

RELIANCE

General Insurance

A Reliance Capital Company



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your needs.



LiveSmart



**15th ANNUAL REPORT
2014-2015**



15th Annual Report

BOARD OF DIRECTORS

Mr. Rajendra P. Chitale	Director
Mr. H. Ansari	Director
Mrs. Chhaya Virani	Director
Mr. Soumen Ghosh	Director
Mr. Rakesh Jain	Executive Director & CEO
Mr. D. Sengupta	Director (ceased to be a Director w.e.f. 11 th September, 2014)

COMPANY SECRETARY

Mr. Mohan Khandekar

CHIEF FINANCIAL OFFICER

Mr. Hemant K. Jain

BANKERS

HDFC Bank Limited

ICICI Bank Limited

HSBC

Citi Bank

SBI

IDBI Bank

Yes Bank

AUDITORS

M/s. Singhi & Co.

M/s. Pathak H.D. & Associates

REGISTERED OFFICE

19, Reliance Centre,
Walchand Hirachand Marg,
Ballard Estate, Mumbai - 400 001.

CORPORATE OFFICE

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DIRECTORS' REPORT

To the Members,

Your Directors present the Fifteenth Annual Report together with the Audited Statement of Accounts for the Financial Year ended 31st March, 2015.

Financial Results

(₹ in crore)

Particulars	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Gross Direct Premium	2,715.83	2,388.83
Insurance Profit/(Loss)	6.67	(23.37)
Investment Income on Shareholders fund	95.71	87.41
Profit/(Loss) before Tax	81.39	64.08
Income tax-earlier year tax	-	-
Provision for Deferred Tax	-	-
Profit/(Loss) after Tax	81.39	64.08

Dividend

Your Directors do not recommend any dividend for the Financial Year ended 31st March, 2015.

Operations

Your Company in the current year has underwritten Gross Direct Premium of ₹ 2,715.83 crore as against ₹ 2,388.83 crore in the previous year registering an increase by 13.69%. The main focus during the year was again to improve the profitability of the Company.

The income from Investments for the year under review is ₹ 503.72 crore as against ₹ 426.16 crore in the previous year. The Profit Before Tax earned during the Financial Year 2014-15 is ₹ 81.39 crore as against Profit of ₹ 64.08 crore during the previous year.

Your Company had issued 43.54 Lac policies during the Financial Year as compared to 36.75 Lac in the previous year.

Allotment of Shares

Reliance Capital Limited (RCL) has infused capital ₹ 90 crore (₹ 15 crore on 30th September, 2014, ₹ 35 crore on 31st December, 2014 and ₹ 40 crore on 31st March, 2015) during the Financial Year 2014-15. RCL has made an application to its Regulator – The Reserve Bank of India (RBI) for approval to infuse capital in Reliance General Insurance Company Limited. The Company has not allotted shares to RCL due to approval pending from RBI to infuse capital in RGICL. The Company shall allot the shares to RCL on rights basis post receipt of approval from RBI.

Industry Developments

As per the figures released by Insurance Regulatory and Development Authority of India (IRDAI), the Gross Premium Underwritten by the industry for the Financial Year ended 31st March, 2015 was ₹ 84,802.29 crore as against ₹ 77,538.25 crore during the previous year showing growth rate of 9.37%.

Insurance Laws (Amendment) Act, 2015 - New Regulatory Changes

The Insurance Laws (Amendment) Act, 2015 was passed by Lok Sabha on 4th March, 2015 and by Rajya Sabha on 12th March, 2015. It was notified in the Official Gazette of India on 23rd March, 2014 and comes into effect from 26th December, 2014. The passage of the Act thus paved the way for major reform related amendments in the Insurance Act, 1938, the General Insurance Business (Nationalization) Act, 1972 and the Insurance Regulatory and Development Authority (IRDA) Act, 1999. The Insurance Laws (Amendment) Act, 2015 enacted, seamlessly replaces the Insurance Laws (Amendment) Ordinance, 2014, which came into force on 26th December, 2014. The amendment Act removes archaic and redundant provisions in the legislations and incorporates certain provisions to provide Insurance Regulatory and Development Authority of India (IRDAI) with the flexibility to discharge its functions more effectively and efficiently.

Corporate Governance

IRDAI has issued comprehensive guidelines on Corporate Governance for adoption of the Insurance Companies. These guidelines are effective from 1st April, 2010. The objective of these guidelines is to ensure that the structure, responsibilities and functions of the Board of Directors and senior management of the Company fully recognize the expectations of all stakeholders as well as those of the Regulator. The Company's philosophy on Corporate Governance envisages the attainment of highest

levels of transparency, accountability and equity, in all facets of its operations and in all interactions with its stakeholders, including shareholders, employees, the Government and the society. A separate Corporate Governance Report is presented in a separate section which forms part of the Annual Report. As required under the Corporate Governance Guidelines certificate from the Compliance Officer of the Company certifying that the Company has complied with the Corporate Governance Guidelines, also forms the part of the Annual Report.

Reinsurance

The Company has a well structured Reinsurance Program supported by Insurance Regulatory and Development Authority of India (IRDAI) approved securities with a valid UIN for 2015-16 spread across the globe. The Reinsurance Programme has been renewed and placed completely with reinsurers with approved credit rating as acceptable by IRDAI. The Reinsurance Program has an optimum mix of proportional treaties to enhance Company's automatic underwriting capacity and non proportional treaties to protect the Company's net retentions.

Based on the Company's Net Worth, Business Plans, Portfolio Mix and detailed analysis of Company's historical data retention levels have been optimally fixed to ensure a healthy Solvency Margin, stability in financial results, minimum volatility in earnings and generate value to stakeholders. The Company would also like to emphasize on it's preparedness for catastrophic events by regular monitoring of exposures, assessing accumulations through statistical CAT modeling tools and having adequate protection in place.

Information Technology

In today's world, Technology is the Key! One of the essential foundations of creating a successful Company over the long term is to be innovative and to be on the continuous lookout for the potential prospects to launch and implement novel programs and ideas. Timely identification of new technological trends and exploiting those opportunities through process automation also help achieve the Company's vision to attain efficiency, effectiveness and delight the customers at all touch points. It not only helps the Company to improve the quality of services catered to the employees but also increases their satisfaction and engagement levels.

During the Financial Year, Information Technology delivered on following areas:

- 1) The Company Launched a Revamped retail IRPAS system to facilitate Motor, Health and Travel Booking process. Refreshed Application had capacity to do Product Configuration with Rule & Underwriting Controls.
- 2) The Company strengthened Commercial lines booking on Genisys Configurator by automating Mega Risk, Stand-Alone Terrorism & Fire Loss of Profit Policies. Core Admin Module was build for controls on Underwriting Complex Policies with Reinsurance management for Treaty and Facultative lines.
- 3) Motor Plus (M+) application was launched to take Custom Servicing to next level with real time assessment, claim allocation based on loss location and document sync. This application enabled services team to create delight factor for customer in claims settlement process.
- 4) Fresh look and Revamped Customer website was launched with real time chat screen sharing and social integration.
- 5) Filed Force was enabled for conducting Risk Inspection for Fire Products on Mobility enhancing and bringing new experience to field Underwriting process.
- 6) With the Objective of monitoring Key Business Parameters, Business Intelligence (BI) platforms were strengthened from Operational and Business Dimensions to have better control on process.

Personnel

The Company won Special Recognition for "Best HR Technology (Insurance)" from the first Inspiring Work Place Awards 2014 conducted by Banking Frontiers magazine (Knowledge Partner – Deloitte). HR Team was felicitated for meeting the customers' needs by automating most of the processes internally.

Employee Satisfaction and Growth plays the most pivotal role in order to become an organization of world standards. Thus, it is imperative that the Company create a nurturing environment which has a good mix of effective and appropriate training programs, self-learning and career opportunities, employee recognition and a work place which is fun, vibrant and interactive. Healthy employees build healthy organization. The Company takes many initiatives to promote health and wellness at work place. The Company is also committed to take initiatives towards environment protection and sustenance and to do its bit for the society for the better tomorrow as being a good corporate citizen is a part of the core values.

a) Training

The Company firmly believes that the sheer dynamism of global influence and competition today demands the workforce to be more agile and adaptable than ever before. Hence, this changing scenario and fluctuating economy calls for substantial

soft skills as well as technical, functional and product training for the people to be equipped enough to deal with it. Hence, for this Financial Year, the Company tried not going by the conventional mode of training like "Talk & Chalk" model or the mundane power point presentation but instead it created numerous platforms for knowledge sharing and knowledge transfer.

The Flagship Programs are as follows:

- 1) Commercial line training for Sales Managers (CAST) - A continuous learning platform for the Sales Managers to help them gain better understanding of Commercial-line products which would in turn help them to have a better portfolio-mix.
- 2) Product Knowledge Enhancement Program (PKEP) - This aims at effective engagement with the Company's intermediaries in order to continually garner their incremental mindshare.
- 3) Train The Trainer (TTT) – The Company have introduced a concept of Knowledge Champion (KC) where a set of Commercial Underwriter experts are identified and they go through 2 days of rigorous training to sharpen their skill as "TRAINER".
- 4) I-LEAD – A Leadership Program for Mid Management which is a 2 days workshop conducted for the learning leaders of the company to make them more sensitive to the needs of the teams.

b) Reward & Recognition

Employees are the Force and their contribution deserves to be rewarded! To encourage Meritocracy and reward employee's significant and exceptional accomplishments, "V-Celebrate Careers", first of its kind Reward & Recognition platform in the history of the Company was launched in August 2014 to showcase the "High Flyers" of the organization. Covering all the departments under single umbrella, the aim was to encourage excellence and reward the Company's Super Achievers to make them feel special and proud.

The Company's six core DNAs form its central philosophy and Performance across the key parameters is the base as per which winners are decided and felicitated on an organization wide platform. The goal is to recognize the High-Flyers for their outstanding performance and reward them in a manner which is beyond monetary and thereby promote employees to work even harder towards achievement of exceptional performance.

c) Employee Referral

It is always fun to be with friends, and when the employees get a chance of getting friends on board and share the workplace, the pleasure doubles! More than 75% of the hiring in the Financial Year 2014-15 has been done through Employee Referral.

d) Kwench Online Library

In the strive to ensure holistic and multi-faceted growth of the employees, the Company had launched the Kwench Online Library Services, initially as a pilot in Mumbai Region, where employees could use library services free of cost. Based on the tremendous positive response received from employees, the Library services have been extended to five more cities i.e. New Delhi, Chennai, Bengaluru, Hyderabad and Pune, w.e.f. 15th December 2014

e) Corporate Social Responsibility and Grow Trees

Birthday celebration is not confined to bouquet and cakes but it is much more. On these lines, the 'Grow Trees' initiative was undertaken in association with Pangea Econet Asset, wherein a tree is planted for all of employees of the Company on their birthday. The Company has planted close to 5,000 trees as a part of this initiative.

To contribute towards improving the quality of life for society at large, at least one corporate social initiative is undertaken in each quarter per zone. Also, numerous old age homes and children homes have been visited across the zones and food, groceries, clothes, meals etc. are donated. Blood donation drives are being conducted in many cities every year.

The Company has also associated with GiveIndia for Payroll Giving Program wherein employees can contribute a little part of their payroll for the empowerment of underprivileged for various causes as they deem fine. The Company encourages the culture of giving among its employees as even the smallest of contributions can bring huge joy and significant change to an underprivileged's life!

f) Wellness and Health

Wellness and Health activities form core part of the Company's initiatives towards Proactive Health Management of employees. Healthy lifestyle makes a healthy employee and thus a more efficient and productive employee. In the last 2 years, the Company has conducted almost 50 on-site wellness activities like health talks, health camps, and health campaigns. They are well communicated through mailers, social networking sites and also through an in-house health magazine "R-Care".

Also, to stress upon the holistic significance of all the aspects of healthy living, in partnership with wellness team, a unique week long Wellness Carnival was organized in Mumbai. It covered multi-faceted activities ranging from expert talks on Diet Management, Skin & Hair care, Stress Management etc. to vibrant workshops like Power Yoga, Zumba, and Self Defense etc.

g) Corporate Sports

In the Company's endeavor to promote team spirit and fitness, the Company promotes employees' participation in various sport activities. Internally the Company organizes events like Reliance Champions Cricket League, Reliance Football League and externally the Company encourages its employees to take part in external events like Corporate Indoor Games. Such events create camaraderie and team bonding and are good platform to come together and indulge in a healthy competition. Also, the Company encourages employees to its participate in marathon runs being organized in different cities and reimburse the entire fee to all participating employees.

Investments

The investment portfolio of the Company as on 31st March, 2015 is ₹ 5,046.86 crore (₹ 3,842.01 crore). The market value of the same is ₹ 5,124.97 crore (₹ 3,770.54 crore). The asset allocation among Debt and Equity is 98.32% (98.38%) and 1.68% (1.62%) respectively. The modified duration of the Debt portfolio stands at 3.19 years (3.51 years). The Debt portfolio comprised 33.96% (36.46%) in Sovereign Bonds – approved securities, 36.87% (32.85%) in AAA, 12.13% (12.57%) in AA+, 4.68% (7.18%) in AA/AA- rated and the remaining 12.36% (10.94%) in money market instruments and Fixed Deposits.

The income for the whole year stood at ₹ 490.08 crore (₹ 337.03 crore). The income from overall portfolio translated into a return of 10.52% from average total assets of ₹ 4,592 crore debt and ₹ 68.02 crore equity. The MTM gain in debt has gone to a positive ₹ 76.73 crore from a negative ₹ 72.17 crore last year, a substantial improvement in the market conditions and portfolio performance. The MTM appreciation in equity moved up to ₹ 1.38 crore from ₹ 0.70 crore previous year.

Claims handling

Motor

Continuing with the Company's endeavor on customer satisfaction as a focal point, the motor claims team has been working on building efficiency in:

Customer Experience

- a) The Company have introduced M+, a Mobility solution for loss assessment through tablets which shall result in faster settlement of claims.
- b) 60% of claim intimations are done through the Cashless garage portal allowing repairers to facilitate faster claim intimation.
- c) Liability confirmation letter can now be downloaded by the Company's cashless network garages online thereby bringing transparency and faster delivery of vehicle.

Network Management

- a) The Motor Claims team continued to focus more on improving the provider network in order to reach more customer and the count of cashless garages stands at 2,642 as on 31st March, 2015 as 30% more garages added over previous year.
- b) The improved network has helped to increase cashless claims settlement which stands at 77% in Private Car category as on 31st March 2015, 4% improvement over previous year.

