to perform the activities proposed for outsourcing. The Company has a robust vendor on-boarding process which includes due diligence during the selection process, risk assessment, know your vendor documentation and periodic assessment to ensure controls over the activities outsourced. The vendor performance evaluation is undertaken annually and the same is reviewed by the Board Risk and Asset Liability Management committee.

23. OPERATIONS AND SYSTEMS

In a year that was unprecedented in many ways due to the pandemic, the foremost objective for the company was to make all offerings and services available to its customers and distributors through digital means. Early into the onset of the pandemic, the company ensured that all critical functions necessary for Ease of doing business [EoDB] for customers and distributors were on, even if or when the offices were required to be shut. Enablers for Working-from-Home were quickly deployed, not just for employees and distributors, but for employees of service providers as well. The flavour of EoDB, in what has come to be known as the new normal, can be seen in the initiatives listed below in the areas of Consumer on-boarding, Service Excellence, Claims, Distribution Support and Innovation. The evidence of success of these initiatives can also be seen in the growth in New Business, Renewals and Customer Feedback as detailed out elsewhere in the report.

The company continues to march ahead with its stated vision of being the pre-eminent Protection Provider, and continues to occupy leadership position in the space. The program of planting trees to protect our environment - one for every Term policy sold – as a mark of appreciation for all those who

choose to protect their families, continued as well. During FY21, the company planted over 2 lacs saplings, which was also the number of families that it covered from financial challenges in the event of the sad demise of the earning member. In addition, Tata AIA also planted 3850 saplings in memory of those of our customers that we lost during the year.

- **Consumer on-boarding:** A slew of initiatives making it easier for buying and selling Tata AIA policies were launched during the year. Some of them are listed below:
 - New features to enhance customer experience at the on-boarding stage through a truly digital and paperless process
 - Offline Aadhaar KYC process introduced
 - Faster issuance of tele-medical examination eligible cases, through reflexive questionnaires and advanced straight through processing
 - Online authentication with Aadhaar e-KYC
 - Virtual post-submission calling via WhatsApp
 - Same day delivery of policy document via SMS, email and WhatsApp
 - Payment integration with leading Banca partners to aid Over-the-Counter premium payments.
 - On the fly medical appointment scheduling through API integration with TPAs.
 - Digitization of complex document-intensive Business insurance process.
 - End-to-end digital integration with leading Web Aggregator.
 - Best-in-class non-medical and tele-medical limits for both protection and savings plans as an endorsement of prudent underwriting and claims practices.
 - Auto-STP on non-medical, non-term portfolio significantly increased from 75% in March 2019 to 86%.

- **Service Excellence:** Extending the ease of doing business [EoDB] to the servicing area, through active listening, advanced technology and offering multiple options to customers.
 - Promotion of self-service channels through mailers and video-based education – to introduce/ increase awareness of customers to the company's digital services. An aesthetically appealing, engaging and easy navigable new website was launched. The IVRS was revamped and a Visual IVRS was introduced for customers' convenience. A significant uptake of channels like WhatsApp, Website and IVRS was observed, and an upsurge in **Self-service ratio from 82% in FY20 to 86% in FY21** was seen as well.
 - Through the initial period of lock down in early FY20, the Contact Centre continued to serve customers across the country with minimal downtime by seamlessly moving to the '**Work From Home**' model.
 - By deploying **Robotic Process Automation (RPA)** in service processes, **Service STP moved from 60% in FY20 to 75% in FY21; Digital payments improved from 83% to 89%** by driving campaigns to update bank details across all servicing channels.
 - Through systematic mechanism to track complaints and work on measures to prevent them, **reduction of 25% in complaints** over FY20 experienced. **Complaints measured as a ratio of policyholder base improved from 0.13% FY20 to 0.08% FY21**
 - By introducing **Bot calling** and digital collection avenues like chat bot, **digital premium collections improved by 5%**. Continued efforts to increase digital collections has led to an

increase in **autopay penetration from 56% in FY20 to 60% in FY21**. Customers registered on Autopay show a **7% higher persistency** than ones without autopay

- Increase in **13th month persistency from #85.4% in FY20 to 88% in FY21** despite unfavourable impact of Covid-19 in March'20 collections. The **renewal premium collections** for FY21 at **6901 Crs** is an **increase of 45%** over FY20.
 - Among the initiatives taken to engage customers digitally, an important one was: **Online Will Writing services** for Tata AIA customers as a value added service. Through '**Will-Assist**', customers would have access to an online Will writing platform and also to expert services from qualified professionals for any of their queries.
 - Existence Certificates for Annuity policies through Video Calling
 - To know the pulse of customers, real-time customer feedback (NPS) was collected at every touch point. We listened and understood their pain-points and systematically resolve them as a unit. This has led to improvement in the **NPS scores from 44% in FY20 to 59% in FY21**
 - **3000+ Consumer delight** testimonials received through structured employee engagements in **Amazing Consumer Experience (ACE) program**
- **Claims – Providing empathy, comfort and ease in the Claims process – the moment of truth.**
 - Given the popularity of **WhatsApp** as a medium of communication, it was added to the list of modes through which Tata AIA customers can lodge their claims.
 - Two Industry first initiatives – **Easy Claims (doorstep services)** and **Express Claims** were launched during the year, underlining the company's continued focus on customer experience at the time most needed.
 - **Easy Claims:** This initiative offers claimants the ease of lodging a claim from the safety of their homes. The claimant can call the Contact-centre and schedule a document pickup service from their doorstep for further processing and electronic payment. The company facilitated document pick-up from the doorsteps of 28 customers, for claims worth INR 0.97 crores.
 - **Express Claim:** In this unique initiative, a claim is paid out on the same day it is submitted along with complete documents in any of the company's branch offices by 2 pm. Claims on policies that have run for at least 3 years with covers up to INR 50 Lacs, are eligible for this service. 604 claims worth 15.12 crores were paid to customers during FY21 on the same day.
 - 62% of claim payouts were made within 24 working hours of receipt of final documentation in March 2021.
 - **Distribution support – Making it easy for our Distribution Partners to offer the best products and services to our customers**
 - WhatsApp communication for Advisors for ongoing communication, TDS certificates, commission statements and checking policy status
 - Feature enhancement for iRecruit to create delightful agent journeys
 - Continuing the best practice of **Daily Commission Payouts** to Advisors
 - **Innovation – Improving stakeholders' experience through cutting-edge technology and compatible processes.**
 - OCR based authentication of KYC and financial documents
 - OTP based login for customer portal

- Enabled digital autopay through Billdesk, NPCI e-mandate, and online Auto Pay Registration link
- WhatsApp Automation for Welcome messages, policy holder statements, new business documents and change of premium payment option
- Revamped IVR with enhanced features like lead, automation, policy status tracking, setting FAV alerts, identifying customer by registered number, updating mobile no and email ID, WhatsApp opt-in, customized campaigns
- Go-green initiative: No physical policy document for 80% of policies
- Cloud based Contact-Centre for field operations

24. DISCLOSURES

CLAIMS:

The Company has settled over 4556 (numbers) individual mortality claims in FY2020-21. The claims settlement ratio for the Company was 98.02%. For non-investigated claims, the settlement was completed within an average turnaround time of 2 days from the receipt of the last requirement as compared to 30 days allowed by the regulator. Details of number of claims intimated, disposed of and pending for the period FY2020-21 are given below

Number in claims

	Death	Maturity	Annuity	Survival Benefit	Surrender	Other Benefit	Coupon	Health
Claims O/S at the Beginning of the period	0	2007	40	1370	358	976	976	0
Claims reported during the period	4648	26969	5918	352815	35019	277489	277417	72
Claims settled during the period	4556	25432	5932	339889	33644	266219	266147	72
Claims repudiated during the period	90							0
Claims transferred to Unclaimed amount		666	8	8	0	7	7	
Claims O/S at end of the period	2	2878	18	14288	1733	12239	12239	0

Ageing of Pending Claims

Type of Claims	Less than 3 months	3 - 6 months	6 months to 1 year	Total No. of Claims
Death Claims	1	1	-	2
Maturity	2110	768	-	2878
Annuities / Pension	18		-	18
Survival Benefit	10440	3848	-	14288
Surrender	1569	164	-	1733
Other Benefits	8800	3439	-	12239

* Includes benefits paid under Gratuity, Superannuation policies

25. INTERNAL AUDIT AND COMPLIANCE FRAMEWORK

Internal Audit: The Company has a robust internal audit framework which is commensurate with the nature of business and size of its operations. The Group Internal Audit (GIA) function follows a risk based audit approach and it provides an independent and reasonable assurance

to the Board's Audit Committee and executive management on the adequacy and effectiveness of the risk management and internal control framework.