Disaster Management

- a) The Company has formed Reliance Claims Action Team (CAT), a special team for effective management of claims and the Company has also adopted a Disaster Management Program.
- b) 92% of the claims reported under the J&K floods and 98% of the claims reported under Hudhud cyclone are settled. The balance claims are pending for completion of repairs or submission of documents.

Training and Knowledge Management

- a) Specialized Motor Claims Technical Training- 'Aarush- First ray towards Success' continues to focus on competency based learning with inclusion of imminent external faculty and technical team of manufacturers and OEM.
- b) The Company has initiated a customer education series on Company's Facebook page covering safety on road, vehicle maintenance tips and go green initiative.

Health

With a vision of being the "FIRST CHOICE" of Customers, Financial Year 2014-15 landmarks a plethora of initiatives revolving around customer empowerment.

Initiatives aiding towards Customer empowerment:

- 1) Onsite Health concierge for key corporate encompassing case management and claim assistance.
- 2) Launch of Corporate web portal with dedicated HR and Employee log-in along with facilitation of pre policy enrolment.
- 3) Online wellness solutions through Doctor on Call/ Chat and Super specialist opinion through Mobile App.
- 4) Post claim care calling – A step towards Customer care and delight.
- 5) “Health Care at Home” (Metro cities) - Doctor/ Nurse/ Medicines at Home
- 6) Publishing of Organizational risk indexing and Corporate benchmarking post a comprehensive Health Risk Assessment (HRA).

The service architecture is strengthened by constant tuning of claims processes in compliance with Regulatory framework.

- 1) Technology enriched systems to help in streamlining the processes and improve turnaround time for claim settlement.
 - a) E claims processing (Paperless) at Cashless level.
 - b) Multiple benefit validation at member/ claim level with respect to policy terms and conditions.
 - c) Integrated investigation tools to control frauds – Real time system based investigation referrals and evidence capturing.
 - d) Workflow based claims processing with multiple Quality check parameters built in to ensure seamless and efficient claims processing.
- 2) Launch of pre-approved Cashless authorization at select Hospitals in Mumbai aiming at zero discharge wait time.
- 3) Network strength of 4300+ Hospitals, 1500+ Outpatient tie ups and 2500+ wellness partners.
- 4) Assessment of disability of Third Party Injury claims on factual medical grounds by Medical experts in the team.
- 5) Development of knowledge management program for care and case management.

Commercial Lines:

The Company managed about 5,000 Commercial line claims in Financial Year 2014-15 through a dedicated team of trained & experienced professionals and a panel of surveyors carefully selected based on the skill set, experience and service quality.

The focus continues to be on customer delight. Thrust is on immediate visit to the site of loss by senior team members in maximum high value claims as a gesture of assurance to client. This also enhances learning to the team.

The two catastrophic events, J&K Floods and Hud-hud cyclone brought in about 125 claims of varied severity. Team made multiple visits to the loss sites and ensured ease of documentation. Immediate succor was offered to small clients by quick settlement on the basis of site inspection and policy copy.

There is enhanced emphasis on regular structured meeting with Sales teams and Corporate clients. This has facilitated better understanding of the risk and helped speedy claim settlement. Increased interaction has fostered healthy relationships with clients.

Increased collaboration with in-house Risk Containment Unit team has brought in better salvage realization in most cases. Recovery from transporters has been stepped up, which directly impacts the bottom line positively.

Grievances/complaints, which are negligible, have been expeditiously handled. It is also relevant to mention that the number of cases lodged in various consumer fora during the Financial Year 2014-15 represent around 0.5% of the claims handled.

In order to equip the team, training programs have been arranged both for the technical skills as well as soft skills.

Process and Certification

The Company has been successfully re-certified third time for complying with the requirements of Quality Management Systems as per ISO 9001:2008 standard. The certificate has been awarded by Det Norske Veritas (DNV), one of the leading ISO certifying bodies. The initial certification had been achieved in July 2007. The certification is valid until July 2016.

Awards and Recognition

The Company has won awards throughout the year. The Company was conferred “Order of Merit” at the SKOCH Financial Inclusion & Deepening Awards in the Innovation and Technology category. The Company won the “Indian Insurance Awards 2014” for Best Product Innovation, Best Technology Innovation and the Company of the Year Award. The Company was also declared as “Best General Insurance Company” by Lokmat BFSI Awards. The Company was selected as winner for Asia Insurance Technology Awards 2014 in the category of “Best Insurer: Technology Award”. The Company was awarded “Product Innovation” Award at the Finnoviti Awards 2015. The Company was also given special recognition for HR Technology at IWP Awards. The Company won “Health Insurance Initiative of the Year” award by Elets Technomedia Pvt. Ltd. along with HealthCare Leaders’ Forum.

Customer Service and Grievances Redressal Cell

The Company's fidelity to the new logo to "LIVE SMART" can be seen from the dwindling customer complaints and increasing positive reviews and awards. The Company at the end of Financial Year 2014-15 maintains its position as one of the lowest contributor to customer complaints in the General Insurance Industry, from a figure of 2623 in the Financial Year 2013-14 to 1759 in Financial Year 2014-15, registering a 33% drop.

Technology remains the core of all developments, keeping end customers as focal point and beneficiary of all positive changes in the Financial Year 2014-15. New website with enhanced features and easy interface was launched towards the end of the Financial Year. To further enhance customer experience with payment gateway and bridge the gap between a third party payment gateway and individual banks, existing payment gateway was replaced with "CC avenue", allowing for multiple attempts with bank system in case of failure, reducing rejection ratio and building auto refunds for failure cases.

To summarize some of the initiatives undertaken this year to enhance customer service are:

- a) Launch of 3 major Systems: Motor Plus, IRPAS and HCS for faster and comprehensive processing of motor claims, policy issuance and Health Claims respectively.
- b) Anywhere assist: Roadside assistance for customer was launched. Services includes tyre puncture, towing services, battery jump start, etc. at free of cost to the customer having four wheeler motor vehicle policy.
- c) Simplified Interactive Voice Response (IVR) – IVR simplified customer can reach customer care executive faster in less than three selections on IVR.
- d) Regional Languages on IVR – IVR self help extended to four regional languages i.e. in Tamil, Telegu, Kannada and Malayalam.
- e) IVR Renewal Calling – Auto IVR renewal calling extended to PAN India for two wheeler and private car.
- f) Integrated Customer Engagement (ICE) – ICE, the CRM system, is now integrated with Logistic Control Unit system. ICE to throw pop up for cases where policy has returned undelivered thereby enabling faster action initiation by the customer care executive while on call with the customer.
- g) Auto IVR feedback – Auto IVR is send in batches to customers to obtain their feedback for service availed.
- h) Missed Call Feedback – Pilot run to source customer feedback on branch experience initiated at 4 branches. Customer to give a miss call on the number displayed at branch to express satisfaction/dissatisfaction for the services offered at branch.
- i) Third Party Auditor – "Celtys" has been partnered as third party auditor to monitor and improve quality of interaction at front end.
- j) Exclusive Helpdesk for Group Employee – Exclusive helpdesk made live at call center for Reliance Capital Group Company employees.
- k) FAQs related to Complaints – FAQ section under every product have a tab to detailed procedure on complaint resolution.
- l) E-mailing Soft copy of the Policy – Customer log-in enabled with the functionality of sending policy soft copy to his/her own e-mail id.
- m) Updated List of Ombudsman Offices on Website – The Company's website is linked with website of GBIC having the updated list of Ombudsman Offices and address.
- n) Alert message for online customer – An alert message is send to the customer to check spam folder for policy soft copy, displayed after completion of online transaction. This has helped in reducing request and complaints for policy soft copy.
- o) Change of online payment gateway vendor – The existing online payment gateway vendor has been changed to "CC Avenue" which tries multiple times for payment before rejection and initiates auto refunds for failure cases.

Directors Responsibility Statement

Pursuant to the Directors' Responsibility Statement as required under Section 134(5) of the Companies Act, 2013, it is hereby confirmed that:

- a) in the preparation of the accounts for the Financial Year ended 31st March, 2015 the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review;

Reliance General Insurance Company Limited

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 and Insurance Act, 1938 as amended for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the accounts for the Financial Year ended 31st March, 2015 on a 'Going Concern' basis;
- e) an internal audit system commensurate with the size and nature of the business exists and is operating effectively;
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Directors and Key Managerial Personnel

Mr. Soumen Ghosh, Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. Mr. H. Ansari and Mr. Rajendra Chitale were appointed as Independent Director for five years in Annual General Meeting held on 29th September, 2014. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Companies Act, 2013. Mrs. Chhaya Virani was appointed as Additional Director (Independent) with effect from 31st March, 2015. Mr. D.Sengupta ceased to be director with effect from 11th September, 2014. Board places on record its deep sense of appreciation for the valuable services rendered by Mr. D. Sengupta during his tenure as Director.

The Company has received the declaration from its Independent directors that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

The present term of Mr. Rakesh Jain, as Executive Director and CEO would expire on 19th October, 2015. Pursuant to the recommendations of the Nomination and Remuneration Committee and subject to the approval of Insurance Regulatory and Development Authority of India (IRDAI) and Members of the Company, the Board of Directors at its meeting held on 29th July, 2015, re-appointed Mr. Rakesh Jain as the Executive Director and CEO of the Company for a period of 5 (Five) years w.e.f. 20th October, 2015 and also approved the terms and conditions of the re-appointment including remuneration.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Rakesh Jain, Chief Executive Officer, Mr. Hemant Jain, Chief Financial Officer and Mr. Mohan Khandekar, Company Secretary are appointed as Key Managerial Personnel of the Company.

Number of Meetings of the Board

During the year five meetings of the Board of Directors were held. The details of the meeting of the Board are given in the Annexure to the Corporate Governance Report.

Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance and individual directors pursuant to the provisions of the Companies Act, 2013. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole, taking into account the views of Executive Director and Non-Executive Directors was evaluated.

Policy on Director's Appointment and Remuneration and other details

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been annexed herewith as "Annexure I".

Particulars of Loans, Guarantees or Investments under Section 186

In terms of the provisions of sub-section 11 of Section 186 of the Act, as amended by the Companies (Removal of Difficulties) Order, 2015 dated February 13, 2015, issued by the Ministry of Corporate Affairs, the provisions of Section 186, except sub-section 1 is not applicable to the Company.

Transfer to Reserves

The Company does not propose to carry any amount to its reserves during the year under review.

Material changes and commitments, affecting the financial position

There were no material changes or commitments, affecting the financial position of the Company between 31st March, 2015 and the date of this report.

Particulars of Employees

As required under the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the name and other particulars of the employees are set out in the Annexure to the Directors' Report. The Directors'

Report is being sent to the shareholders excluding the Annexure. Any shareholder interested in obtaining a copy of the Annexure may write to the Company Secretary at the Registered Office of the Company.

Extract of Annual return

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as “Annexure II”.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Aashish K. Bhatt & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company.

Auditor’s Report and Secretarial Auditor’s Report

The auditor’s report and secretarial auditor’s report does not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is annexed herewith as “Annexure III”.

Related Party Transactions

All related party transactions entered during the year were in ordinary course of the business and at arm’s length basis. No material related party transactions were entered during the year by the Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

The Conservation of energy, technology absorption, foreign exchange earnings and outgo

Particulars required to be furnished under the Companies (Accounts) Rules, 2014 are as follows:-

- 1) Part A and B pertaining to conservation of energy and technology absorption are not applicable to the Company.
- 2) Foreign exchange inflow and outflow: (₹ in crore)

Total Inflow:	On Reinsurance	8.33
	On Claims	Nil
	On Premium	27.01
	On Others	Nil
Total Outflow:	On Reinsurance	39.87
	On Claims	5.14
	On Premium	Nil
	On Others	0.85

Risk Management

As a strategy, the Company established Risk Management function manned by personnel with necessary skill sets and has adopted a Risk Management Policy based on the Committee of Sponsoring Organisation of Treadway Commission (COSO) framework and duly approved by the Board. The risk management framework of the Company is overseen by the Risk Management Committee (RMC). The Company has a Chief Risk Officer who is responsible for the implementation and monitoring of the framework.

Enterprise Risk Management (ERM) at the Company encompasses practices relating to identification, assessment, monitoring and mitigation of various risks to the business objectives. It also seeks to minimize adverse impact of risks on the business objectives and enables the Company to leverage market opportunities effectively. Further, the risk management practices seek to sustain and enhance the long-term competitive advantage of the Company.

The Company has identified enterprise wide risks which are categorised under five broad categories viz. Credit risk, Market risk, Business (or Insurance) Risk, Operational risk and Compliance risk. It has a risk management framework in place to identify measure and mitigate various risks. Besides, the framework also ensures that the policy, procedures and standards are established to address these risks for appropriate response and strict adherence.

ERM team monitors Key Risk Indicators (KRIs) in each category of risk against the risk appetite of the Company and submits quarterly risk report to the management. It also provides risk based audit inputs to the internal audit team. The Risk Management Committee regularly monitors and reviews risks to enhance their impact on an enterprise-wide basis. The implementation of formulated mitigation plans is monitored along with the relevant risk and control owners from time to time.

Corporate Social Responsibility

The Corporate Social Responsibility (CSR) Committee comprises of Mr. H. Ansari, Mr. Soumen Ghosh and Mr. Rakesh Jain. The policy is available on the website of the company www.reliancegeneral.co.in. Annual Report on CSR Activities is annexed herewith as “Annexure IV” as per the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Public Deposits

The Company has not accepted any deposits from public 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.

Significant and material orders passed by the Regulators, Courts or Tribunals

No significant or material orders are passed by the Regulators or Courts or Tribunals which may impact the going concern status and Company's operation in future.

Internal financial control systems and their adequacy

The Company has designed its internal financial control system to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Company has a well defined delegation of power with authority limits for approving revenue as well as expenditure. Internal auditor's findings and recommendations are reported to Audit Committee. The Audit Committee actively monitors and reviews audit reports submitted by the internal auditors and keeps the Board of Directors informed. The Audit Committee assures the adequacy and effectiveness of the internal financial control system as laid down.

Audit Committee

The details pertaining to composition of audit committee are included in the Corporate Governance Report.

The names of Companies which have become or ceased to be its Subsidiaries, joint ventures or associate Companies during the year

No Companies became or ceased to be subsidiary, joint venture or associate Company during the Financial Year 2014-15.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15

No. of complaints received: 01

No. of complaints disposed off: 01

Auditors and Auditors' Report:

M/s. Pathak H.D. & Associates, Chartered Accountants, and M/s. Singhi & Company, Chartered Accountants, Joint Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting.

The Company has received letters from M/s. Pathak H.D. & Associates and Singhi & Company, Chartered Accountants, to the effect that their appointment, if made, would be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore do not call for any comments.

Acknowledgement

Your Directors wish to place on record their immense appreciation for the assistance and cooperation received from Insurance Regulatory and Development Authority of India, Reserve Bank of India and other statutory authorities.

Your Directors appreciate the support received from Policyholders and Intermediaries and Reinsurers.

Your Directors wish to place on record their sincere appreciation for the sustained and dedicated efforts put in by employees at all levels.

For and on behalf of the Board of Directors

Rajendra Chitale
Chairman

Place: Mumbai

Dated: July 29, 2015

Policy on appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees

1. Introduction

- 1.1 Reliance General Insurance Company Limited ("the Company") considers human resources as its invaluable assets. This policy aims to harmonize the aspirations of the directors / employees with the goals of the Company.
- 1.2 Human capital is a strategic source of value creation. As part of our progressive HR philosophy, it is necessary to have in place a comprehensive Compensation Policy, which is in line with the industry trend and is employee friendly.

2. Objectives

- 2.1 Ensuring that the quantum and composition of remuneration is reasonable and sufficient to attract, retain and motivate, employees to run the Company successfully.
- 2.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 2.3 Ensure that annual compensation review considers industry/ business outlook and strategies adopted by industry peers, differentiates employees based on their performance/ skill sets and also protects employees, particularly those in junior cadre, against inflationary pressures;
- 2.4 Retention of high performers at all levels and those playing critical roles.

3. Scope

The Board has constituted the "Nomination and Remuneration Committee" in line with the requirements under the provisions of the Companies Act, 2013. This Policy sets out the broad guiding principles for the Committee for recommending to the Board the appointment and remuneration of the directors, key managerial personnel, senior managerial personnel of the Company.

4. Definitions

- 4.1 "Director" means a director appointed to the Board of the Company.
- 4.2 "Key Managerial Personnel" means
 - (i) the Chief Executive Officer or the Managing Director of the Manager;
 - (ii) the Company Secretary;
 - (iii) the Whole-time Director;
 - (iv) the Chief Financial Officer;
 - (v) such other officer as may be prescribed under the Companies Act, 2013.

5. Policy

5.1 Appointment of Directors/ Key Managerial/ Senior Management personnel

The Nomination and Remuneration Committee, inter alia, considers qualifications, positive attributes, areas of expertise and number of Directorships and Memberships held in various committees of other companies by such persons contributing to the Company's business and policy decisions.

5.2 Remuneration to Directors/ Key Managerial Personnel

- 5.2.1 The remuneration of the Directors/ Managing Directors/ Whole Time Directors and Managers etc. will be governed as per provisions contained in the Companies Act, 2013 and rules made therein from time to time and/ or provisions under Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015.
- 5.2.2 Non - Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof as approved by the Board of Directors from time to time. The Non Executive Directors shall also be entitled to profit related Commission, if approved by the Board, in addition to the sitting fees.
- 5.2.3 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Directors /Key Managerial Personnel/ Senior Management Personnel of the Company within the overall limits, if any, approved by the shareholders.

5.2.4 The remuneration structure shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options, if any.
- (iv) Commission (Applicable incase of Executive Directors/ Directors)
- (v) Retiral Benefits
- (vi) Performance Linked Incentives

5.0.5 The Annual Plan, objectives, financial results of the Company shall be reviewed by the Nomination and Remuneration Committee and performance incentives, increment, revision in remuneration etc. will be proposed based on the achievements.

5.3 Remuneration to the other employees

Employees shall be assigned grades/ bands according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade/ bands and shall be based on various factors such as job profile, skill sets, seniority, experience, performance and prevailing remuneration levels for equivalent jobs.

6. Retention Features as part of Compensation Package

Based on the organizational need for retaining performing employees and those in critical roles, certain retention features may be rolled out as part of the overall compensation package. These may take form of Retention Bonus (RBs); Special Monetary Programs (SMPs), Long term Incentives (LTIs), Employees Stock Options, etc.

7. Modification and Amendment

The policy is subject to modification, amendment and alterations by the management at any time without assigning any reasons.

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[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: U66603MH2000PLC128300
- ii) Registration Date: August 17, 2000
- iii) Name of the Company: Reliance General Insurance Company Limited
- iv) Category/ Sub-Category of the Company: Public Company Limited by Shares/Indian Non Government Company
- v) Address of the Registered office and contact details: Reliance Centre 19, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400001 Tel. No. 022-3047 9600
- vi) Whether listed company: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: N.A

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/ service	% to total turnover of the Company
1	General Insurance	6512	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Reliance Capital Limited 'H' Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400 710	L65910MH1986PLC165645	Holding Company	99.46	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

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. Promoters									
(1) Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	118,480,288	-	118,480,288	96.50	122,110,660	-	122,110,660	99.46	2.96
e) Bank / FI	-	-	-	-	-	-	-	-	-
f) Others - Trust	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	118,480,288	-	118,480,288	96.50	122,110,660	-	122,110,660	99.46	2.96
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-

Reliance General Insurance Company Limited

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	
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter									
(A) = (A)(1) + (A)(2)	118,480,288	-	118,480,288	96.50	122,110,660	-	122,110,660	99.46	2.96
B. Public Shareholding									
1 Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub- total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	-	-	-	-	-	-	-	-	-
c) Others (trust)	4,294,672	-	4,294,672	3.50	664,300	-	664,300	0.54	2.96
Sub-total (B)(2):-	4,294,672	-	4,294,672	3.50	664,300	-	664,300	0.54	2.96
Total Public Shareholding (B) = (B)(1) + (B)(2)	4,294,672	-	4,294,672	3.50	664,300	-	664,300	0.54	2.96
C Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	122,774,960	-	122,774,960	100	122,774,960	-	122,774,960	100	-

ii) Shareholding of Promoters

SI 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	Reliance Capital Limited	118,480,288	96.50	NIL	122,110,660	99.46	NIL	2.96
	Total	118,480,288	96.50	NIL	122,110,660	99.46	NIL	2.96

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

SI 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
	Reliance Capital Limited				
	At the beginning of the year	118,480,288	96.50		
	Transfer of shares on 08.04.2014	3,630,372	2.96		
	At the End of the year	122,110,660	99.46	122,110,660	99.46

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

SI 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
	Reliance General Insurance Employees Benefit Trust At the beginning of the year	4,294,672	3.5		
	Transfer of shares on 08.04.2014	3,630,372	2.96		
	At the End of the year	664,300	0.54	664,300	0.54

v) Shareholding of Directors and Key Managerial Personnel:

SI. No.	For Each of the Directors and KMP	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
	At the beginning of the year				
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer bonus/ sweat equity etc):				NIL
	At the End of the year				

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				
Total (i + ii + iii)				
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
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				
Total (I + ii + iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Rakesh Jain Executive Director & CEO	
1	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	33,700,000	33,700,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	40,000	40,000
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	33,740,000	33,740,000
	Ceiling as per the Act	N.A.	N.A.

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Rajendra Chitale	Mr. H. Ansari	Ms. Chhaya Virani	Mr. D. Sengupta	
1	Independent Directors					
	* Fee for attending board committee meetings	400,000	560,000	40,000	100,000	1,100,000
	* Commission	-	-	-	-	-
	* Others, please specify	-	-	-	-	-
	Total (1)	400,000	560,000	40,000	100,000	1,100,000
2	Other Non-Executive Directors	Mr. Soumen Ghosh				
	* Fee for attending board committee meetings	NIL				NIL
	* Commission					NIL
	* Others, please specify					NIL
	Total (2)					NIL
	Total (B)=(1+2)					1,100,000
	Total Managerial Remuneration Ceiling as per the Act					N.A.

C. Remuneration to Key managerial personnel other than MD / Manager / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	Company Secretary	Total
1	Gross salary				
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	33,700,000	7,274,330	4,468,149	45,442,479
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	40,000	-	-	40,000
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	33,740,000	7,274,330	4,468,149	45,482,479

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, during the year.

For and on behalf of the Board of Directors

Rajendra Chitale
Chairman

Place: Mumbai
Dated: July 29, 2015

Secretarial Audit Report

[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]

for the financial year ended 31st March, 2015

To,
**The Members,
Reliance General Insurance Company Limited
Mumbai**

Dear Sir(s)/ Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions as agreed and the adherence to good corporate governance practice by **Reliance General Insurance Company Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2015, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - Not Applicable;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder – Not Applicable;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment; Not Applicable
 - v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable :-
 - 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, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - vi. Further we report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company being a general insurance company, has complied with the Insurance Act, 1938 and regulations, guidelines and directions issued by the Insurance Regulatory & Development Authority of India (IRDAI). The Company has its compliance system, which is subject to monitoring and reporting to IRDAI.

We have not been required to examine compliances with applicable clauses of:

- i. Secretarial Standards issued by the Institute of the Company Secretaries of India – **as same has not been notified**
- ii. Listing Agreement – Not Applicable

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. The Company is in process of filing form MGT-14 pertaining to Board resolution for approval of Board's report for the financial year ended 31st March, 2014.

We further report that:

The Board of Directors of the Company was required to be constituted in accordance with Articles of Association of the Company with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice, agenda and detailed notes have been given to all Directors to schedule the Board Meetings at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views, have been recorded

We have relied on the representation made by the Company and its Officers for adequate systems and processes in the company commensurate with its size & operation to monitor and ensure compliance with applicable laws.-

We further report that during the year under report, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- (i) Appointment of Independent and Woman Director(s)
- (ii) Resignation of Director
- (iii) Constitution and Reconstitution of various Committees
- (iv) Appointment of Key Managerial Personnel(s)
- (v) Transfer of Equity Shares

For **Aashish K. Bhatt & Associates**
Company Secretaries
(ICSI Unique Code S2008MH100200)

Aashish Bhatt
Proprietor
ACS No.: 19639, COP No.: 7023

Place: Mumbai

Dated: 28/07/2015

ANNUAL REPORT ON CSR ACTIVITIES

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

The Company follows an integrated multi-stakeholder approach towards CSR covering all social, environmental and economic aspects. The framework enables business heads to put in place policies and practices in line with this policy.

- 2. The Composition of the CSR Committee:**

The CSR Committee comprises of Mr. H. Ansari, Mr, Soumen Ghosh and Mr. Rakesh Jain.

- 3. Average net profit of the company for last three financial years:**

Company has incurred average net loss of ₹ 123.96 crore for last three financial years

- 4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above): NA**

- 5. Details of CSR spent during the financial year.**

(a) Total amount to be spent for the financial year: NIL

(b) Amount unspent, if any; NIL

(c) Manner in which the amount spent during the financial year is detailed below:

S.No.	CSR project or activity identified.	Sector in which the project is covered	Projects or programs 1) Local area or 2) Specify the State and projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	N.A	N.A	N.A	N.A	N.A	N.A	N.A
	TOTAL			-	-	-	-

- 6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:**

The Company has incurred average net loss of ₹ 123.96 crore for last three Financial Year, hence the Company did not contribute for CSR.

- 7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Rakesh Jain
(Executive Director and CEO)

H. Ansari
(Chairman of CSR Committee)

Report on Corporate Governance

1. Philosophy on Corporate Governance

The Company has always maintained the highest standards of Corporate Governance. The principles which are set in corporate governance policy are disclosure, fairness, independence, transparency, accountability, responsibility, social responsibility, compliances and ethical standards. The Company strives to achieve its mission in the light of these corporate governance principles. These principles are not just words but are strictly followed in its true and strict sense in day to day working of the Company. The Company has also framed a strong whistle blowing mechanism where employees without hesitation can raise concern or report a possible breach of law or regulation with appropriate measures to protect against retaliation against reporting employees. Timely disclosure on all material matters regarding the Company, including the financial situation, performance, ownership and governance arrangements, is part of a corporate governance framework. It also includes Compliance with legal and regulatory requirements. The presence of an active group of Independent Directors on the Board contributes a great deal towards ensuring confidence of the customers and stakeholders. The Company has laid emphasis on the cardinal values of fairness, transparency and accountability for performance at all levels, thereby enhancing the shareholders' value and protecting the interest of the stakeholders.

In our commitment to achieve sound Corporate Governance practices, the Company is guided by the following core principles:

1. To maintain the highest standards of transparency in all aspects of our interactions and dealings.
2. To comply with all the laws and regulations applicable to the Company.
3. To conduct the affairs of the Company in an ethical manner.
4. To promote the interest of all stakeholders including customers, shareholders, employees, lenders, vendors and the community.
5. To improve brand and reputation.
6. Strengthen internal controls and improve risk management.
7. To ensure highest level of responsibility and accountability.
8. Ensure timely dissemination of material information and matters of interest of Stakeholders.

2. Board of Directors

The composition of Board of Directors of the Company is as follows;

1. Mr. Rajendra Chitale
2. Mr. H. Ansari
3. Mrs. Chhaya Virani
4. Mr. Soumen Ghosh
5. Mr. Rakesh Jain (Executive Director & CEO)

During the year, Mr. D. Sengupta, ceased to be a Director of the Company w.e.f. 11th September, 2014. Out of the five Directors, three Directors are Independent Directors. As per the Corporate Governance guidelines issued by IRDAI, your Company has constituted the Mandatory Committees viz. Audit Committee, Investment Committee, Policyholders Protection Committee, Risk Management Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee

3. Audit Committee

Your Company has constituted an Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013 and IRDAI Corporate Governance regulations. The Audit Committee comprises of Mr. Rajendra P. Chitale, Director and Mr. Soumen Ghosh, Director, Mr. H. Ansari, Director. Mr. D. Sengupta ceased to be a Member of the Committee w.e.f. 11th September, 2014. Audit Committee inter alia advises the management on the areas where systems, process, internal audit, risk management can be improved. The minutes of the meeting of the Audit Committee are placed before the Board for review. Audit Committee recommends to the Board, appointment and remuneration of Auditors of the Company. Audit Committee had discussions with Statutory Auditors before the audit commences about the nature & scope of audit as well as post audit discussions for addressing areas of concern.