GIA prepares a risk based annual audit plan that encompasses audits across various processes within the organisation, including information security audit, IT operations and branch operations. The approach of the audit is to verify compliance with the policies, procedures, regulatory and operational & system related controls. The internal audit is conducted through in-house team and co-sourced auditors. The key audit observations and recommendations are reported to the Board's Audit Committee every quarter. The Management ensures that GIA's recommendations are effectively implemented. GIA also undertakes follow-up on audit engagement findings and implementation of the recommendations.

Compliance: The Company has formulated various internal policies/procedures and an employee code of conduct, which govern day-to-day activities to ensure compliance. The Compliance function disseminates relevant laws, regulations and circulars related to insurance, anti-money laundering and other regulatory requirements, to various functions. It also serves as a reference point to the staff for various functions that need clarifications on applicable laws, regulations and circulars issued by the regulatory authorities. Various compliances are tracked through automated Compliance management system, where respective compliances at functional and branch level are monitored and tracked. The Compliance team also monitors the adequacy of the compliance framework across the Company. Key issues observed as part of this monitoring are reported to the Board Audit Committee, and implementation of recommendations is actively monitored. The status of overall compliance is presented by Chief Compliance Officer to the Audit Committee, based on the certification from respective functional heads confirming compliances of insurance laws and other applicable laws.

The Compliance framework of the Company follows the 3-course approach of prevention, detection and correction. The Company team works very closely with the business to ensure that all the new regulatory requirements are adequately and timely disseminated, the Compliance function works with the business to ensure that the said requirements are duly implemented and cascaded to the last mile. Following an established risk based metrics, the Compliance team regularly reviews various functions and their compliance levels to regulatory requirements, and gaps if any, are highlighted to the management and audit committee and followed up for the recourse correction. This helps in effectively discharging the role of 2nd line of defence for the function.

The Compliance team also works very closely with distribution teams to monitor the market conduct and complaints arising therefrom. The Compliance team places significant focus on awareness and reiteration of Compliant practices, do's and don'ts of selling, making right disclosure to the customer, need based selling, compliance with KYC and AML requirements and preventing fraud and other malpractices etc. In this endeavour, the Company uses 'Neeti' - its mascot for compliance, which educates the employees of the Company on right practices, fair conduct and compliance to Company ethics and values. The Company also ensures significant use of technology to train and educate its employees and agents on various policies like Anti-Money Laundering, Whistleblower, Code of conduct, Prevention of Sexual Harassment, Anti-Corruption and Anti- Bribery, No Gift and Hospitality etc. Web Based Training Modules on the Tata AIA Life Code of Conduct including Declaration of Conflicts of Interest by employees and Anti-Money Laundering are deployed every year as mandatory annual refresher training. These modules are also extended to Agents. In this process a very strong message of "Neeti Matters" meaning "Compliance matters" is strongly disseminated. Effectiveness and visibility

of the Compliance Framework to the last mile is measured by deploying the Leadership in Business Ethics Survey by Nielson bi-annually, as mandated by the Tata Group.

Further, as part of review of market conduct practices the Compliance team identifies the root causes and then leads for the recourse correction. The Company has a very strong rhythm of overseeing market practices across business and channels on key metrics through its Market Conduct Committee, which comprises of senior representatives from Distribution team, Operations team, Finance, Risk and Compliance departments. The Committee is chaired by Head of Legal, Compliance and Company Secretary and is also attended by the Chief Executive Office of the Company.

The Compliance policy serves as a guiding force in building a compliance culture within our organization.

26. CODE OF BUSINESS CONDUCT AND ETHICS

The Company embrace the best practices in the area of corporate governance and are committed to acting professionally, fairly and with integrity in all our dealings. The Company has a well-defined code of conduct which lays down principles for every employee to act in accordance with the highest standards of personal and professional integrity, honesty, ethical and legal conduct. This code is applicable to all Directors, Senior Management and employees of the Company.

The Company is committed to highest standards of ethical and compliance standards in conducting its business.

27. WHISTLE-BLOWER POLICY AND VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy to encourage employees to report matters without the risk of subsequent victimisation, discrimination or disadvantage. As per the Policy, employees or Directors can raise concerns related to breach of any law, statute or regulation, issues related to accounting policies and procedures, acts resulting in financial loss or loss of reputation, misuse of office, suspected/actual fraud and criminal offences, non-compliance to anti-bribery & anti-corruption policy by the Company or its employees to the Board Audit Committee or its Chairman. The Policy has been periodically communicated to the employees and posted on the Company's intranet and hosted on the website at <https://www.tataaia.com>.

The whistle-blower policy of the Company gives multiple options to the whistleblower to raise his concern through independent Ethics Hotline, Company intranet, escalation to Whistleblower Officer, as well as to the CEO & Managing director of the Company, in the appropriate cases.

Significant efforts are placed by the Company to ensure that the Independent Ethics Hotline Number is adequately disseminated, and that the employees of the Company are trained and educated on how and where to exercise this option.

The Policy ensures that strict confidentiality is maintained whilst dealing with concerns raised and also no discrimination will be meted out to any person for a genuinely raised concern in respect of any unethical and improper practices, fraud or violation of Company's Code of Conduct.

28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the year, there were no significant and material orders passed by the Regulators, Courts or Tribunals impacting the going concern status or the Company's operations in future.

29. AUDITORS

STATUTORY AUDITOR

M/s. Kalyaniwalla & Mistry and M/s. N M Raiji & Co. are the Joint Statutory Auditors of the Company.

M/s Kalyaniwalla & Mistry, Chartered Accountant (Firm Regd. No. 104607W/W100166) were appointed for a period of 5 Years by the members in the 16th Annual General Meeting to hold office until the conclusion of the 21st Annual General Meeting of the Company. In view of this, the Board approved the appointment of M/s. Khimji Kunverj & CO. LLP, Chartered Accountants (ICAI Firm Registration No. 105146W/W100621) as joint Statutory Auditors of the Company for one term of 5 years in place of M/s Kalyaniwalla & Mistry, Chartered Accountant, based on the recommendations of the Audit Committee and the same is subject to the approval of the Members of the Company at the AGM

M/s. N M Raiji & Co, Chartered Accountant (Firm Regd. No. 108296W) were appointed for a period of 5 Years by the members in the 15th Annual General Meeting to hold office until the conclusion of the 20th Annual General Meeting of the Company. However, the Board has approved re-appointment of M/s. N M Raiji & Co. as Statutory Auditors for another term of 5 years at shareholders 20th Annual General Meeting who shall hold office until the conclusion of the 25th Annual General Meeting of the Company

The Statutory Auditors have not made any qualification, reservation, adverse remark or disclaimer in their report for FY 2020-21. Further, during the year under review, the Joint Statutory Auditors have not come across any reportable incident of fraud to the Audit Committee or Board of Directors.

The Company has not availed any other services from statutory auditor and its network entities/affiliated firms during the year ended 31st March, 2021.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Companies Act, 2013 read with rule 9 of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s BNP & Associates, Practising Company Secretary as its Secretarial Auditor. The Secretarial Audit Report in the prescribed format i.e. Form No. MR-3 for the FY 2020-21 is attached as Annexure to this Report. The Board has duly reviewed the Report of the Secretarial Auditor of the Company.

The observations and comments, appearing in the Secretarial Audit Report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors under Section 134 of the Companies Act, 2013.

30. SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

31. EXTRACT OF ANNUAL RETURNS

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the Annual Return for FY 2020-21 is attached as Annexure in the prescribed Form No. MGT-9, which is a part of this report. The same is available on the website of the Company at <https://www.tataaia.com>.

32. SOLVENCY STATUS

The solvency margin of the Company as on 31st March 2021 stood at 204% compared to regulatory requirement of 150%.

33. COVERING LIFE IN RURAL & SOCIAL SECTORS

The Company continued to maintain its focus on undertaking micro insurance through its retail micro insurance product and group term product which specifically cater to the protection and savings needs of the “under reached” and “under- served” sections of the society.