4. Investment Committee

Your Company has constituted an Investment Committee pursuant to the requirement of Corporate Governance Guidelines of IRDAI. Presently the Committee consists of Mr. H. Ansari, Mr. Soumen Ghosh, Mr. Rakesh Jain, Mr. Hemant Jain, Mr. K. Ramkumar & Ms. Kirti Kothari. The Investment Committee decides on the Investment Policy of the Company and reviews the Investment decisions taken by the Company. Report on Investment performance and Investment Portfolio is also placed before the Board for review.

5. Policyholders Protection Committee

Your Company has also constituted Policyholders Protection Committee as required under Corporate Governance Guidelines of IRDAI. At present the Committee consists of Mr. H. Ansari, Mr. Soumen Ghosh, Mr. Rakesh Jain, & Mr. Mukul Kishore. The Committee reviews and monitors customer grievances on regular basis. Report of the Policyholders Protection Committee is also placed before the Board of Directors for review. The Company has Grievance Redressal Policy which is approved by the Board of Directors.

6. Risk Management Committee

Your Company has also constituted Risk Management Committee for monitoring all the risks across the various lines of business of the Company. Presently the Committee consists of Mr. H. Ansari, Mr. Soumen Ghosh, Mr. Rakesh Jain, Mr. Mukul Kishore, Mr. Mohan Khandekar, Mr. Hemant Jain, Mr. K. Ramkumar and Mr. Sudip Banerjee.

7. Nomination and Remuneration Committee

Your Company has also constituted Nomination and Remuneration Committee which comprises of Mr. Rajendra Chitale, Mr. H. Ansari and Mr. Soumen Ghosh.

8. Corporate Social Responsibility

Your Company has also constituted Corporate Social Responsibility Committee which comprises of Mr. H. Ansari, Mr. Soumen Ghosh and Mr. Rakesh Jain.

In addition to the above, the Company has also constituted Non Mandatory Committees viz. Committee of Executives (Investment), Asset Liability Management Committee, Ethics Committee.

As required under clause 5.4 of the Corporate Governance guidelines dated 5.8.2009, details of number of meetings held of the Board of Directors and Committees in the Financial Year and details of composition of the Board & Committees and meetings attended by the Directors etc. are enclosed as Annexure I & II forming part of this report.

9. Compliance Officer

Mr. Mohan Khandekar, Company Secretary, is the Compliance Officer of the Company for complying with the requirements of IRDAI regulations.

Certification for compliance of the Corporate Governance Guidelines

I, Mohan Khandekar, 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.

Mohan Khandekar
Company Secretary

ANNEXURE I FORMING PART OF CORPORATE GOVERNANCE REPORT

DETAILS OF NUMBER OF MEETINGS HELD, ATTENDED, COMPENSATION PAID ETC. DURING FINANCIAL YEAR 2014-15

BOARD MEETING

Date of Meeting	30.04.2014, 04.08.2014, 31.10.2014, 03.02.2015, 31.03.2015		
Name of the Director	Meeting held during FY 2014-15	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. Rajendra Chitale	5	5	2,00,000
Mr. H. Ansari	5	5	2,00,000
Mrs. Chhaya Virani (appointed as a Director w.e.f. 31.03.2015)	5	1	40,000
Mr. Soumen Ghosh	5	5	Nil
Mr. Rakesh Jain (Executive Director & CEO)	5	5	Nil
Mr. D. Sengupta (ceased to be Director w.e.f. 11.09.2014)	5	1	40,000

POLICYHOLDER PROTECTION COMMITTEE

Date of Meeting	29.04.2014, 04.08.2014, 31.10.2014, 03.02.2015		
Name of the Director	Meeting held during FY 2014-15	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. H. Ansari	4	4	80,000
Mr. Soumen Ghosh	4	4	Nil
Mr. Rakesh Jain (Executive Director & CEO)	4	4	Nil
Mr. Mukul Kishore	4	4	Nil

INVESTMENT COMMITTEE

Date of Meeting	29.04.2014, 04.08.2014, 31.10.2014, 03.02.2015		
Name of the Director	Meeting held during FY 2014-15	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. H. Ansari	4	4	80,000
Mr. Soumen Ghosh	4	4	Nil
Mr. Rakesh Jain (Executive Director & CEO)	4	4	Nil
Mr. Hemant Jain	4	4	Nil
Mr. K. Ramkumar	4	4	Nil
Ms. Kirti Kothari	4	4	Nil

AUDIT COMMITTEE

Date of Meeting	29.04.2014, 04.08.2014, 31.10.2014, 03.02.2015		
Name of the Director	Meeting held during FY 2014-15	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. H. Ansari (appointed as a member w.e.f. 31.10.2014)	4	2	80,000
Mr. Rajendra Chitale	4	4	1,60,000
Mr. Soumen Ghosh	4	4	Nil
Mr. D. Sengupta (ceased to be a member w.e.f. 11.09.2014)	4	1	40,000

RISK MANAGEMENT COMMITTEE

Date of Meeting	29.04.2014, 04.08.2014, 31.10.2014, 03.02.2015		
Name of the Director	Meeting held during FY 2014-15	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. H. Ansari (appointed as a member w.e.f. 31.10.2014)	4	2	40,000
Mr. Soumen Ghosh	4	4	Nil
Mr. Rakesh Jain (Executive Director & CEO)	4	4	Nil
Mr. Mukul Kishore	4	4	Nil
Mr. Mohan Khandekar	4	4	Nil
Mr. Hemant Jain	4	4	Nil
Mr. Sudip Banerjee (appointed as a member w.e.f. 31.10.2014)	4	2	Nil
Mr. K. Ramkumar	4	4	Nil
Mr. D. Sengupta (ceased to be member w.e.f 11.09.2014)	4	1	20,000
Mr. Sudarshanam Sundararajan (ceased to be a member w.e.f. 31.10.2014)	4	2	Nil

COMMITTEE OF EXECUTIVES (INVESTMENT)

Date of Meeting	10.04.2014, 29.05.2014, 23.06.2014, 23.07.2014, 25.08.2014, 15.09.2014, 22.10.2014, 18.11.2014, 11.12.2014, 15.01.2015, 27.02.2015, 17.03.2015		
Name of the Director/Member	Meeting held during FY 2014-15	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. Rakesh Jain (Executive Director & CEO)	12	12	Nil
Mr. Mukul Kishore	12	5	Nil
Mr. Hemant Jain	12	12	Nil
Mr. Sudip Banerjee (appointed as a member w.e.f. 23.06.2014)	12	10	Nil
Mr. K. Ramkumar	12	12	Nil
Mr. Sudarshanam Sundararajan (ceased to be a member w.e.f. 23.06.2014)	12	2	Nil

ASSET – LIABILITY MANAGEMENT COMMITTEE

Date of Meeting	12.05.2014, 29.07.2014, 13.08.2014, 11.11.2014, 10.02.2015		
Name of the Director/Member	Meeting held during FY 2014-15	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. Soumen Ghosh	5	5	Nil
Mr. Rakesh Jain (Executive Director & CEO)	5	5	Nil
Mr. Mukul Kishore	5	4	Nil
Mr. Hemant Jain	5	5	Nil
Mr. Sudip Banerjee (appointed as a member w.e.f. 13.08.2014)	5	3	Nil
Mr. K. Ramkumar	5	4	Nil

Ms. Kirti Kothari	5	5	Nil
Mr. Sudarshanam Sundararajan (ceased to a member w.e.f. 13.08.2014)	5	2	Nil

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Date of Meeting	04.08.2014, 31.03.2015		
Name of the Director/Member	Meeting held during FY 2014-15	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. H. Ansari	2	2	40,000
Mr. Soumen Ghosh	2	2	Nil
Mr. Rakesh Jain (Executive Director & CEO)	2	2	Nil

NOMINATION AND REMUNERATION COMMITTEE

Date of Meeting	04.08.2014, 31.03.2015		
Name of the Director/Member	Meeting held during FY 2014-15	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. H. Ansari	2	2	40,000
Mr. Rajendra Chitale	2	2	40,000
Mr. Soumen Ghosh	2	2	Nil

ANNEXURE II FORMING PART OF CORPORATE GOVERNANCE REPORT

Policyholders Protection Committee

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari	Post Graduate in Science	General Insurance	Independent Director
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. Mukul Kishore	B.Tech, Fellow of Insurance Institute of India	Underwriting	Employee

Investment Committee

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari	Post Graduate in Science	General Insurance	Independent Director
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. Hemant Jain	Chartered Accountant	Finance	Employee
Mr. K. Ramkumar	B.Sc (Chemistry), Diploma in Business Finance from ICFAI, Hyderabad, ICWAI	Investments	Employee
Ms. Kirti Kothari	FIAI	Appointed Actuary	Appointed Actuary

Audit Committee

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari**	Post Graduate in Science	General Insurance	Independent Director
Mr. Rajendra Chitale	Chartered Accountant	Finance & Insurance	Independent Director
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. D. Sengupta*	B.Sc, Post Graduate Diploma in Marketing	Insurance	Independent Director

*ceased to be a Member w.e.f. 11th September, 2014

**appointed w.e.f. 31st October, 2014

Board of Directors

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari	Post Graduate in Science	Insurance	Independent Director
Mr. Rajendra Chitale	Chartered Accountant	Finance & Insurance	Independent Director
Mrs. Chhaya Virani**	BA, LLB.	Legal	Independent Director
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. D. Sengupta*	B.Sc, Post Graduate Diploma in Marketing	Insurance	Independent Director

*ceased to be a Director w.e.f. 11th September, 2014

** appointed as a Director w.e.f. 31st March, 2015

Nomination and Remuneration Committee

Name	Qualification	Field of Specialization	Category
Mr. Rajendra Chitale	Chartered Accountant	Finance & Insurance	Independent Director
Mr. H. Ansari	Post Graduate in Science	Insurance	Independent Director
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director

Ethics Committee

Name	Qualification	Field of Specialization	Category
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. Mukul Kishore	B.Tech, FIII	Underwriting	Employee

Risk Management Committee

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari	Post Graduate in Science	Insurance	Independent Director
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. Mukul Kishore	B.Tech, FIII	Underwriting	Employee
Mr. Mohan Khandekar	M.Com, LLB, ACS	Company Secretarial and Legal Matters	Employee
Mr. Hemant Jain	Chartered Accountant	Finance	Employee
Mr. Sudip Banerjee	B-Tech, IIT Kharagpur and MBA, IIM Kolkata	IT and Risk Management	Employee
Mr. K. Ramkumar	B.Sc (Chemistry), Diploma in Business Finance from ICFAI, Hyderabad, ICWAI	Investments	Employee
Mr. D. Sengupta*	B.Sc, Post Graduate Diploma in Marketing	Insurance	Independent Director

*ceased to be a Director w.e.f. 11th September, 2014

Committee of Executive (Investments)

Name	Qualification	Field of Specialization	Category
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. Mukul Kishore	B.Tech, FIII	Underwriting	Employee
Mr. Hemant Jain	Chartered Accountant	Finance	Employee
Mr. Sudip Banerjee	B-Tech, IIT Kharagpur and MBA, IIM Kolkata	IT and Risk Management	Employee
Mr. K. Ramkumar	B.Sc (Chemistry), Diploma in Business Finance from ICFAI, Hyderabad, ICWAI	Investments	Employee

Asset Liability Management Committee

Name	Qualification	Field of Specialization	Category
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. Mukul Kishore	B.Tech, FIII	Underwriting	Employee
Mr. Hemant Jain	Chartered Accountant	Finance	Employee
Mr. K. Ramkumar	B.Sc (chemistry), Diploma in Business Finance from ICFAI, Hyderabad, ICWAI	Investments	Employee
Mr. Sudip Banerjee	B-Tech, IIT Kharagpur and MBA, IIM Kolkata	IT and Risk Management	Employee
Ms. Kirti Kothari	FIAI	Appointed Actuary	Appointed Actuary

Corporate Social Responsibility Committee

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari	Post Graduate in Science	Insurance	Independent Director
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO

**MANAGEMENT REPORT ATTACHED TO THE FINANCIAL STATEMENT
AS ON 31ST MARCH 2015**

- 1) We confirm that the validity of the registration granted by Insurance Regulatory & Development Authority on India has not expired.
- 2) We certify that all the dues payable to the statutory authorities have been duly paid.
- 3) We confirm that shareholding pattern is in accordance with the statutory and regulatory requirements.
- 4) We declare that the management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.
- 5) We confirm that the required solvency margins have been maintained.
- 6) We certify that the values of all the assets have been reviewed on the date of the Balance Sheet and that in the best of our belief, the assets set forth in the Balance sheet are shown in the aggregate at amounts not exceeding their realisable or market value under the headings "Investments other than debt securities", "Agents balances", "Outstanding Premium", "Interest and Dividends accrued but not due", "Balances due from other entities carrying on insurance business", "Other Advances", "Advances to Staff", "Deposits" and "Cash".
- 7) The company is exposed to various risks related to its insurance operations and financial risks related to its investment portfolio. The operational & financial risks are being closely monitored and being actively managed. The exposure to the insurance operations is managed by implementing underwriting controls and risk transfer through adequate reinsurance arrangements. Catastrophe risk exposure has been analyzed and accumulation is being monitored. Risk models have been also been used on our accumulation to get an estimate and the reinsurance protection has taken to limit our exposure to any one event to an acceptable limit.

In addition to our regular internal audits and technical audits, an important step was taken by establishing an independent Enterprise Risk Management team to oversee all the varied risk exposures and to take steps to mitigate these exposures.
- 8) We have no operations in any country outside India, except representative office at London.
- 9) The Company has a separate internal audit team which audits the operations at its offices.
- 10) We certify that the investments have been valued as per the Accounting Regulations of the IRDAI and shown in the Balance Sheet. The market value of investments has been arrived at as per the guidelines given by the Insurance Regulatory and Development Authority of India based on quoted market price wherever available and based on the market yield for rated securities not quoted and at book value for securities which do not have rating. The investment portfolio is also diversified within limits set under the IRDAI regulations.
- 11) Ageing analysis of claims outstanding and average claims settlement time for the five years.

Ageing of Claim Outstanding

FY 2014-15

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
Ageing								
30 days	51	58,252	58	10,792	-	-	5,448	208,862
31 days to 6 Months	131	410,928	112	90,519	-	-	5,264	576,131
6 Months to 1 Year	134	251,899	60	55,454	2	3,250	918	190,059
1 Year to 5 Years	202	887,535	166	442,666	2	1,474	2,812	299,460
5 Years and Above	4	14,231	8	3,318	-	-	4	233
Grand Total	522	1,622,844	404	602,750	4	4,724	14,446	1,274,745

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,428	292,681	42	23,882	15	1,729	9	972
31 days to 6 Months	6,627	1,307,423	125	200,043	58	5,404	28	5,718
6 Months to 1 Year	6,495	1,312,630	152	368,167	16	4,127	35	8,693
1 Year to 5 Years	46,858	9,012,841	517	672,807	47	12,879	95	29,201
5 Years and Above	8,841	1,379,224	6	643	8	1,323	5	2,715
Grand Total	70,249	13,304,799	842	1,265,542	144	25,463	172	47,299

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc		Total	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	11,437	237,730	-	-	247	30,158	69	43,140	42,496	1,085,291
31 days to 6 Months	9,918	206,794	-	-	691	86,294	98	652,796	14,351	3,467,369
6 Months to 1 Year	3,383	91,708	2	496	503	51,511	136	307,624	8,736	2,618,467
1 Year to 5 Years	12,504	131,036	18	722,657	1,702	88,309	793	509,200	53,857	12,740,904
5 Years and Above	2	203	1	12	9	12,108	25	2,097	8,881	1,410,005
Grand Total	37,244	667,470	21	723,165	3,152	268,379	1,121	1,514,857	128,321	21,322,036

FY 2013-14*

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	89	350,690	117	22,743	-	-	5,183	285,045
31 days to 6 Months	154	376,372	121	88,609	1	1,369	5,711	756,276
6 Months to 1 Year	76	425,842	50	12,759	1	90	1,326	288,185
1 Year to 5 Years	138	303,817	170	124,004	3	2,202	2,733	401,833
5 Years and Above	-	-	-	-	-	-	3	250
Grand Total	457	1,456,721	458	248,115	5	3,660	14,956	1,731,588

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,359	257,981	106	97,577	19	2,311	8	1,205
31 days to 6 Months	6,271	1,223,010	224	664,329	48	10,180	18	5,553
6 Months to 1 Year	7,511	1,512,317	168	419,291	26	8,814	18	4,414
1 Year to 5 Years	49,553	8,837,251	276	269,423	44	10,537	63	22,313
5 Years and Above	4,696	654,793	1	325	4	774	3	1,534
Grand Total	69,390	12,485,351	775	1,450,944	141	32,615	110	35,019

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc		Total	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	48,252	427,092	1	85	205	16,720	77	18,932	55,416	1,480,380
31 days to 6 Months	9,157	205,272	-	-	651	48,890	258	107,387	22,614	3,487,247
6 Months to 1 Year	8,222	58,043	4	1,576	476	27,537	102	91,228	17,980	2,850,096
1 Year to 5 Years	1,426	83,886	15	728,755	1,477	95,350	680	193,464	56,578	11,072,834
5 Years and Above	1	117	-	-	1	370	19	1,839	4,728	660,000
Grand Total	67,058	774,411	20	730,417	2,810	188,867	1,136	412,850	157,316	19,550,557

FY 2012-13*

(₹ in '000)

Period / Class Ageing	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	102	233,153	81	23,645	1	762	4,846	294,086
31 days to 6 Months	94	239,330	128	41,628	-	-	6,723	874,786
6 Months to 1 Year	57	360,188	49	16,432	-	-	1,735	330,828
1 Year to 5 Years	105	401,783	104	173,743	4	7,174	2,846	376,458
5 Years and Above	-	-	-	-	-	-	-	-
Grand Total	358	1,234,454	362	255,448	5	7,936	16,150	1,876,158

(₹ in '000)

Period / Class Ageing	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,479	264,018	46	27,291	23	1,768	8	1,821
31 days to 6 Months	8,281	1,485,066	144	152,770	47	13,716	35	5,566
6 Months to 1 Year	9,595	1,789,199	175	217,270	9	2,561	2	316
1 Year to 5 Years	47,354	7,182,245	115	224,215	36	6,304	25	9,404
5 Years and Above	-	-	-	-	-	-	2	1,536
Grand Total	66,709	10,720,528	480	621,545	115	24,348	72	18,643

(₹ in '000)

Period / Class Ageing	Health		Aviation		Personal Accident		All Other Misc		Total	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	55,104	233,044	-	-	197	16,627	75	26,469	61,962	1,122,683
31 days to 6 Months	205,613	150,497	1	2,328	719	50,991	248	91,165	222,033	3,107,842
6 Months to 1 Year	32,752	77,816	7	1,506	486	31,610	242	97,502	45,109	2,925,227
1 Year to 5 Years	1,822	64,789	8	729,697	906	61,512	525	104,674	53,850	9,341,998
5 Years and Above	-	-	-	-	-	-	-	-	2	1,536
Grand Total	295,291	526,146	16	733,531	2,308	160,740	1,090	319,809	382,956	16,499,286

FY 2011-12

(₹ in '000)

Period / Class Ageing	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	60	60,988	142	14,741	1	25	5,159	293,925
31 days to 6 Months	117	454,117	151	71,287	2	549	6,469	773,110
6 Months to 1 Year	79	356,185	58	140,275	4	1,299	1,160	203,935
1 Year to 5 Years	61	331,333	22	34,238	2	5,408	218	67,968
5 Years and Above	1	2,735	-	-	-	-	-	-
Grand Total	318	1,205,358	373	260,541	9	7,281	13,006	1,338,937

(₹ in '000)

Period / Class Ageing	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,012	129,022	39	31,165	12	1,665	-	-
31 days to 6 Months	3,840	499,643	109	204,529	35	6,567	12	3,825
6 Months to 1 Year	3,568	338,949	86	195,178	17	9,562	13	2,931
1 Year to 5 Years	12,292	915,131	54	220,807	29	6,245	21	2,896
5 Years and Above	-	-	-	-	-	-	-	-
Grand Total	20,712	1,882,745	288	651,679	93	24,038	46	9,652

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc		Total	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	84,530	99,634	9	1,623	228	29,590	127	33,691	91,319	696,069
31 days to 6 Months	74,289	74,012	-	-	479	43,117	418	134,397	85,921	2,265,152
6 Months to 1 Year	81	7,341	2	100	86	9,864	20	14,777	5,174	1,280,395
1 Year to 5 Years	24	1,745	10	924,177	13	12,047	49	22,879	12,795	2,544,873
5 Years and Above	-	-	-	-	-	-	-	-	1	2,735
Grand Total	158,924	182,731	21	925,900	806	94,618	614	205,744	195,210	6,789,225

FY 2010-11

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	70	30,486	67	8,516	-	-	6,432	198,153
31 days to 6 Months	203	284,975	201	78,684	4	68	5,351	419,770
6 Months to 1 Year	125	294,164	114	26,403	1	38	1,190	177,272
1 Year to 5 Years	74	275,798	50	50,921	1	17,062	406	104,340
5 Years and Above	-	-	-	-	-	-	-	-
Grand Total	472	885,423	432	164,524	6	17,168	13,379	899,536

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	964	119,642	70	25,212	15	875	-	-
31 days to 6 Months	3,672	322,787	184	134,673	46	2,733	1	83
6 Months to 1 Year	3,927	204,117	130	270,031	41	6,570	2	52
1 Year to 5 Years	12,215	685,914	110	184,026	24	3,414	10	2,850
5 Years and Above	-	-	-	-	-	-	-	-
Grand Total	20,778	1,332,460	494	613,942	126	13,593	13	2,984

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc		Total	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	3,308	67,100	1	20	191	11,617	125	11,854	11,243	473,474
31 days to 6 Months	2,932	80,011	7	6,562	420	35,408	233	26,077	13,254	1,391,831
6 Months to 1 Year	524	41,663	5	1,243,360	87	8,009	99	20,491	6,245	2,292,170
1 Year to 5 Years	510	18,355	-	-	19	11,841	76	49,422	13,495	1,403,943
5 Years and Above	-	-	-	-	-	-	-	-	-	-
Grand Total	7,274	207,129	13	1,249,941	717	66,875	533	107,843	44,237	5,561,418

* Based on revised logic related to claims count to be considered for Claims IRDAI reporting, the outstanding counts of March 2013 & March 2014 are revised.

Average claims settlement time

Product/Class	FY 2014-15		FY 2013-14		FY 2012-13		FY 2011-12		FY 2010-11	
	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)	No. of Claims	Average Settlement Time (Days)
Fire	853	130	653	119	808	110	1,060	136	1,440	126
Marine Cargo	1,134	68	1,098	63	884	64	1,011	95	1,604	82
Marine Hull	1	1,659	1	859	4	154	9	38	13	313
Motor OD	143,801	31	137,263	33	124,713	38	174,492	34	231,934	43
Engineering	430	171	505	113	575	148	828	148	1,302	120
Liability	159	147	117	176	75	211	88	209	103	156
Public Liability	1	173	21	89	18	200	13	159	23	26
Health	648,735	57	1,041,290	126	896,690	129	152,771	99	74,654	57
Aviation	2	878	2	494	8	434	1	431	4	158
Public Accident	2,106	134	1,394	119	1948	96	2,024	65	2,826	77
All Other Misc	1,220	147	1,147	82	1141	78	2,613	63	2,132	75
Total	798,442		1,183,491		1,026,870		334,710		316,035	

Notes: 1. The above ageing does not include Motor Third Party claims which have to be settled through MACT and other judicial bodies.

12) A majority of the Company's investment is in fixed income securities. The Fixed Income portion is invested mainly in Government securities and AAA or AA+ rated bonds. The primary objective when investing is Safety, Liquidity and Return. The Company monitors the cash position daily and seasonal liquidity needs are considered while planning maturities of investments. None of the fixed income investments have had any delays in servicing of interest or principal amounts. Based on the past track record, the Management has reasonable confidence in the quality and expected performance of the investments, in line with the objectives.

13) We also confirm:

- a) in the preparation of financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanations relating to material departures, if any;
- b) the management has adopted accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the operating profit or loss and of the profit of the company for the year;
- c) the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 (4 of 1938) / Companies Act, 1956 (1 of 1956) / Company Act, 2013 (to the extent notified), for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the management has prepared the financial statements on a going concern basis;
- e) the management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

14) Details of payments during the financial year to individuals, firms, companies and organisations in which Directors are interested, including reimbursement- (₹ in '000)

Sr No.	Name Of Director	Entity in which Director is Interested	Interested As	Nature Of Payment	Amount
1	Mr. Rajendra P. Chitale	Reliance Capital Limited	Director	Claim Paid	95
				Reimbursement paid for expenses (Rent, Communication, Electricity, Professional fees, Maintenance Charges)	7,665
				Management fees	60,000
				Reimbursement paid for IT services	27,374
		Reliance Life Insurance Company Limited	Director	Claim Paid	167
				Gratuity	28,788
Term Insurance policy	7,672				
2	Mr. Soumen Ghosh	Reliance Life Insurance Company Limited	Director	Claim Paid	167
				Gratuity	28,788
				Term Insurance policy	7,672
		Reliance Capital Asset Management Limited	Director	Claim Paid	143
3	Mrs. Chhaya Virani	Reliance Capital Limited	Director	Claim Paid	95
				Reimbursement paid for expenses (Rent, Communication, Electricity, Professional fees, Maintenance Charges)	7,665
				Management fees	60,000
				Reimbursement paid for IT services	27,374

For and on behalf of the Board of Directors

Rajendra Chitale

Director (DIN No.: 0015986)

H. Ansari

Director (DIN No.: 2155529)

Chhaya Virani

Director (DIN No.: 6953556)

Soumen Ghosh

Director (DIN No.: 1262099)

Rakesh Jain

Executive Director and CEO
(DIN No.: 3645324)

Hemant K. Jain

Chief Financial Officer

Mohan Khandekar

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : May 05, 2015

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RELIANCE GENERAL INSURANCE COMPANY LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **RELIANCE GENERAL INSURANCE COMPANY LIMITED** (the "Company") which comprise the Balance Sheet as at March 31, 2015, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account for the year then ended, and a summary of significant accounting policies and other explanatory information, annexed thereto.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Company in accordance with the requirements of the Insurance Act, 1938 (the "Insurance Act"), read with Insurance Regulatory and Development Act, 1999 (the "IRDA Act"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the Regulations"), order/ directions, circulars, guidelines issued by the Insurance Regulatory and Development Authority of India (IRDAI) in this regard and in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable and in the manner so required. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Insurance Act, the IRDA Act, the Regulations, the Companies Act and the Rules made there under including the accounting standards to the extent applicable and auditing standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in accordance with the requirements of the Insurance Act, 1938 the Insurance Regulatory and Development Authority Act, 1999, the Regulations and the Companies Act 2013, to the extent applicable and in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
 - (b) in the case of the Revenue Accounts, of the net surplus/deficit for the year ended on that date;
 - (c) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (d) in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Other Matters

9. The actuarial valuation of liabilities with respect to claims Incurred But Not Reported (IBNR) and claims Incurred But Not Enough Reported (IBNER) as on March 31, 2015 is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The Appointed Actuary has certified to the Company that the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority ("IRDA") and the Institute of Actuaries of India in concurrence with IRDA. We have relied on the Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

Report on Other Legal and Regulatory Requirements

10. As required by the Regulations, we have issued a separate certificate dated May 5, 2015 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statement Regulations.
11. Further, to our comments in the Certificate referred to in Paragraph 10 above, as required under the Regulations, read with Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory;
 - (b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) As the Company's financial accounting system is centralized at Head Office, no returns for the purposes of our audit are prepared at the branches and other offices of the Company;
 - (d) The Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account dealt with by this Report are in agreement with the books of account;
 - (e) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, 1938 and the Regulations and / or orders / directions/ circulars/guidelines issued by the IRDAI in this behalf;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders / directions issued by the IRDAI in this behalf;
 - (g) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by IRDAI in this regard; and
 - (h) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 1 of Schedule 17 to the financial statements;
 - ii. The Company has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, wherever applicable, on long-term contracts. Further, the Company does not have any derivative contracts.
 - iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended March 31, 2015.

For Pathak H.D. & Associates,
Chartered Accountants
Firm Registration No.107783W

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

Mukesh Mehta
Partner
Membership No. 043495

Nikhil Singhi
Partner
Membership No. 061567

Place : Mumbai
Date : May 5, 2015

INDEPENDENT AUDITORS' CERTIFICATE

To the Members of Reliance General Insurance Company Limited

(Referred to in paragraph 10 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated May 5, 2015)

This certificate is issued to comply with the provisions of paragraphs 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, (the "Regulations") read with regulation 3 of the Regulations.