In accordance with the IRDA (Obligations of Insurers to Rural Social Sectors) Regulations, 2000, the Company has achieved prescribed regulatory targets of social and rural business, as given below :

- a) Rural sector: the Company has achieved 22.98% as against the regulatory requirement of 20%.
- b) Social sector : the Company has Insured 79,052 social lives as against the regulatory requirement of 75,599 social lives

34. BRANCHES, EMPLOYEES AND SELLERS

The Company reaches its customers through 221 offices located across India. As on 31st March, 2021 the Company served its customers through 7885 employees and 50,367 Agents, in addition to the large distribution network of the Bancassurance partners and brokers

35. EMPLOYEES AND TRAINING

During the year, the company undertook various initiatives to support the business through organizational efficiency and capability building interventions, which has led to higher levels of productivity across all level of employees. The Company relentlessly focuses on developing leadership, as well as technical/ functional capabilities in order to meet future talent requirement for employees and distribution. The Company continues its efforts to reduce attrition of its frontline sales resources and improve productivity. The high potential employees are also offered differentiated learnings which will help them to assume larger responsibilities faster.

36. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statement relates and the date of the report.

37. STATEMENT ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company has zero tolerance for sexual harassment at the workplace and has adopted a policy on prevention Prohibition & Redressal of sexual Harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (prevention Prohibition & Redressal) Act, 2013 and the rules framed thereunder. On an ongoing basis, the Company creates education & awareness amongst employees through online training programs.

The Company has complied with the provision relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2020-2021, the Company had received 2 complaints and all have been enquired by the Internal Complaints Committee and closed. The number of cases have reduced as compared to last year's count of 5 cases. The Company places significant focus on the need for free and fair work place for its women employees, any matter, if reported is adequately addressed.

38. DIVIDEND

The Directors do not recommend any dividend.

39. CHANGE IN NATURE OF BUSINESS

There is no change in nature of business of the Company.

40. REGISTRAR AND TRANSFER AGENT

M/s. Link Intime India Private Limited continued to be the Registrar and Transfer Agent of the Company.

41. CORPORATE GOVERNANCE

The Company continues to be committed towards maintaining the highest standards of Corporate Governance recognizing that in today's environment, which is an important driver for achieving excellence, attracting high-quality talent, and optimizing capital sourcing and allocation. To ensure strong discipline in capital management, robust performance management of its businesses and sustained value creation across all stakeholders. Timely disclosure of reliable information and corporate financial performance is at the core of good Corporate Governance.

The Company's corporate governance philosophy is based on an effective independent Board, the separation of Board's supervisory role from the executive management. The Board Committees, generally comprising of independent/non-executive Directors and chaired mostly by independent Directors, to oversee critical areas.

The Company has consciously endeavoured to follow the policy of transparency and accountability and holds the interest of its stakeholders paramount. A report on the Corporate Governance framework within the Company, with required certification as required under the IRDAI Regulations, is annexed hereto and forms part of the Directors Report.

42. MANAGEMENT REPORT

Pursuant to the provisions of Regulation 3 of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the Management Report forms a part of the financial statements.

43. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

44. APPRECIATION & ACKNOWLEDGEMENT

The Directors take this opportunity to thank all employees of the Company for their hard work, dedication and commitment. The Directors also thank all the agents, channel partners and the policyholders for their continued support and trust reposed in the Company.

The Directors would also like to express their grateful appreciation for the guidance, assistance and co-operation received from the Insurance Regulatory and Development Authority of India.

For and On behalf of the Board of Directors

Mumbai
Date: 11th May, 2021

Sd/-
Saurabh Agrawal
Chairman

Annexure to the Directors Report

Report on Corporate Governance for the
Financial Year Ended 31st March, 2021

CORPORATE GOVERNANCE REPORT

Report for the financial year ended 31st March, 2021, pursuant to IRDAI Guidelines on Corporate Governance for insurance Sector

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Strong leadership and effective corporate governance practices have been the Company's hallmark.

The Company has adopted the corporate governance framework in accordance with the Guidelines for Corporate Governance for insurers in India, issued by the Insurance Regulatory and Development Authority of India (IRDAI). The Board oversees for the performance, including the consistent achievement of business plans and complies with all the compliances including statutory and corporate obligations. The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company believes that an active, well-informed and independent Board is necessary to ensure the highest standards of governance.

The end of the year under review saw challenging times for the Company as well as for the world at large due to the impending COVID-19 pandemic. The regulators including Ministry of Corporate Affairs (MCA) and the IRDAI promptly announced many relaxations with respect to the compliance requirements to facilitate companies to conduct smooth operations and cope with the challenging times. The Company appreciates and acknowledges the relaxations and dispensations granted by the MCA & IRDAI, inter alia, for conduct of Annual General Meeting through electronic mode.

BOARD OF DIRECTORS

- The Board has an optimal mix of Non-Executive Directors and Independent Directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses.
- As on 31st March, 2021, the Board has a strength of Nine (9) Directors, comprising five (5) non independent directors, three (3) independent directors and (1) one Managing Director and Chief Executive Office (MD & CEO). Except the Managing Director & CEO, all other Directors including the Chairperson of the Board are non-executive Directors. The Chairman of the Board, Mr. Saurabh Agrawal, is a non-executive director. None of the Directors of the Company are related to each other. The composition of the Board

of Directors of the Company is governed by the provisions of Companies Act, 2013 and Corporate Governance Guidelines issued by IRDAI.

- The Board of Directors of the Company represents an optimum combination of executive and non-executive Directors for its independent functioning. The Board of Directors are eminent personalities with a wide range of experience and skills. There is a clear segregation of responsibility and authority between the non-executive directors and the executive management. The Board is responsible for overall corporate strategy and other responsibilities as laid down by IRDAI under the Corporate Governance guidelines. The Managing Director & CEO oversees the implementation of strategy, achievement of the business plan and day-to-day operations.
- Six Board Meetings were held during the year under review on 28th May, 2020 (124th Board Meeting), 8th June, 2020 (125th Board Meeting), 22nd July, 2020 (126th Board Meeting), 31st July, 2020 (127th Board Meeting), 25th November, 2020 (128th Board Meeting) and 10th February, 2021 (129th Board Meeting). The gap between two meetings did not exceed 120 days. The necessary quorum was present for all the meetings
- All the directors have provided their annual declaration informing about the changes, if any, are apprised to the Board.
- During FY 2020-21, the meeting of the Independent Directors was held on 24th March, 2021. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, board as a whole and Chairman of the Company, taking into account the views of executive directors and non-executive directors.
- The Board periodically reviews the compliance reports of all laws applicable to the Company.
- The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting (“AGM”), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies as on 31st March, 2021 are given herein below.

Name of the Director (DIN)	No. of Board Meetings attended during FY 2020-2021	Whether attended last AGM held on (Yes/No)	Number of Committees (at Tata AIA)		No. of other Directorship (Private and Public Cos.)
			As Chairman	As Member	
Non- Executive Chairman Mr. Saurabh Agrawal (02144558)	6	Yes	1	3	9
Non-Executive Director Mr. Harish Bhat (00478198)	6	Yes	-	2	6
Ms. Aarthi Subramanian (07121802)	6	Yes	-	-	8
Mr. Mark Saunders (08587768)	6	Yes	1	2	-
Mr. William Lisle (03024090)	5	No	-	4	-
Independent, Non-Executive Director Mr. Pratip Kar (03346142)	6	Yes	3	1	2

Name of the Director (DIN)	No. of Board Meetings attended during FY 2020-2021	Whether attended last AGM held on (Yes/No)	Number of Committees (at Tata AIA)		No. of other Directorship (Private and Public Cos.)
			As Chairman	As Member	
Mr. D K Mehrotra (00142711)	6	Yes	2	1	7
Ms. Alice Vaidyan (07394437)	2	NA	-	3	2
MD & CEO Mr. Naveen Tahilyani (06594510)	2	Yes	-	4	-
Alternate Director Mr. Manoj Ramachandran (07002605)	1	Yes	-	-	--

Number of Directorship includes Directorships held in Public Limited Companies, Private Limited Companies, Section 8 Companies, but excluding foreign companies.

Note: Members have attended through video call where physical presence was not possible.

BRIEF PROFILE OF THE DIRECTORS

Name of Director	Qualification	Field of specialization
1. Mr. Saurabh Agrawal	Chemical Engineer, Post Graduate Management Degree	Chief Financial Officer of the Tata Group
2. Mr. Harish Bhat	B.E (Hons) BITS Pilani, P.G. D. M (IIM Ahmedabad)	Wide experience in overall Business Management including functional expertise in Sales, Marketing, and Corporate Management
3. Ms. Aarthi Subramanian	B. Tech, M.S	Digital and Strategic planning
4. Mr. Mark Saunders	B.Sc (Honours) Degree and Post Graduate Certification of Education in Mathematics from Manchester University, U.K.	Insurance and Financial Services
5. Mr. William Lisle	MBA (Dist), Wharton School of Business Finance. HNC in Mechanical Engineering	Insurance and Financial Services
6. Mr. Pratip Kar	MBA INSEAD, France	Securities Market Regulation, Corporate Affairs, Financial Services
7. Mr. D K Mehrotra	Bsc. (Hons.)	Insurance, Banking and Financial Services
8. Ms. Alice Vaidyan	Post graduate degree in English Literature and Trained at Harvard Business School. Fellow of the Insurance Institute of India	Insurance and Financial Services
9. Mr. Naveen Tahilyani	MBA Degree from IIM, Ahmedabad, Bachelor of Technology from IIT, Madras.	Insurance, Banking and Financial Services

Excludes profile of alternate director

Board Committees

The Company have constituted the following committees. The Chairman of the respective Committee(s) brief the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as and when appropriate. During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

- a) Audit Committee,
- b) Investment Committee,
- c) Risk and Asset Liability Management Committee,
- d) Policyholder Protection Committee,
- e) Corporate Social Responsibility,
- f) With Profits Committee and
- g) Board Nomination and Remuneration Committee.

Tenure

The non-executive directors of the Company are eligible to retire by rotation. One third of the said Directors are liable to retire every year and if eligible, offer themselves for reappointment at the Annual General Meeting of the Company.

Responsibilities

The Board of Directors represents the interests of the Company's shareholders and policyholders in optimizing long-term value by providing the Management with guidance and strategic direction on the shareholders' behalf. The Board's mandate is to oversee the Company's strategic direction, review corporate performance, authorize and monitor strategic investments, ensure regulatory compliance and safeguard interests of all stakeholders.

Board Meetings

The meetings of the Board of Directors are usually held at the Company's registered office - 14th Floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400013. The meetings are scheduled well in advance and the notice for each Board meeting is given to each Director. The Board meets once in a quarter to inter alia review the Company's quarterly performance and financial results, consider business strategies and their implementation and also discuss control, compliance and other matters. The meetings are scheduled with a gap, not exceeding four months between any two meetings. The meetings are conducted through video conference facilities in compliance with the regulatory requirements including those prescribed under the Companies Act. In case of any matter requiring urgent approval of the Board or any Committees, resolutions are circulated for approval, and in case of any significant matter, a briefing conference is also arranged for the Directors.

The Company Secretary, in consultation with the Managing Director & CEO, prepares a detailed agenda for the meetings. The Board papers, agenda and other explanatory notes are circulated to the Directors in advance.

The Company circulates Agenda papers to its Directors, notes for Board/Committee meetings through a web – based application which can be accessed by the Directors through their iPads. This application meets high standards of security that are required for storage and transmission of agenda papers with high standards of confidentiality.

The members of the Board have access to all information of the Company. They are also free to recommend inclusion of any matter in the agenda for discussion. Senior management is invited to attend the Board meetings so as to provide additional inputs on the items being discussed by the Board. The minutes of each Board/Committee meeting are recorded and draft minutes circulated to all Directors for their confirmation before being recorded in the Minutes Book.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Secretarial Standards to convene and hold the Board and Committee meetings and AGM of the Company.

BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and have been constituted in accordance with the requirement stipulated under the Companies Act, 2013 and Guidelines for Corporate Governance for insurers in India, issued by the Insurance Regulatory and Development Authority of India (IRDAI). To enable an in-depth understanding of the affairs of the Company, the Board delegates particular matters to Committees of the constituted Board with specific terms of reference. These Committees prepare the groundwork for decision-making and present reports at the subsequent Board meeting.

1. AUDIT COMMITTEE

The Audit Committee met 4 (four) times during the financial year 2020-21 on 8th June, 2020, 31st July, 2020, 25th November, 2020, and 10th February, 2021.

The composition of the Audit Committee of the Company along with the details of the meetings held and attended during the year are detailed below:

Name of Director(s)	Nature of membership	Meetings Held	Meetings Attended
Mr. Pratip Kar (ID)	Chairman	4	4
Mr. Saurabh Agrawal (NED)	Member	4	4
Mr. D K Mehrotra (ID)	Member	4	4
Ms. Alice Vaidyan * (ID)	Member	2	2
Mr. Mark Saunders (NED)	Member	4	4

* (Appointed as member w.e.f 28th October, 2020)

ID – Independent Director; NED – Non-Executive Director

Four meetings held during the year ended 31st March, 2021 on

The Audit Committee is, inter alia, entrusted with the following responsibilities by the Board of Directors of the Company:

- Oversee & review the quarterly financial statements, reports by internal auditors, concurrent auditors and findings of special audits, efficacy of the risk management framework along with risk mitigation measures, the statement of significant related party transactions and management letters issued by the statutory and internal auditors.
- Oversee disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval.
- This Committee also invites Senior Executives, Concurrent Auditors and the Statutory Auditors, as and when required, to be present at its meetings.

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee met 3 (three) times during the financial year 2020-21 on 28th May, 2020, 22nd July, 2020 and 25th March, 2021.

The composition of the Nomination and Remuneration Committee of the Company along with the details of the meetings held and attended during the year are detailed below:

Name of Director(s)	Nature of membership	Meetings Held	Meetings Attended
Mr. Pratip Kar (ID)	Chairman	3	3
Mr. Saurabh Agrawal (NED)	Member	3	3
Mr. William Lisle (NED)	Member	3	3
Ms. Alice Vaidyan (ID) *	Member	1	1

* (Appointed as member w.e.f 1st March, 2021)

ID – Independent Director; NED – Non-Executive Director

The Nomination and Remuneration Committee is, inter alia, entrusted with the following responsibilities by the Board of Directors of the Company:

- To oversee the Company's nomination process including succession planning for the senior management and the Board and to assist the Board in identifying, screening and reviewing individuals qualified to serve as Directors (Non-Executive Directors and Independent Directors) consistent with the criteria as stated by the Board in its Nomination and Remuneration Policy.
- Oversees the annual self-evaluation of the performance of the Board, Committees and of individual Directors.

- The annual compensation of whole time Director(s) and the KMPs are approved by the Committee and are subject to the overall limits as approved by the shareholders and IRDAI.
- Review of Nomination and Remuneration Policy and Charter.

3. INVESTMENT COMMITTEE

The Investment Committee met 4 (four) times during the financial year 2020-21 on 28th May, 2020, 31st July, 2020, 11th November, 2020 and 10th February, 2021.

The composition of the Investment Committee of the Company along with the details of the meetings held and attended during the year are detailed below:

Name of Director(s)	Nature of membership	Meetings held	Meetings Attended
Mr. D K Mehrotra (ID)	Chairman	4	3
Mr. Saurabh Agrawal (NED)	Member	4	4
Mr. Mark Saunders (NED)	Member	4	4
Mr. Harshad Patil, CIO	Member	4	4
Mr. Souvik Jash, AA	Member	4	4
Mr. Samit Upadhyay, CFO	Member	4	4
Mr. Varun Gupta (CRO) <i>(Ceased to be CRO w.e.f. 21st January, 2021)</i>	Member	3	3
Mr. Ankur Saraf (CRO) <i>(Appointed as CRO w.e.f. 8th February, 2021)</i>	Member	1	1
Mr. Rishi Srivastava (MD & CEO) <i>(Ceased to be member w.e.f. 30th September, 2020)</i>	Member	2	2
Mr. Naveen Tahilyani (MD & CEO) <i>(Appointed as member w.e.f. 28th October, 2020)</i>	Member	2	2

ID – Independent Director; NED – Non-Executive Director

The Investment Committee is, inter alia, entrusted with the following responsibilities by the Board of Directors of the Company:

- Review the investment decisions and ensure support by the internal due diligence process is an input in making appropriate investment decisions.
- Focus on a prudential asset liability management supported by robust internal control systems; compliance with prudential regulatory norms on investments, risk management strategies to ensure appropriate yield on investments.
- Effective reporting system to ensure compliance with the Investment Policy.
- To submit a report to the Board on the performance of investments at least on a quarterly basis and provide an analysis of its investment portfolio (including with regard to the portfolio's safety and soundness) and on the future outlook.
- Review Investment Policy and other operational framework for the investment operations of the Company and Investment Committee Charter.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee met 1 (one) time during the financial year 2020-21 on 8th June, 2020.