The Company's Board of Directors is responsible for complying with the provisions of The Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI"). This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

Our responsibility, for the purpose of this certificate, is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the Regulations. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the 'ICAI').

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of accounts and other records maintained by **RELIANCE GENERAL INSURANCE COMPANY LIMITED** (the "Company") for the year ended March 31, 2015, we certify that:

- 1) We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2015 and have found no apparent mistake or material inconsistency with the financial statements;
- 2) Based on management representations and the compliance certificate submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration as per sub section 4 of section 3 of the Insurance Act, 1938;
- 3) We have verified the cash balances, to the extent considered necessary and securities relating to Company's loans and investments as at March 31, 2015, by actual inspection and on the basis of certificates/confirmations received from the third parties/Custodians and/Depository Participants appointed by the Company, as the case may be;
- 4) The Company is not a trustee of any trust; and
- 5) No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the Policyholders' Funds.

For **Pathak H.D. & Associates,**
Chartered Accountants
Firm Registration No.107783W

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

Mukesh Mehta
Partner
Membership No. 043495

Nikhil Singhi
Partner
Membership No. 061567

Place : Mumbai
Date : May 5, 2015

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Fire Insurance Business

Registration No & Date of Registration with the IRDA : Regn. No. 103 dated 23.10.2000

(₹ in '000)

Particulars	Schedule	2014-15	2013-14
Premium Earned (Net)	1	483,880	410,893
Profit / (loss) on sale/redemption of Investments (Net)		15,440	9,912
Interest, Dividend & Rent – Gross		70,021	157,534
Exchange Gain / (loss)		(21)	-
TOTAL (A)		569,320	578,339
Claims Incurred (Net)	2	364,984	365,492
Commission	3	(120,356)	(133,628)
Operating Expenses related to Insurance Business	4	166,514	117,596
Reserve for Premium Deficiency		-	-
TOTAL (B)		411,142	349,460
Operating Profit/(Loss) from Fire Business C=(A)-(B)		158,178	228,879
Appropriations			
Transfer to Shareholders' Accounts		158,178	228,879
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		158,178	228,879
Significant accounting policies and notes to accounts to the Financial Statements	16 & 17		

As required by Section 40C(2) of the Insurance Act, 1938, we certify that, to the best of our knowledge and according to the information, all expenses of management, wherever incurred, whether directly or indirectly in respect of general insurance business have been fully debited in the revenue accounts as expenditure.

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

As per our Audit Report of even date attached

For and on behalf of the Board

For Singhi & Co.

Rajendra Chitale

H. Ansari

Chartered Accountants
(Firm Registration no. 302049E)

Director (DIN No.: 0015986)

Director (DIN No.: 2155529)

Nikhil Singhi

Partner, Membership No. 061567

Chhaya Virani

Director (DIN No.: 6953556)

Soumen Ghosh

Director (DIN No.: 1262099)

For Pathak H. D. & Associates

Chartered Accountants
(Firm Registration no. 107783W)

Rakesh Jain

Executive Director & CEO
(DIN No.: 3645324)

Hemant K. Jain

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : May 05, 2015

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Marine Insurance Business

Registration No. & Date of Registration with the IRDA:- Regn no.103 dated 23.10.2000

(₹ in '000)

Particulars	Schedule	2014-15	2013-14
Premium Earned (Net)	1	218,674	193,096
Profit / (loss) on sale/redemption of Investments (Net)		5,727	2,253
Interest, Dividend & Rent – Gross		25,970	35,802
Exchange Gain / (loss)		57	-
TOTAL (A)		250,428	231,151
Claims Incurred (Net)	2	186,055	179,780
Commission	3	15,135	24,574
Operating Expenses related to Insurance Business	4	63,529	53,655
Reserve for Premium Deficiency		-	(20,900)
TOTAL (B)		264,719	237,109
Operating Profit/(Loss) from Marine Business C=(A)-(B)		(14,291)	(5,958)
Appropriations			
Transfer to Shareholders' Accounts		(14,291)	(5,958)
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		(14,291)	(5,958)
Significant accounting policies and notes to accounts to the Financial Statements	16 & 17		

As required by Section 40C(2) of the Insurance Act, 1938, we certify that, to the best of our knowledge and according to the information, all expenses of management, wherever incurred, whether directly or indirectly in respect of general insurance business have been fully debited in the revenue accounts as expenditure.

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

As per our Audit Report of even date attached

For Singhi & Co.

Chartered Accountants
(Firm Registration no. 302049E)

For and on behalf of the Board

Rajendra Chitale

Director (DIN No.: 0015986)

H. Ansari

Director (DIN No.: 2155529)

Nikhil Singhi

Partner, Membership No. 061567

Chhaya Virani

Director (DIN No.: 6953556)

Soumen Ghosh

Director (DIN No.: 1262099)

For Pathak H. D. & Associates

Chartered Accountants
(Firm Registration no. 107783W)

Rakesh Jain

Executive Director & CEO
(DIN No.: 3645324)

Hemant K. Jain

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : May 05, 2015

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Miscellaneous Insurance Business

Registration No & Date of Registration with the IRDAI : Regn. No. 103 dated 23.10.2000

(₹ in '000)			
Particulars	Schedule	2014-15	2013-14
Premium Earned (Net)	1	18,482,070	16,793,592
Profit / (loss) on sale/redemption of Investments (Net)		715,971	148,742
Interest, Dividend & Rent – Gross		3,247,020	3,033,232
Exchange Gain / (loss)		7,584	(13,113)
Misc Income		6,885	4,393
TOTAL (A)		22,459,530	19,966,846
Claims Incurred (Net)	2	17,492,003	15,490,948
Commission	3	(101,983)	505,417
Operating Expenses related to Insurance Business	4	5,146,702	4,427,086
Reserve for Premium Deficiency		-	-
TOTAL (B)		22,536,722	20,423,451
Operating Profit/(Loss) from Miscellaneous Business C= (A)-(B)		(77,192)	(456,605)
Appropriations			
Transfer to Shareholders' Accounts		(77,192)	(456,605)
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		(77,192)	(456,605)
Significant accounting policies and notes to accounts to the Financial Statements	16 & 17		

As required by Section 40C(2) of the Insurance Act, 1938, we certify that, to the best of our knowledge and according to the information, all expenses of management, wherever incurred, whether directly or indirectly in respect of general insurance business have been fully debited in the revenue accounts as expenditure.

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

As per our Audit Report of even date attached

For Singhi & Co.

Chartered Accountants
(Firm Registration no. 302049E)

For and on behalf of the Board

Rajendra Chitale

Director (DIN No.: 0015986)

H. Ansari

Director (DIN No.: 2155529)

Nikhil Singhi

Partner, Membership No. 061567

Chhaya Virani

Director (DIN No.: 6953556)

Soumen Ghosh

Director (DIN No.: 1262099)

For Pathak H. D. & Associates

Chartered Accountants
(Firm Registration no. 107783W)

Rakesh Jain

Executive Director & CEO
(DIN No.: 3645324)

Hemant K. Jain

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : May 05, 2015

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Registration No & Date of Registration with the IRDAI : Regn. No. 103 dated 23.10.2000

(₹ in'000)

Particulars	2014-15		2013-14	
Operating Profit / (Loss)				
a. Fire Insurance	158,178		228,879	
b. Marine Insurance	(14,291)		(5,958)	
c. Miscellaneous Insurance	(77,192)		(456,605)	
		66,695		(233,684)
Income from Investments				
Interest, Dividend & Rent – Gross	784,163		822,343	
Profit on sale/redemption of investments	174,410		75,346	
Less: Loss on sale/redemption of investment	(1,501)		(23,603)	
		957,072		874,086
Other Income				
Profit/(Loss) on sale/discard of assets	(1,071)		(3,132)	
Miscellaneous Income	8,744		17,936	
Excess Provision Written Back	36,481		43,499	
		44,154		58,303
TOTAL (A)		1,067,921		698,705
Provisions (Other than Taxation)				
(a) For diminution in the value of investment	-		-	
(b) For doubtful debts	76,156		34,085	
(c) Others :-				
Interest on refunds (refer note no. 20 of sch 17)	148,050		-	
Standard Assets w/back	(186)		(1,017)	
		224,020		33,068
Other Expenses				
Expenses other than those related to Insurance Business		30,000		24,810
Exchange Gain / (loss)		-		-
TOTAL (B)		254,020		57,878
Profit / (Loss) Before Tax		813,901		640,827
Provision for Taxation				
Current Tax		34,700		-
Deferred Tax (Refer Note No.11 of Sch 17)		-		-
MAT Credit		(34,700)		-
Net Profit / (Loss) After Tax		813,901		640,827
Appropriations:				
(a) Interim dividends paid during the year	-		-	
(b) Proposed final dividend	-		-	
(c) Dividend Distribution Tax	-		-	
(d) Transfer to any reserve or other accounts (to be specified):	-		-	
Profit / (Loss) After appropriations		813,901		640,827
Balance of Profit / Loss brought forward from last year		(8,993,804)		(9,634,626)
Adjustment on account of Schedule II of the Companies Act, 2013 (Refer Note No. 21 of Sch 17)		(8,178)		-
Balance carried forward to Balance Sheet		(8,188,081)		(8,993,799)
Basic Earning Per Share (Refer Note No.36 of Sch 17)		6.63		5.22
Diluted Earning Per Share (Refer Note No.36 of Sch 17)		6.59		5.22

Significant accounting policies and notes to accounts form an integral part of the Financial Statements refer schedule 16 & 17

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

As per our Audit Report of even date attached
For **Singhi & Co.**
Chartered Accountants
(Firm Registration no. 302049E)

For and on behalf of the Board
Rajendra Chitale
Director (DIN No.: 0015986)

H. Ansari
Director (DIN No.: 2155529)

Nikhil Singhi
Partner, Membership No. 061567

Chhaya Virani
Director (DIN No.: 6953556)

Soumen Ghosh
Director (DIN No.: 1262099)

For **Pathak H. D. & Associates**
Chartered Accountants
(Firm Registration no. 107783W)

Rakesh Jain
Executive Director & CEO
(DIN No.: 3645324)

Hemant K. Jain
Chief Financial Officer

Mukesh Mehta
Partner, Membership No. 043495

Mohan Khandekar
Company Secretary (Membership No. A8515)

Place : Mumbai
Date : May 05, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Registration No. & Date of Registration with the IRDA:- Regn no.103 dated 23.10.2000

(₹ in'000)

Particulars	Schedule	31.03.2015	31.03.2014
Sources of funds			
Share Capital	5&5A	1,227,750	1,227,750
Reserves and Surplus	6	16,242,881	16,242,881
Share Application Money Pending Allotment		900,000	-
Fair Value Change Account (Refer Note No.8 of Sch 17)		14,664	6,955
Borrowings	7	-	-
TOTAL		18,385,295	17,477,586
Application of funds			
Investments	8	50,483,263	38,427,155
Loans	9	-	46,315
Fixed Assets	10	349,270	265,990
Deferred Tax Assets (Refer Note No.11 of Sch 17)		372,735	372,735
Current Assets			
Cash and Bank Balances	11	785,878	644,135
Advances and Other Assets	12	4,637,434	9,122,566
Sub-Total (A)		5,423,312	9,766,701
Current Liabilities	13	37,426,523	31,295,618
Provisions	14	9,004,843	9,099,491
Sub-Total (B)		46,431,366	40,395,109
Net Current Assets (C = A - B)		(41,008,054)	(30,628,408)
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit & Loss Account		8,188,081	8,993,799
TOTAL		18,385,295	17,477,586
Significant accounting policies and notes to accounts form an integral part of the Financial Statements refer schedule.	16 & 17		

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

As per our Audit Report of even date attached

For and on behalf of the Board

For **Singhi & Co.****Rajendra Chitale****H. Ansari**Chartered Accountants
(Firm Registration no. 302049E)

Director (DIN No.: 0015986)

Director (DIN No.: 2155529)

Nikhil Singhi

Partner, Membership No. 061567

Chhaya Virani

Director (DIN No.: 6953556)

Soumen Ghosh

Director (DIN No.: 1262099)

For **Pathak H. D. & Associates**Chartered Accountants
(Firm Registration no. 107783W)**Rakesh Jain**Executive Director & CEO
(DIN No.: 3645324)**Hemant K. Jain**

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : May 05, 2015

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Schedule – 1

Premium Earned (Net of Service Tax)

(₹ in'000)

Particulars	Financial year	Premium from direct business written	Premium on reinsurance accepted	Premium on reinsurance ceded	Net Premium (3+4-5)	Change in reserve for unexpired risks	Net Premium Earned (6+7)
1	2	3	4	5	6	7	8
Fire	2014-15	1,893,182	296,825	1,628,339	561,668	(77,788)	483,880
	2013-14	1,779,633	304,838	1,607,947	476,524	(65,631)	410,893
Marine Cargo	2014-15	415,588	1,093	188,728	227,953	(10,947)	217,006
	2013-14	389,274	1,230	174,140	216,364	(25,291)	191,073
Marine Hull	2014-15	44,297	-	43,268	1,029	639	1,668
	2013-14	15,174	-	14,116	1,058	965	2,023
Marine Total	2014-15	459,885	1,093	231,996	228,982	(10,308)	218,674
	2013-14	404,448	1,230	188,256	217,422	(24,326)	193,096
Motor OD	2014-15	7,581,450	27	1,540,924	6,040,553	468,985	6,509,538
	2013-14	7,690,118	80	444,759	7,245,439	(256,742)	6,988,697
Motor TP	2014-15	8,843,908	(23,635)	1,758,875	7,061,398	(268,300)	6,793,098
	2013-14	6,756,332	167,871	466,703	6,457,500	(863,352)	5,594,148
Motor Total	2014-15	16,425,358	(23,608)	3,299,799	13,101,951	200,685	13,302,636
	2013-14	14,446,450	167,951	911,462	13,702,939	(1,120,094)	12,582,845
Employer's Liability	2014-15	79,857	-	5,818	74,039	(1,503)	72,536
	2013-14	79,912	-	6,047	73,865	4,210	78,075
Public Liability	2014-15	261,232	5,010	223,353	42,889	3,859	46,748
	2013-14	275,231	3,331	240,006	38,556	(13,099)	25,457
Engineering	2014-15	674,531	81,628	596,100	160,059	(7,975)	152,084
	2013-14	723,357	42,148	616,659	148,846	6,132	154,978
Aviation	2014-15	31,081	-	30,256	825	165	990
	2013-14	29,554	-	28,880	674	617	1,291
Personal Accident	2014-15	376,090	9,131	35,624	349,597	(89,040)	260,557
	2013-14	286,699	8,485	89,788	205,396	(15,473)	189,923
Health*	2014-15	4,820,914	-	629,587	4,191,327	40,767	4,232,094
	2013-14	4,709,475	-	1,175,909	3,533,566	50,025	3,583,591
Other Misc.	2014-15	2,136,191	2,029	1,765,874	372,346	42,079	414,425
	2013-14	1,153,490	692	922,356	231,826	(54,394)	177,432
Misc Total	2014-15	24,805,254	74,190	6,586,411	18,293,033	189,037	18,482,070
	2013-14	21,704,168	222,607	3,991,107	17,935,668	(1,142,076)	16,793,592
Total	2014-15	27,158,321	372,108	8,446,746	19,083,683	100,941	19,184,624
	2013-14	23,888,249	528,675	5,787,310	18,629,614	(1,232,033)	17,397,581