The composition of the Corporate Social Responsibility Committee of the Company along with the details of the meetings held and attended during the year are detailed below:

Name of Director(s)	Nature of membership	Meetings Held	Meetings Attended
Mr. Pratip Kar (ID)	Chairman	1	1
Mr. Saurabh Agarwal (NED)	Member	1	1
Mr. William Lisle (NED)	Member	1	1

ID – Independent Director; NED – Non-Executive Director

The Corporate Social Responsibility Committee is, inter alia, entrusted with the following responsibilities by the Board of Directors of the Company:

- Recommend the amount of expenditure to be incurred on the CSR activities;
- Monitor implementation and adherence to the CSR Policy of the Company from time to time;
- Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes /activities proposed to be undertaken by the Company;
- Framing of CSR Policy and review of CSR Committee Charter

5. RISK AND ASSET LIABILITY MANAGEMENT COMMITTEE:

The Risk and Asset Liability Management Committee met 4 (four) times during the financial year 2020-21 on 8th June, 2020, 30th July, 2020, 11th November, 2020 and 9th February, 2021.

The composition of the Risk and Asset Liability Management Committee of the Company along with the details of the meetings held and attended during the year are detailed below:

Name of Director(s)	Nature of membership	Meetings Held	Meetings Attended
Mr. Mark Saunders (NED)	Chairman	4	4
Mr. Harish Bhat (NED)	Member	4	4
Ms. Alice Vaidyan (ID) <i>(Appointed as member w.e.f 1st March, 2021)</i>	Member	-	-
Mr. Rishi Srivastava (MD & CEO) <i>(Ceased as member w.e.f 30th September, 2020)</i>	Member	2	2
Mr. Naveen Tahilyani (MD & CEO) <i>(Appointed as member w.e.f 28th October, 2020)</i>	Member	2	2

ID – Independent Director; NED – Non-Executive Director

The Risk and Asset Liability Management Committee is, inter alia, entrusted with the following responsibilities by the Board of Directors of the Company:

- identify Company's risk appetite set for various elements of risk;
- Review and approves guidelines, strategies, and other support structures for identification and management of risks at Tata AIA Life.
- Oversee risk management framework adopted in the Company, and promotes risk management culture in the Company's key management processes.
- Framing a risk management policy and review of Committee Charter

6. POLICYHOLDERS PROTECTION COMMITTEE:

The Policyholders Protection Committee met 4 (four) times during the financial year 2020-21 on 8th June, 2020, 30th July, 2020, 11th November, 2020 and 9th February, 2021.

The composition of the Policyholders Protection Committee of the Company along with the details of the meetings held and attended during the year are detailed below:

Name of Director(s)	Nature of membership	Meetings Held	Meetings Attended
Mr. Pratip Kar (ID)	Chairman	4	4
Mr. Harish Bhat (NED)	Member	4	4
Mr. William Lisle (NED)	Member	4	2
Mr. Rishi Srivastava (MD & CEO) <i>(Ceased to be member w.e.f 30th September, 2020)</i>	Member	2	2
Mr. Naveen Tahilyani (MD & CEO) <i>(Appointed as member w.e.f 28th October, 2020)</i>	Member	2	2

ID – Independent Director; NED – Non-Executive Director

The Policyholders Protection Committee is, inter alia, entrusted with the following responsibilities by the Board of Directors of the Company:

- Putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries.
- Comply with disclosure of material information to the policyholders.
- Ensure compliance with the statutory requirements as laid down in the regulatory framework pertaining to policyholders' protection.
- Review of the mechanism at periodic intervals.
- Review of Ombudsman awards Court orders pending for compliance.
- Framing of PPC Policy and review of PPC Committee Charter.

7. WITH PROFITS COMMITTEE

The With Profits Committee met 1 (one) time during the financial year 2020-21 on 4th May, 2020

The composition of the With Profits Committee of the Company along with the details of the meetings held and attended during the year are detailed below:

Name of Director(s)	Nature of membership	Meetings Held	Meetings Attended
Mr. D K Mehrotra (ID)	Chairman	1	1
Mr. Rishi Srivastava (MD & CEO) <i>(Ceased to be Managing Director w.e.f 30th September, 2020)</i>	Member	1	1
Mr. Naveen Tahilyani (MD & CEO) <i>(Appointed as member w.e.f 28th October, 2020)</i>	Member	0	-
Mr. William Lisle (NED)	Member	1	1
Mr. Souvik Jash (AA)	Member	1	1
Mr. Samit Upadhyay (CFO)	Member	1	1
Mr. Heerak Basu (Independent Actuary)	Member	1	1

ID – Independent Director; NED – Non-Executive Director

The With Profits Committee is, inter alia, entrusted with the following responsibilities by the Board of Directors of the Company:

- Maintaining the asset shares.
- Providing approval for the detailed working of the asset share, the expense allowed for in the asset share, the investment income earned on the fund, and other associated elements which were represented in the asset share determined by the Appointed Actuary.
- Recommend bonus for policyholder.
- Review With Profits Committee Charter.

OTHER DISCLOSURES

1. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all employees and Senior Management. The Company through its Code of Conduct provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all stakeholders, and to avoid practices like bribery, corruption and anti competitive practices. Employees are mandated to undergo video based training modules upon joining the organization as a part of their induction and annually as a part of periodic refresher trainings for all employees.

2. PERSONAL TRADING POLICIES AND PROCEDURES

The Company has adopted a Code of Conduct to regulate, monitor and report trading by the Access Person. The Code is applicable to all the authorized signatories of investment deals, Senior Management of the Company and the Investment team. The Company has established systems and procedures to prohibit insider trading activity.

These initiatives have created substantial awareness amongst the Access Person. The Investment Committee reviews cases of non-compliances, if any, and makes necessary recommendations to the Board.

3. FINANCIAL AND OPERATING RATIOS NAMELY, INCURRED CLAIM, COMMISSION AND EXPENSES RATIOS

Sr. No.	Ratios	Disclosures under
1	Claims Ratio (Claims does not include Surrender, Maturity and Survival Benefits)	98.02% Claim Settlement Ratio Disclosed in Annual Accounts of the Company, under Annexure 9, Schedule 16, Notes to Accounts
2	Commission Ratio New Business Commission as a % of New Business Premium	Disclosed in Annual Accounts of the Company, under Annexure 9, Schedule 16, Notes to Accounts
3	Expenses Ratio Policy holder expenses as a % of Total Premium	

Actual Solvency Margin/Ratio Details Vis–A-Vis The Required Margin

The details of the solvency ratio are as below:

Particulars	Year ending March 2021
Actual Solvency Ratio	Disclosed in Annual Accounts of the Company
Required Solvency Ratio	

Conservation Ratio

Particulars	Year ending March 2021
Conservation Ratio (Individual) (Current Year Pure Renewal) / (Previous Year New Business Premium + Previous Year Pure Renewal)	Disclosed in Annual Accounts of the Company, under Annexure 9, Schedule 16, Notes to Accounts

4. FINANCIAL PERFORMANCE INCLUDING GROWTH RATE AND CURRENT FINANCIAL POSITION

Financial performance of the Company including growth rate and current financial position has been furnished in the Outlook for the industry and the Company and financial summary and highlights sections under Directors' Report.

5. DESCRIPTION OF THE RISK MANAGEMENT ARCHITECTURE

The risk management architecture of the Company has been provided under the Directors' Report.

6. DETAILS OF NUMBER OF CLAIMS INTIMATED, DISPOSED OF & PENDING WITH DETAILS OF DURATION.

The details of number of claims intimated, disposed of and pending are provided in the Directors' Report and morefully provided in L39 and L40 of the Public Disclosures.

7. TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS

The Board of Directors, from time to time, within the limits prescribed by the Companies Act, 2013, decides the sitting fees payable to the Non Executive Directors. Details are given under 'Managerial Remuneration' section of Schedule 16 – Significant accounting policy and notes forming a part of the financial statements.

Further, in order to bring the remuneration of the Independent Directors in line with the current trends and to commensurate it with the time devoted and the contribution made by the Independent Directors, the Board of Directors of the Company, has recommended the payment of remuneration to the Independent Directors of the Company.

Based on the recommendation of the Nomination and Remuneration Committee the Board has approved the payment of remuneration of Rs. 10 Lakhs for each independent director, subject to the Company making profits. Such remuneration shall be over and above the sitting fees payable for attending Board / Committee meetings. These remunerations shall be capped in line with IRDAI regulations

A resolution in this regard has been placed for approval of the shareholders at the ensuing general meeting, the board recommends the same for approval.

8. REMUNERATION PAID TO THE DIRECTORS & KMPS

SITTING FEES PAID TO THE DIRECTORS

During the financial year, the Company paid a sitting fee to the following non-executive / Independent Directors for attending the meetings of Board and Committees of the Board and separate meeting(s) of Independent Directors. There were no pecuniary relationships between the Company and its Non-Executive / Independent Directors, except the payment of sitting fees and Commission to Independent Directors for the financial year 2020-21 as per details given below

Sr. No.	Name of Directors	Sitting Fees Paid (Rs)
1	Mr. Saurabh Agrawal	17,50,000
2	Ms. Aarthi Subramanian	6,00,000
3	Mr. Harish Bhat	12,00,000
4	Mr. William Lisle	-
5	Mr. Mark Saunders	-
6	Mr. Pratip Kar	6,00,000
7	Ms. Alice Vaidyan	5,50,000
8	Mr. D K Mehrotra	4,00,000
9	Mr. Naveen Tahilyani	-

COMMISSION PAID TO THE INDEPENDENT DIRECTORS

Pursuant to applicable provisions of Companies Act, rules made thereunder, payment of commission were made during the financial year to the Independent Directors of the Company for the previous financial year 2020-21, detailed as under:

Sr. No.	Name of Directors	Commission Amount Paid Rs
1	Mr. Pratip Kar	10,00,000
2	Mr. D K Mehrotra	10,00,000

PAYMENT OF REMUNERATION TO MANAGING DIRECTOR & CEO AND KEY MANAGEMENT PERSONS ('KMPs')

In line with the disclosure requirements under the guidelines prescribed by IRDAI, the details in respect of remuneration of Managing Director & CEO and KMPs are as follows:

Name of Director & KMPs	Salary (Rs. In 000)
Mr. Naveen Tahilyani, MD & CEO	56,003
Mr. Samit Upadhyay, Chief Financial Officer*	12,400
Mr. S. Swaminathan, Chief Compliance Officer & Company Secretary*	92,00
Key Management Personnels **	156,868

As on 31st March, 2021

* As per the Companies Act, 2013 ** KMPs as per IRDAI CG Guidelines (excludes CFO & CCO).

The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available. Exclusive of LTIP.

9. DISCLOSURE REQUIREMENTS OF THE PARTICIPATING AND UNIT LINKED POLICYHOLDERS'

Disclosure requirements of the Participating and Unit Linked Policyholders' has been furnished as a part of the financial statements – Refer Annexures 1: Fund Balance Sheet, Annexures 2: Fund Revenue Account and Annexure 3: Annexure to Revenue Account and Additional ULIP Disclosures annexed to Schedule 16: Significant accounting policies and notes forming part of the financial statements.

10. PAYMENT MADE TO GROUP ENTITIES FROM THE POLICYHOLDERS FUNDS AND RELATED PARTY TRANSACTIONS

Details of payment made to group entities (related party transactions) by the Company are included as a part of the financial statements – Refer 'Details of related parties and transactions with related parties section of Schedule 16: Significant accounting policies and notes forming part of the financial statements.

There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's reviews the Related Party Policy.

11. ANY OTHER MATTERS WHICH HAVE MATERIAL IMPACT ON THE FINANCIAL POSITION

There are no matters which have material impact on the financial position except those disclosed in the financial statements.

12. GENERAL BODY MEETINGS

(i) Details of Past Annual General Meetings (AGMs)

Year	AGM	Location	Date	Time
2017-18	18 th	Board Room, 14 th Floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400013	8 th August, 2018	1.00 p.m.
2018-19	19 th	Board Room, 14 th Floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400013	9 th August, 2019	3.00 p.m.
2019-20	20 th	Board Room, 14 th Floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400013 & Video Conferencing	31 st July, 2020	2.00 p.m.

(iii) Details of Special Resolutions passed in the previous 3 AGMs

Date of AGM	AGM No.	Business transacted by Special Resolution
8 th August 2018	18 th	<ul style="list-style-type: none">Transfer of sum from Shareholder's account to Policy holder's account.Appointment of Mr. Rishi Srivastava as the Chief Executive Officer and Managing Director of the Company
9 th August 2019	19 th	<ul style="list-style-type: none">Transfer of sum from Shareholder's account to Policy holder's account.Revision of Remuneration of MD & CEO
31 st July, 2020	20 th	<ul style="list-style-type: none">Re-appointment of Independent Director Mr. D K MehrotraTransfer of sum from Shareholder's account to Policy holder's account.Payment of Commission to the Independent Director

(iv): Details of Extra Ordinary General Meeting (EOGM) held in the FY 20-21

During the period FY 2020-21, no EOGM was held.

v) Postal Ballot (under Section 110 of the Companies Act, 2013):

None of the Business required to be transacted as Special Resolution through postal ballot was passed last year.

vi) General shareholder information

i. Annual General Meeting for FY 2021

Date : 29th June, 2021

Time : 10:00 am

Venue: Annual General Meeting ("AGM") will be held through video-conferencing or other audio-visual means and also physically at the Registered office of the Company

Particulars of Directors seeking appointment/re-appointment at this AGM are given in the Notice of this AGM.

ii. Financial Calendar

Year ending : 31st March, 2021

AGM in : June, 2021

iii. Corporate Identity Number (CIN) of the Company: U66010MH2000PLC128403

iv. Registrars and Transfer Agents

Name and Address: Link Intime India Pvt Ltd

Telephone: 022 - 4918 6270

E-mail: rnt.helpdesk@linkintime.co.in

Website: <https://linkintime.co.in/>

v. Dematerialization of Shares :

Equity shares of the Company representing 74 percent of the Company's equity share capital are dematerialized as on 31st March, 2021. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE457U01012.

13. DISCLOSURES

There are no materially significant related party transactions that have/may have potential conflict with the interest of the Company. Transactions with related parties are disclosed in Notes to the Balance Sheet.

14. MEANS OF COMMUNICATION

Quarterly, half-yearly and annual financial results of the Company are submitted to the Insurance Regulatory and Development Authority of India. Details of new business financials are posted on the IRDAI website www.irda.gov.in.

The Company has its own website www.tataaia.com and all the vital information relating to the Company and its products is displayed at the website.

On behalf of the Board of Directors

Sd/-

Saurabh Agrawal
Chairman

Place : Mumbai
Date: 11th May, 2021

CERTIFICATION FOR COMPLIANCE OF THE CORPORATE GOVERNANCE GUIDELINES

I, S. Swaminathan, hereby certify that the Company has complied with the corporate governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Place : Mumbai

Date: 11th May, 2021

For Tata AIA Life Insurance Company Limited,

Sd/-

S. Swaminathan
Chief Compliance Officer

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

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

To,
The Members,
Tata AIA Life Insurance Company Limited
Peninsula Business Park,
14th Floor, Tower A,
Senapati Bapat Marg,
Lower Parel,
Mumbai – 400013.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata AIA Life Insurance Company Limited [CIN: U66010MH2000PLC128403] (hereinafter called the “Company”) for the audit period from April 1, 2020 to March 31, 2021, (‘the year’/ ‘audit period’/ ‘period under review’).

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

We are issuing this report based on:

(i) our **verification** of the books, papers, minute books, soft copy as provided by the company and other records maintained by the Company and furnished to us, forms/ returns filed and compliance related action taken by the company during the financial year ended March 31, 2021 as well as before the issue of this report,

(ii) **Compliance Certificates** confirming Compliance with all laws applicable to the company given by Key Managerial Personnel / senior managerial Personnel of the company and taken on record by Audit Committee / Board of Directors, and

(iii) Representations made, documents shown, and information provided by the company, its officers, agents, and authorized representatives during our conduct of Secretarial Audit.

We hereby report that in our opinion, during the audit period covering the financial year ended on March 31, 2021, the Company has:

- (i) Complied with the statutory provisions listed hereunder, and
- (ii) Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this Report, along with our letter of even date annexed to this report as Annexure- A.

1. Compliance with specific statutory provisions

We further report that:

1.1. We have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions/ clauses of:

- i. The Companies Act, 2013 (“the Act”) and the Rules framed thereunder;
- ii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
- iii. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment; and
- iv. Secretarial Standards issued by The Institute of Company Secretaries of India (“Secretarial Standards”).

1.2. During the period under review, and also considering the compliance related action taken by the Company after March 31, 2021, but before the issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us :

- i. **Complied with** the applicable provisions/clauses of the Act, Rules and SEBI Regulation mentioned under paragraph 1.1 above.
- ii. **Complied with** the applicable provisions/ clauses of:
 - a) The Act and rules mentioned under paragraph 1.1 (i); and
 - b) The Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial standards on General Meetings (SS-2) mentioned under paragraph 1.1 (iv) above to the extent applicable to Board meetings and Committee meetings held during the review period, the 20th Annual General Meeting (‘AGM’) held on July 31, 2020. The Compliance of the provisions of the Rules made under the Act with regard to the Board meeting and Committee meetings held through video conferencing during the review period were verified based on the minutes of the meeting provided by the Company.