*Note:-

1. Refer Note no. 20 of Sch 17

2. Premium from direct business written includes ₹ 38,689 thousands pertaining to earlier years. Previous Year NIL.

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Schedule – 2

Claims Incurred (Net)

(₹ in'000)

Particulars	Financial year	Claims Paid from direct business written	Claims Paid on reinsurance Accepted	Claims Recovered on reinsurance ceded	Net Claims Paid (3+4-5)	Out-standing Claims at the year end	Out-standing Claims at the year beginning	Net Claims Incurred (6+7-8)
1	2	3	4	5	6	7	8	9
Fire	2014-15	1,024,161	71,401	801,998	293,564	482,256	410,836	364,984
	2013-14	869,199	37,348	648,864	257,683	410,836	303,027	365,492
Marine Cargo	2014-15	370,020	1,268	225,141	146,147	210,778	170,956	185,969
	2013-14	208,377	2,637	100,155	110,859	170,956	101,723	180,092
Marine Hull	2014-15	1,914	-	1,842	72	651	637	86
	2013-14	295	-	30	265	637	1,214	(312)
Marine Total	2014-15	371,934	1,268	226,983	146,219	211,429	171,593	186,055
	2013-14	208,672	2,637	100,185	111,124	171,593	102,937	179,780
Motor OD	2014-15	4,504,593	-	465,175	4,039,418	1,333,521	1,722,057	3,650,882
	2013-14	4,305,196	-	373,519	3,931,677	1,722,057	1,892,076	3,761,658
Motor TP	2014-15	4,897,669	79,496	253,552	4,723,613	20,501,493	16,747,101	8,478,005
	2013-14	3,817,581	1,198,620	170,032	4,846,169	16,747,101	13,872,071	7,721,199
Motor Total	2014-15	9,402,262	79,496	718,727	8,763,031	21,835,014	18,469,158	12,128,887
	2013-14	8,122,777	1,198,620	543,551	8,777,846	18,469,158	15,764,147	11,482,857
Employer's Liability	2014-15	32,577	-	2,431	30,146	40,643	38,757	32,032
	2013-14	21,674	-	2,170	19,504	38,827	29,412	28,919
Public Liability	2014-15	2,354	-	235	2,119	47,225	26,945	22,399
	2013-14	3,247	-	379	2,868	26,874	13,077	16,665
Engineering	2014-15	640,202	23,998	556,706	107,494	242,096	204,121	145,469
	2013-14	530,784	17,804	441,456	107,132	204,121	137,135	174,118
Aviation	2014-15	9,014	-	8,770	244	2,125	1,713	656
	2013-14	10,651	432	10,289	794	1,713	443	2,064
Personal Accident	2014-15	437,946	6,906	221,396	223,456	238,352	152,505	309,303
	2013-14	199,075	210	49,897	149,388	152,505	139,800	162,093
Health	2014-15	4,993,052	286	689,375	4,303,963	1,166,690	950,880	4,519,773
	2013-14	4,323,384	-	1,106,848	3,216,536	950,880	637,499	3,529,917
Other Misc.	2014-15	489,848	-	381,996	107,852	372,904	147,272	333,484
	2013-14	323,919	(2)	219,371	104,546	147,273	157,504	94,315
Misc Total	2014-15	16,007,255	110,686	2,579,636	13,538,305	23,945,049	19,991,351	17,492,003
	2013-14	13,535,511	1,217,064	2,373,961	12,378,614	19,991,351	16,879,017	15,490,948
Total	2014-15	17,403,350	183,355	3,608,617	13,978,088	24,638,734	20,573,780	18,043,042
	2013-14	14,613,382	1,257,049	3,123,010	12,747,421	20,573,780	17,284,981	16,036,220

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Schedule – 3

Commission (Net)

(₹ in'000)

Particulars	Financial year	Commission Paid	Commission paid on reinsurance accepted	Commission received from reinsurance ceded	Net commission (3+4-5)
1	2	3	4	5	6
Fire	2014-15	101,363	14,552	236,271	(120,356)
	2013-14	96,469	11,247	241,344	(133,628)
Marine Cargo	2014-15	33,200	15	11,900	21,315
	2013-14	35,845	12	10,004	25,853
Marine Hull	2014-15	65	-	6,245	(6,180)
	2013-14	359	-	1,638	(1,279)
Marine Total	2014-15	33,265	15	18,145	15,135
	2013-14	36,204	12	11,642	24,574
Motor OD	2014-15	661,175	-	306,874	354,301
	2013-14	729,673	-	66,136	663,537
Motor TP	2014-15	10,885	-	312,958	(302,073)
	2013-14	5,764	-	21,097	(15,333)
Motor Total	2014-15	672,060	-	619,832	52,228
	2013-14	735,437	-	87,233	648,204
Employer's Liability	2014-15	7,216	-	603	6,613
	2013-14	7,262	-	1,442	5,820
Public Liability	2014-15	9,797	125	8,994	928
	2013-14	7,974	83	12,497	(4,440)
Engineering	2014-15	36,420	4,896	123,954	(82,638)
	2013-14	37,385	1,703	127,403	(88,315)
Aviation	2014-15	81	-	2,808	(2,727)
	2013-14	160	-	1,873	(1,713)
Personal Accident	2014-15	23,759	91	2,210	21,640
	2013-14	22,578	85	16,921	5,742
Health	2014-15	177,815	-	82,204	95,611
	2013-14	190,092	-	189,241	851
Other Misc.	2014-15	27,945	1	221,584	(193,638)
	2013-14	25,676	-	86,408	(60,732)
Misc Total	2014-15	955,093	5,113	1,062,189	(101,983)
	2013-14	1,026,564	1,871	523,018	505,417
Total	2014-15	1,089,721	19,680	1,316,605	(207,204)
	2013-14	1,159,237	13,130	776,004	396,363

Schedule 3 A

Commission Paid - Direct

(₹ in '000)

Particulars	Paid in India		Paid Outside India	
	2014-15	2013-14	2014-15	2013-14
Agents	716,850	767,180	-	-
Brokers	318,273	351,581	-	-
Corporate agency	54,598	40,476	-	-
Other	-	-	-	-
Total	1,089,721	1,159,237	-	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
Schedule – 4
Operating Expenses related to insurance business

(₹ in'000)

Particulars	2014-15	2013-14
Employees' remuneration & welfare benefits	1,671,270	1,371,198
Company's contribution to Provident fund and others	113,890	72,006
Travel, conveyance and vehicle running expenses	109,547	65,704
Rents, rates & taxes	189,038	266,454
Repairs	298,606	273,586
Printing & Stationery	47,784	50,910
Communication expenses	102,875	93,301
Postage expenses	52,643	41,292
Legal & professional charges	140,730	182,729
Auditors Fees, expenses, etc.		
a. As auditor	4,548	3,969
b. As advisor or in any other capacity, in respect		
(i) Taxation matters	-	-
(ii) Insurance matters	-	-
(iii) Management services; and	-	-
c. In any other capacity	4,548	3,969
Advertisement and Publicity	1,905,380	1,687,377
Interest & Bank Charges	28,132	32,317
Service Tax Expenses	137,834	52,824
Others :		
Directors' Sitting fees	1,100	620
Entertainment Expenses	7,303	6,133
Office Maintenance Expenses	157,688	147,376
Training & Recruitment Expenses	122,447	57,220
Depreciation (Refer Note No. 21 of Sch 17)	134,347	113,504
Office Management Expenses	60,000	56,000
Subscriptions and Membership Fees	30,602	26,433
Coinsurance Expenses (net)	34,028	10,524
Miscellaneous expenses	56,953	11,670
TOTAL	5,406,745	4,623,147
Allocation:		
Fire Revenue Account	166,514	117,596
Marine Revenue Account	63,529	53,655
Miscellaneous Revenue Account	5,146,702	4,427,086
Expenses not relating to Insurance Business taken in Profit & Loss A/c	30,000	24,810
TOTAL	5,406,745	4,623,147

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Schedule – 5

Share Capital

(₹ in'000)

Particulars	2014-15		2013-14	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Authorized Capital 20,00,00,000 (Previous Year 20,00,00,000) Equity Shares of ₹ 10 each				
		2,000,000		2,000,000
Issued Capital 12,27,74,960 (Previous Year 12,27,74,960) Equity Shares of ₹ 10 each				
		1,227,750		1,227,750
Subscribed Capital 12,27,74,960 (Previous Year 12,27,74,960) Equity Shares of ₹ 10 each				
		1,227,750		1,227,750
Called Up Capital 12,27,74,960 (Previous Year 12,27,74,960) Equity Shares of ₹ 10 each				
		1,227,750		1,227,750
Less : Calls Unpaid		-		-
Add : Equity Share forfeited (Amount originally paid up)		-		-
Less : Par value of Equity shares bought back		-		-
Less : (i) Preliminary Expenses to the extent not written off		-		-
(ii) Expenses including commission or brokerage on underwriting or subscription of shares		-		-
Total		1,227,750		1,227,750

Note: Of the above 12,21,10,660 shares are held by Holding Company, Reliance Capital Limited (previous period 11,84,80,288 Equity shares).

Schedule – 5A

Pattern of Share Holding (As certified by the Management)

(₹ in'000)

Shareholder	2014-15		2013-14	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoters- Indian				
Holding Company- Indian	122,110,660	99.46%	118,480,288	96.50%
Holding Company- Foreign	-	-	-	-
Others				
Reliance General Insurance Employees Benefit Trust	664,300	0.54%	4,294,672	3.50%
Total	122,774,960	100.00%	122,774,960	100%

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**Schedule – 6****Reserves and Surplus**

(₹ in'000)

Particulars	2014-15		2013-14	
Capital Reserve		-		-
Capital Redemption Reserve		-		-
Share Premium		16,242,881		16,242,881
General Reserve		-		-
Catastrophe Reserve		-		-
Other Reserves		-		-
Balance in Profit and Loss Account		-		-
Total		16,242,881		16,242,881

SCHEDULE – 7**Borrowings**

(₹ in'000)

Particulars	2014-15		2013-14	
Debentures/ Bonds		-		-
Banks		-		-
Financial Institutions		-		-
Others		-		-
Total		-		-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

SCHEDULE – 8

Investments

(₹ in'000)

Particulars	2014-15		2013-14	
LONG TERM INVESTMENTS				
Government securities and Government guaranteed bonds including Treasury Bills	16,126,270		12,236,993	
Other Approved Securities	704,848		1,545,371	
Other Investments :				
(a) Shares				
(aa) Equity	628,319		505,038	
(bb) Preference	-		-	
(b) Mutual Funds	-		-	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	12,047,660		7,984,220	
(e) Other securities	-		-	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	8,705,315		7,288,629	
Other than Approved Investments	558,170		675,964	
Total Long Term Investments		38,770,582		30,236,215
SHORT TERM INVESTMENTS				
Government securities and Government guaranteed bonds including Treasury Bills	-		-	
Other Approved Securities	19,930		-	
Other Investments :				
(a) Shares				
(aa) Equity	-		-	
(bb) Preference	-		-	
(b) Mutual Funds	1,049,043		-	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	7,131,744		6,333,046	
(e) Other securities	-		-	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	3,260,452		1,847,206	
Other than Approved Investments	251,512		10,688	
Total Short Term Investments		11,712,681		8,190,940
Total		50,483,263		38,427,155

1. The value of Investment Other than listed equity shares is as follows:

(₹ in'000)

Particulars	Current Year	Previous Year
Book Value	49,619,807	37,799,373
Market Value	50,387,096	37,077,566

- Government Securities includes 8.24% Government of India Securities with Maturity 22nd April, 2018 for ₹ 129,075 thousands as at 31st March 2015 (as at 31st March 2014 ₹ 131,731 thousands) as deposit u/s 7 of the Insurance Act, 1938. The above Investments are held in the Constituent Subsidiary General Ledger Account with HDFC Bank.
- All the above investments are performing assets.
- The company has not segregated the investments separately between policyholder's funds and shareholders funds, due to practical difficulty and the same has been approved by the Board of Directors as per requirement of Master circular on Preparation of Financial Statements vide circular no. IRDA-F&I-CIR-F&A-231-10-2012.