1.3. We are informed that, during the year, the Company was not required to initiate any compliance related action in respect of the following laws/rules/regulations/standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form/ returns thereunder:

- i. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings;
- ii. The Securities Contracts (Regulation) Act, 1956 and the Rules framed

- thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992: -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

1.4. Based on the nature of business activities of the Company, the Insurance Act, 1938 is specifically applicable to the Company. The Company has duly complied with the same.

2. Board processes

We further report that

- 2.1. The Board of Directors of the Company as on March 31, 2021, comprised of:
- i. One Executive Director;
 - ii. Five Non-Executive Non Independent Directors; and
 - iii. Three Non-Executive Independent Directors.
- 2.2. The processes relating to the following changes in the composition of the Board of Directors during the year were carried out in compliance with the provisions of the Act:
- i. Retirement of Ms. Roopa Kudva (DIN: 00001766) as a Non-Executive Independent Director with effect from May 3, 2020.
 - ii. Re- appointment of Ms. Aarthi Subramanian (Non- Executive, Non Independent Director) (DIN: 07121802) as a Director retiring by rotation at the 20th AGM.
 - iii. Re- appointment of Mr. D. K. Mehrotra (Non- Executive Independent Director) (DIN: 00142711) for a second term from August 13, 2020 to May 4, 2023 (on attaining the age of 70 years).
 - iv. Resignation of Mr. Rishi Srivastava (DIN: 08191487) as the Managing Director & CEO with effect from September 30, 2020.
 - v. Appointment of Mr. Naveen Tahilyani (DIN: 06594510) as an Additional Director with effect from October 19, 2020.
 - vi. Appointment of Mr. Naveen Tahilyani (DIN: 06594510) as the Managing

Director & CEO for a period of 5 years with effect from October 19, 2020, subject to approval by the members.

- vii. Appointment of Ms. Alice Vaidyan (DIN: 07394437) as a Non-Executive Independent Director for a period of 5 years with effect from August 1, 2020.

2.3. Adequate notice was given to all Directors of the Company to schedule the Board Meetings (including Committees), Agenda and detailed notes on Agenda were sent at least 7 (seven) days in advance, and where the same were given at shorter notice than seven days, more than one Independent Director was present at the Board Meeting as required under Section 173(3) of the Act and Secretarial Standard related to Board Meetings.

2.4. A system exists for Directors to seek and obtain further information and clarifications on the Agenda items before the meetings and for their meaningful participation at the Meetings.

2.5. Decisions at the Meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the Audit Period.

3. Compliance mechanism

There are reasonably adequate systems and processes in the company, commensurate with the company's size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. There is scope for further improvement in the compliance systems and processes, commensurate with the increasing statutory requirements and growth in operations.

4. Specific event(s)/action(s)

During the year, there was no specific event/action having a major bearing on the Company's affairs, in pursuance of the above referred laws, rules, regulations and standards.

Place: Mumbai
Date: 12.05.2021

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No. 637/2019

AVINASH
ATMARAM BAGUL

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Date: 2021.05.12 23:17:59
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Avinash Bagul
Partner
FCS 5578 / CP No. 19862
UDIN: F005578C000286397

Note: 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 Members,
Tata AIA Life Insurance Company Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the company after March 31, 2021, but before the issue of this report.
4. We have considered compliance related actions taken by the company based on independent legal /professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
7. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
8. Our 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 BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No. 637/2019

Place: Mumbai
Date: 12.05.2021

AVINASH
ATMARAM BAGUL
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Date: 2021.05.12 23:18:40
+05'30'

Avinash Bagul
Partner
FCS 5578 / CP No. 19862
UDIN: F005578C000286397

ANNUAL REPORT ON CSR ACTIVITIES

1. BRIEF OUTLINE OF CSR POLICY OF THE COMPANY:

The Company has formulated the Corporate Social Responsibility (CSR) Policy. The CSR Policy relates to the CSR outlook of the Company and the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013 and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company. During the year under consideration no changes is being carried out in such policy.

2. COMPOSITION OF CSR COMMITTEE

<i>Sr No</i>	<i>Name of Director</i>	<i>Designation/Nature of Directorship</i>	<i>Number of CSR Meetings held during the year</i>	<i>No. of CSR Committee Meetings attended during the year</i>
1.	Mr. Saurabh Agarwal	Chairperson	1	1
2.	Mr. Pratip Kar	Independent Director	1	1
3.	Mr. William Lisle	Member	1	1

3. WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD DISCLOSED ON THE WEBSITE OF THE COMPANY.

The Corporate Social Responsibility (CSR) Policy is placed on the website of the Company at <https://www.tataaia.com>.

4. DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT)

Impact assessment of CSR Projects – NA

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET-OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY

<i>Sr No</i>	<i>Financial Year</i>	<i>Amount available for set-off from preceeding Financial years (in Rs.)</i>	<i>Amount required to be set-off for the financial year, if any (in Rs.)</i>
1.	2020-21	-	
2	2021-22		-

6. Average net profit of the Company as per Section 135 (5) - Rs. 6,48,212,000/-

7. (a) Two percent of average net profit of the Company as per Section 135 (5) Rs. 1,30,00,000
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. -
- (c/f from FY 2019-20)
- (c) Amount required to be set off for the financial year, if any. Rs 31,62,996
- (D) TOTAL CSR OBLIGATION FOR THE FINANCIAL YEAR (7A + B + C)** **Rs, 1,61,62,996**

8. (A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR

Total Amount spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	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 Fund	Amount	Date of Transfer
Rs. 8,624,067	Rs 75,38,929*				

**of which Rs.40,06,000/- has been paid to the ongoing CSR project in the month of April 2021, The project was delayed due to COVID situation. For the rest of the amount of Rs 3,532,929 is in process of transfer to Unspent CSR Account as per Section 135(6).*

(B) DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR:

Details of CSR amount spent against ongoing projects for the financial year - Rs 56,77,235/- (Excluding Administrative Overheads)

(C) DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR : Rs 28,00,709/-

- (d) AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS Rs 1,46,123
- (e) AMOUNT SPENT ON IMPACT ASSESSMENT, IF ANY
- (f) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR (8b+8c+8d+8e) Rs 86,24,067/-
- (g) EXCESS AMOUNT FOR SET OFF, IF ANY:

<i>Sr No.</i>	<i>Particulars</i>	<i>Amount (in Rs.)</i>
(i)	Two percent of average net profit of the Company, as per Section 135 (5)	Rs. 1,30,00,000
(ii)	Total amount spent for the Financial Year	Rs. 86,24,067
(iii)	Excess amount spent for the Financial Year [(ii) – (i)]	-
(iv)	Surplus arising out of the CSR Projects or Programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii) – (iv)]	-

9. (a) DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS.

<i>Sr No</i>	<i>Preceding Financial Year</i>	<i>Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)</i>	<i>Amount spent in the reporting financial year (in Rs.)</i>	<i>Amount transferred to any fund specified under Schedule VII as per Section 135 (6) , if any.</i>			<i>Amount remaining to be spent in the succeeding financial years. (in Rs.)</i>
				<i>Name of the Fund</i>	<i>Amount (in Rs.)</i>	<i>Date of Transfer</i>	
1	2018-19						
2	2019-20	Rs 31,62,996	Rs.31,64,659				
	TOTAL						

(b) DETAILS OF CSR AMOUNT SPENT IN THE FINANCIAL YEAR FOR THE ONGOING PROJECTS OF THE PRECEDING FINANCIAL YEAR(S).

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr No	Project ID	Name of the Project.	Financial Year in which the Project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the Project in the Reporting FY (in Rs.)	Cumulative amount spent at the end of reporting FY (in Rs.)	Status of the Project- Ongoing or Completed
1.		Education and football coaching of girl students	2019-20	3 Years	Rs 7170686	Rs 3753358	Rs 4331278	Ongoing
2.		Women Empowerment-Supporting creation of livelihood amongst tribal women and girls	2019-20	3 Years	Rs 6000000	Rs2000000	Rs 4000000	Ongoing
3.		Health and Sanitation-Promotion of menstrual hygiene amongst tribal women and girls - Maharashtra	2019-20	3 Years	Rs 6423000		Rs 2141000	Ongoing Due to COVID-19 the amount approved for 2020-21 was spent in April 2021
4.		Health and Sanitation-Promotion of menstrual hygiene amongst tribal women and girls - Rajasthan	2019-20	3 Years	Rs 5595000		Rs 1865000	Ongoing Due to COVID-19 the amount approved for 2020-21 was spent in April 2021
5.		Annual Scholarship for meritorious SC/ST students	2018-19	Ongoing Sponsorship	Rs 210000	Rs 70000	Rs 210000	Ongoing

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR. (asset wise details)

- (a) Date of creation or acquisition of the capital asset(s). -
- (b) Amount of CSR spent for creation or acquisition of capital asset. -
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. -
- (d) Provide details of the capital asset(s) created or acquired (include complete address and location of capital asset.) -

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135 (5).

The CSR projects have been delayed due to covid crisis and in some due to death of the NGO Chairman who was the active implementation partner. The payments for these projects have been made in the month of April 2021. The Company intends to spend the CSR budget in this FY.

<p>Sd/- Naveen Tahilyani (Chief Executive Officer or Managing Director or Director)</p>	<p>Sd/- Saurabh Agrawal (Chairman CSR Committee).</p>
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Annexure 1

-1	-2	-3	-4	-5		-6	-7	-8	-9	-10	-11	
Sr No	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local area	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6)	Mode of Implementation-	Mode of Implementation- Through Implementing Agency	
			(Yes/No)						(in Rs.)	on-		
										Direct		
				State	District				(Yes/No)	Name	CSR Registration Number	
1	Education and football coaching of girl students	Promoting education	Yes	Maharashtra	Mumbai	1 Year	2,839,408	3,753,358		No	OSCAR Foundation	CSR000 03865
2	Annual Scholarship for meritorious SC/ST students	Education for Socially and Economically backward group (Item ii and iii of schedule VII)	Yes	Delhi	Delhi	1 Year	70,000	70,000		No	Foundation for Academic Excellence and Access (FAEA)	F-204/2870
3	Health and Sanitation-	Promoting health care	Yes	Maharashtra	Nashik	1 Year	2,141,000		2,141,000	No	Tata Trusts –	CSR000 0080

	Promotion of menstrual hygiene amongst tribal women and girls	including preventive health care and sanitation									Yuva Mitra	
4	Health and Sanitation- Promotion of menstrual hygiene amongst tribal women and girls	Promoting health care including preventive health care and sanitation	Yes	Rajasthan	Sirohi	1 Year	1,865,000		1,865,000	No	Tata Trusts – Centre for Microfinance	CSR000 03290
5	Women Empowerment (Supporting creation of livelihood) and Anemia prevention amongst tribal women and girls	Employment enhancing vocation skills, Empowering Women, Promoting healthcare including preventive health care (Item i, ii and iii of schedule VII)	Yes	Maharashtra	Raigad	1 Year	2,000,000	2,000,000		No	Tata Power Community Development Trust	CSR000 02946
6	Volunteering						525,000		525,000			

Total Spent – Rs 5,823,358/- (Including Administrative Overheads)

Annexure 2

-1	-2	-3	-4	-5		-6	-7	-8	
<i>Sr No</i>	<i>Name of the Project</i>	<i>Item from the list of activities in Schedule VII to the Act.</i>	<i>Local area (Yes/No)</i>	<i>Location of the project.</i>		<i>Amount spent for the project (in Rs.)</i>	<i>Mode of Implementation-Direct</i>	<i>Mode of Implementation-Through Implementing Agency</i>	
				<i>State</i>	<i>District</i>		<i>(Yes/No)</i>	<i>Name</i>	<i>CSR Registration Number</i>
1	Medical Consumables for Fight Against COVID 19	promoting health care including preventive health care''] and sanitation	Yes	Maharashtra	Mumbai	2,250,709	Yes	Kasturba Hospital	NA
2	COVID Isolation Centre	Promoting health care including preventive healthcare and sanitation	Yes	Delhi	Delhi	550,000	Yes	Taj Public Service Welfare Trust	CSR00000540

Total Spent – Rs 2,800,709 /-

Form No. AOC - 2

RELATED PARTY TRANSACTIONS

There were no contracts or arrangements or transactions with related parties to be reported under section 188 (1) of the Companies Act, 2013 in form AOC-2, pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014.

Related Party Disclosures, are covered under Schedule 16 - Significant accounting policy and notes forming a part of the financial statements.

For and On behalf of the Board of Directors

Mumbai
Date: 11th May, 2021

Sd/-
Saurabh Agrawal
Chairman

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2021

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

I. Registration and other details:

i) CIN	U66010MH2000PLC128403
ii) Registration Date	23/08/2000
iii) Name of the Company	Tata AIA Life Insurance Company Limited
iv) Category / Sub-Category of the Company	Company limited by Shares Non-government company
v) Address of the registered Office and contact details	14 th Floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013
vi) Whether listed company Yes / No	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd, C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400083. Phone number : 022-49186000

II. Principal business activities of the company

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ services	% to total turnover of the Company
1.	Life insurance	65110	100%

III. Particulars of holding, subsidiary and associate companies:

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1.	Tata Sons Private Limited Bombay House 24 Homi Mody Street Mumbai- 400001	U99999MH1917PTC000478	Holding	51%	2(87)(ii)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a) Bodies Corp. i) Indian ii) Overseas b) Individuals i) Individual shareholders holding nominal share capital upto Rs. 1 lakh ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh c) Others (specify) Sub-total (B)(2):- Total Public Shareholding (B) = (B)(1) + (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	Nil								
Grand Total (A+B+C)	144,55,90,000	50,79,10,000	1,95,35,00,000	100%	144,55,90,000	50,79,10,000	1,95,35,00,000	100%	

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Tata Sons Private Limited	99,62,85,000	51%	Nil	99,62,85,000	51%	Nil	Nil
2	AIA International Limited	95,72,15,000	49%	Nil	95,72,15,000	49%	Nil	Nil
	Total	1,95,35,00,000	100%	Nil	1,95,35,00,000	100%	Nil	Nil

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	NA				

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

Sr No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
		NA			

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
					% of total Shares of the company
	nil				

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment :

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)				
Change in Indebtedness during the financial year • Addition • Reduction	NIL	NIL	NIL	NIL
Net Change				
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. Remuneration of directors and key managerial personnel

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

Amt in INR

Sl. no.	Particulars of Remuneration	Name of MD & CEO
		Mr. Naveen Tahilyani
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	INR 48,702,500/- INR 7,300,000/- (Car, chauffer, Fuel and maintenance Value allocated for business Purpose)
2.	Stock Option	NA
3.	Sweat Equity	NA
4.	Commission - as % of profit - others, specify	NA
5.	Others, please specify a. Variable Pay paid on 31 st March 2020 b. LTIP granted on Jul 2020 (Vesting after 3 years from grant date)	Variable Pay Not paid yet LTIP- INR 32,202,726/-
	Total (A)	88,205,226/-
	<i>Ceiling as per the Act</i> MD & CEO's remuneration is governed by the provisions of the Insurance Act, 1938, and subject to approval of Insurance Regulatory and Development Authority of India (IRDAI)	

B. Remuneration to other directors:

Amt in INR

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
	Other Non-Executive Directors	Mr. Saurabh Agrawal	Mr. Harish Bhat	Ms. Aarthi Subramanian	
	• Fee for attending board/committee meetings • Commission • Others, please specify	17,50,000	12,00,000	6,00,000	
	Total (1)	17,50,000	12,00,000	6,00,000	35,50,000
	Independent Directors	Mr. Pratip Kar	Mr. D K Mehrotra	Ms. Alice Vaidyan	
	• Fee for attending board / committee meetings • Commission • Others, please specify	16,00,000 10,00,000	14,00,000 10,00,000	5,50,000 -	
	Total (2)	26,00,000	24,00,000	5,50,000	55,50,000
	Total (B)=(1+2)				91,00,000
	Total Managerial Remuneration	-			
	Overall Ceiling as per the Act				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD & CEO

Sl.no.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total
		Mr. Samit Upadhyay	Mr. Swaminathan Iyer	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	INR 12,400,000/-	INR 9,200,000/-	21,600,000
2.	Stock Option	NA	NA	
3.	Sweat Equity	NA	NA	
4.	Commission - as % of profit - others, specify	NA	NA	
5.	Others, please specify a. Variable Pay paid on 31st March 2020 b. LTIP granted on July 2020 (Vesting after 3 years from grant date)	Variable Pay Not paid yet LTIP- INR 3,720,000/-	Variable Pay Not paid yet LTIP- INR 1,380,000/-	5,100,000
	Total (A)	16,120,000	10,580,000	26,700,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES *:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
B. Directors					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

* As per Companies Act, 2013