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

SCHEDULE – 9

Loans

(₹ in'000)

Particulars	2014-15		2013-14	
SECURITY-WISE CLASSIFICATION				
Secured				
(a) On mortgage of property				
(aa) In India	-		-	
(bb) Outside India	-		-	
(b) On Shares, Bonds, Govt. Securities	-		-	
(c) Others (to be specified)	-		-	
Unsecured	-		46,315	
Total		-		46,315
BORROWER-WISE CLASSIFICATION				
(a) Central and State Governments	-		-	
(b) Banks and Financial Institutions	-		-	
(c) Subsidiaries	-		-	
(d) Industrial Undertakings	-		-	
(e) Others - Trustees of Reliance General Insurance Employee's Benefit Trust	-		46,315	
Total		-		46,315
PERFORMANCE-WISE CLASSIFICATION				
(a) Loans classified as standard				
(aa) In India	-		46,315	
(bb) Outside India	-		-	
(b) Non-performing loans less provisions				
(aa) In India	-		-	
(bb) Outside India	-		-	
Total		-		46,315
MATURITY-WISE CLASSIFICATION				
(a) Short Term	-		-	
(b) Long Term	-		46,315	
Total		-		46,315

* Net of Provision of Nil (Previous Year ₹ 186) (₹ in '000)

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Schedule – 10

Fixed Assets as at 31st March, 2015

Description	Gross Block			Depreciation				Net Block		
	As at 01-04-14	Additions	Deductions	As at 31-03-15	As at 01-04-14	Adjustment on account of Schedule II of the Companies Act, 2013 (Refer Note No. 21 of Sch 17) *	For the period/ Adjustments*	Deductions	As at 31-03-15	As at 31-03-14
Furniture & Fittings	67,531	9,564	785	76,310	53,783	-	-2,439	708	50,636	13,748
Leasehold Improvements	32,758	20,433	-	53,191	29,501	-	3,529	-	33,031	3,257
Information Technology Equipment	205,060	42,812	2,154	245,719	161,615	-455	29,052	1,935	188,277	43,445
Intangible Asset (Computer Software)	499,968	120,578	-	620,546	382,222	-	57,021	-	439,243	117,746
Vehicles	930	-	-	930	813	-	81	-	894	117
Office Equipment	178,359	38,130	9,577	206,911	104,934	7,856	45,449	6,525	151,714	73,425
Plant & Machinery	7,524	-	673	6,851	4,374	777	1,653	440	6,364	3,150
TOTAL	992,130	231,517	13,189	1,210,457	737,242	8,178	134,347	9,608	870,159	254,890
Capital WIP	11,100	5,757	7,886	8,972	-	-	-	-	-	11,100
GRAND TOTAL	1,003,230	237,274	21,075	1,219,429	737,242	8,178	134,347	9,608	870,159	265,990
Previous Year (2013-14)	1,247,448	186,630	430,848	1,003,230	997,041	-	113,504	373,305	737,242	265,990

* Refer note no. 21 of Schedule 17

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Schedule – 11

Cash and Bank Balances

(₹ in'000)

Particulars	2014-15		2013-14	
Cash (including cheques, drafts and stamps on hand)		50,698		86,786
Bank Balances				
(a) Deposit Accounts				
(aa) Short - term (due within 12 months)	74,735		1,400	
(aa) Others	-		-	
(b) Current Accounts*	440,195		329,149	
(c) Cheques on Hand	220,250	735,180	226,800	557,349
Money at Call and Short Notice				
(a) With Bank	-		-	
(b) With other Institutions	-		-	
Others		-		-
Total		785,878		644,135
Balances with non-scheduled banks included in (Current Accounts) above		-		-
Total		785,878		644,135

Short term deposit represents fixed deposit given to bank for bank guarantee.

*₹ 196 009 thousand is earmarked for specified purpose in a separate bank account (refer note no. 20 of sch 17)

Schedule – 12

Advances and Other Assets

(₹ in'000)

Particulars	2014-15		2013-14	
Advances				
Reserve deposits with Ceding Companies		-		-
Application money for investments		-		-
Prepayments		46,374		34,571
Advances to Directors/ Officers		-		-
Advance tax paid and taxes deducted at source (Net of provision for taxation)		78,021		7,510
MAT Credit Entitlement		34,700		-
Others				
- Rental & Other Deposits	299,468		198,635	
- Advances to Staff	1,957		1,494	
- Unutilised Service Tax Credit and VAT	42,590		202,593	
- Other Advances & Deposits	78,340	422,355	184,954	587,676
Other Assets				
Income accrued on investments	1,880,825		1,545,911	
Outstanding Premiums	529,200		200,421	
Agents' Balances	714		719	
Foreign Agency Balances	-		-	
Due from subsidiaries/holding cos.	-		-	
Repossessed Stock	0		15	
Due from other entities carrying on insurance business	1,981,006		7,117,986	
Less Provision for doubtful debts	(335,761)		(372,243)	
Motor Pool Translition Liabilities (Unamortised Losses)	-	4,055,984	-	8,492,809
Deposit with Reserve Bank of India (Pursuant to Section 7 of Insurance Act, 1938)		-		-
Total		4,637,434		9,122,566

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Schedule – 13

Current Liabilities

(₹ in'000)

Particulars	2014-15		2013-14	
Agent's Balances		91,793		80,573
Balances due to other insurance companies		2,429,694		226,916
Premium received in Advance		84,530		45,965
Unallocated Premium		505,602		1,071,194
Sundry Creditors		1,127,389		1,264,596
Claims Outstanding	31,859,612		27,746,457	
Add : Provision for Doubtful Reinsurance Recoveries	137,330	31,996,942	135,125	27,881,582
Due to Officers / Directors		-		-
Others :				
- Unclaimed amount of policyholders	746,482		367,327	
- Environmental Relief Fund Payable (Refer Note No. 18 of Schedule 17)	51		61	
- Temporary Book Overdraft as per accounts	322,495		269,742	
- Employee Related Payables	19,230		13,837	
- Statutory Dues	85,995		61,683	
- Service Tax & VAT Liability	16,320	1,190,573	12,142	724,792
Total		37,426,523		31,295,618

Schedule – 14

Provisions

(₹ in'000)

Particulars	2014-15		2013-14	
Reserve for Unexpired Risk		8,883,956		8,984,897
For Taxation (less advance tax paid and Tax deducted at source)		-		-
Provision for doubtful debts		-		-
For Proposed Dividends		-		-
For Dividend distribution tax		-		-
Reserve for Premium Deficiency		-		-
Others :				
- For Gratuity	4,179		-	
- For Leave Encashment	16,708		14,594	
- For Risk Reserves	100,000	120,887	100,000	114,594
Total		9,004,843		9,099,491

SCHEDULE – 15

Miscellaneous Expenditure

(₹ in'000)

Particulars	2014-15		2013-14	
Discount Allowed in issue of shares/ debentures		-		-
Others (to be specified)		-		-
Total		-		-

RECEIPTS AND PAYMENTS ACCOUNT FOR YEAR ENDED 31ST MARCH, 2015

Registration No. and Date of Registration with the IRDA : Regn. No. 103 dated 23.10.2000

(₹ in'000)

Particulars	Current Period		Previous Period	
Cash flows from operating activities :				
Direct Premiums received	27,196,885		23,577,329	
Payment to re-insurers, net of commissions and claims	3,541,607		(218,539)	
Payment to co-insurers, net claims recovery	481,199		(274,184)	
Direct Claims Paid	(17,306,508)		(15,086,786)	
Direct Commission / Brokerage Payments	(1,065,413)		(1,180,744)	
Payment of other operating expenses	(5,523,995)		(4,342,189)	
Preliminary and pre-operating expenses	-		-	
Deposits, Advances, and Staff loans	(490,968)		660,118	
Service Tax (Net)	56,435		(94,734)	
Income tax paid (Net)	(105,043)		(1,702)	
Wealth tax paid	-		-	
Misc Receipts/payments	14,510		(8,725)	
Cash flow before extraordinary items		6,798,709		3,029,844
Cash flow from extraordinary operations		-		-
Cash flow from operating activities		6,798,709		3,029,844
Cash flows from investing activities :				
Purchase of investments	(46,918,212)		(28,035,131)	
Sale of Investments (Including gain/ Loss)	39,452,906		21,544,160	
Purchase of fixed Assets	(237,274)		(138,495)	
Proceeds from sale of fixed assets	10,484		6,277	
Rent/ Interest/ Dividends received	3,655,873		2,845,638	
Investment in money market instruments and in liquid mutual funds (Net)	(3,589,995)		838,282	
Repayment received on Loan Given	46,501		254,126	
Expenses related to investments	(30,000)		(24,810)	
Net Cash flow from investing activities		(7,609,718)		(2,709,953)
Cash flows from financing activities :				
Proceeds from Issuance of Share Capital	-		-	
Share Application Money Received	900,000		-	
Proceeds from borrowings	-		-	
Repayment of borrowings	-		-	
Interest/ Dividend Paid	-		-	
Cash flow from financing activities		900,000		-
Net increase in cash & cash equivalents		88,991		319,891
Cash and cash equivalents at the beginning of the year		374,393		54,502
Cash and cash equivalents at the end of the period including Bank Overdraft		463,383		374,393
Cash and cash Equivalent at the end of the period:				
Cash & Bank balance as per schedule*		785,878		644,135
Less: Temporary book over draft as per schedule		322,495		269,742
Cash and Cash Equivalent at the end including Bank Overdraft		463,383		374,393

*₹ 196,009 thousand is earmarked for specified purpose in a separate bank account (refer note no. 20 of sch 17)

Significant accounting policies and notes to accounts form an integral part of the Financial Statements refer schedule 16 & 17

As per our Audit report of even date attached.

For Singhi & Co.

Chartered Accountants
(Firm Registration no. 302049E)

Nikhil Singhi

Partner, Membership No. 061567

For Pathak H. D. & Associates

Chartered Accountants
(Firm Registration no. 107783W)

Mukesh Mehta

Partner, Membership No. 043495

Place : Mumbai

Date : May 05, 2015

For and on behalf of the Board

Rajendra Chitale

Director (DIN No.: 0015986)

H. Ansari

Director (DIN No.: 2155529)

Chhaya Virani

Director (DIN No.: 6953556)

Soumen Ghosh

Director (DIN No.: 1262099)

Rakesh Jain

Executive Director & CEO
(DIN No.: 3645324)

Hemant K. Jain

Chief Financial Officer

Mohan Khandekar

Company Secretary (Membership No. A8515)

SCHEDULE – 16

Significant accounting policies forming part of the financial statements as at 31st March 2015

1. Background

Reliance General Insurance Company Limited (“the Company”) was incorporated on August 17, 2000 as a Company under the Companies Act, 1956 (“the Act”). The Company is a subsidiary of Reliance Capital Limited. The Company obtained regulatory approval to undertake General Insurance business on October 23, 2000 from the Insurance Regulatory and Development Authority of India (“IRDAI”) and has also obtained its certificate of renewal of registration with validity until March 31, 2016.

2. Basis of Preparation of Financial Statements

The accompanying financial statements are drawn up in accordance with the Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations 2002, and orders and directions issued by IRDAI in this behalf and the Regulations framed there under read with relevant provisions of the Insurance Act, 1938 and the Companies Act, 2013 to the extent applicable. The financial statements have been prepared under historical cost convention and on accrual basis in accordance with the generally accepted accounting principles, in compliance with the Accounting Standard (AS) to the extent applicable and conform to the statutory provisions in regard to general insurance operations in India.

3. Use of Estimates

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

4. Revenue Recognition

a. Premium income

Premium (net of service tax) is recognized as income over the contract period or the period of risk whichever is appropriate. Any subsequent revisions to or cancellations of premium are recognised in the year in which they occur.

b. Income from reinsurance ceded

- i. Commission income on reinsurance ceded is recognized as income in the period in which reinsurance premium is ceded.
- ii. Profit commission under reinsurance treaties, wherever applicable, is recognized on accrual basis. Any subsequent revisions of profit commission are recognized in the year in which final determination of the profits are intimated by reinsurers.

c. Income earned on investments

Interest income is recognized on accrual basis. Accretion of discount and amortization of premium relating to debt securities is recognized over the holding / maturity period on constant yield to maturity method. Dividend is recognized when right to receive dividend is established.

Realised profit or loss on sale/redemption of securities is recognized on trade date basis. In determining the realised profit and loss, the cost of securities is arrived at on weighted average cost basis. Further, in case of listed equity shares and mutual funds the profit and loss also includes accumulated changes in the fair value previously recognized in the fair value change account under the equity and includes effects on accumulated fair value changes, previously recognized, for specific investments sold/redeemed during the year.

5. Premium Received in Advance

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

6. Reinsurance Premium

- i. Insurance premium ceded is accounted in the year in which the risk commences and recognized over the Contract period. Any subsequent revision to refunds & cancellation of policies are recognized in the year in which they occur.
- ii. Reinsurance inward is accounted to the extent of the returns received from the reinsurer.

7. Reserve for Unexpired Risk

Reserve for unexpired risk is made on the amount representing that part of the net premium written which attributable to, and to be allocated to the succeeding accounting period using 1/365 method.

8. Claims Incurred

Claims incurred comprises of claims paid (net of salvage and other recoveries), estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey / legal fees and other directly attributable costs.

Salvaged vehicles are recognized on realization basis.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognised on the date of intimation on management estimates of ultimate amounts likely to be paid on each claim based on the past experience. These estimates are progressively revalidated on availability of further information.

IBNR represents that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims IBNER. Estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER') is based on actuarial estimate duly certified by the appointed actuary of the Company.

9. Acquisition Cost

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts and are expensed in the period in which they are incurred.

10. Loans

Loans are stated at historical cost, subject to provision as per master circular IRDA/F&I/CIR/F&A/231/10/2012 dated October 5th, 2012 and impairment, if any.

11. Premium Deficiency

Premium deficiency is recognized if the ultimate amount of expected net claim costs, related expenses and maintenance costs exceeds the sum of related premium carried forward to subsequent accounting period as the reserve for unexpired risk. Premium deficiency is recognised for the Company as a whole, on an annual basis as per IRDAI circular IRDA/F&A/CIR/FA/126/07/2013. The Company considers maintenance cost as relevant costs incurred for ensuring claim handling operations.

12. Investments

- i. Investments maturing within twelve months from the Balance Sheet date are classified as short term investments. Investments other than short term investments are classified as long term investments
- ii. Investments are carried at cost on weighted average basis. Cost includes brokerage, securities transactions tax, stamp duty and other charges incidental to transactions.
- iii. Investment in debt securities is shown in the Balance sheet at historical cost subject to amortisation/accretion of the premium/discount over the maturity period based on constant yield to maturity method.

- iv. Investment in equity shares as at the Balance Sheet date is stated at fair value and fair value is the last quoted closing price on the National Stock Exchange. However, in case of any stock not being listed in National Stock Exchange, then the last quoted closing price in Bombay Stock Exchange is taken as fair value. Unrealized gains/losses are credited / debited to fair value change account.
- v. Investment in Mutual Funds units is stated at latest available Net Asset Value (NAV) at the time of valuation at Balance Sheet date. Unrealized gains/losses are credited / debited to fair value change account.
- vi. In accordance with the regulations, unrealized gain/loss arising due to changes in fair value of listed equity shares is taken to the fair value change account. This balance in the fair value change account is not available for distribution, pending crystallizations.

13. Impairment of Investments

The Company assesses at each Balance Sheet date whether there is any indication that any investment in equity or units of mutual funds is impaired. If any such indication exists, the carrying value of such investment is reduced to its recoverable amount and the impairment loss is recognized in the revenue(s)/profit and loss account. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and investment is restated to that extent.

14. Employee Stock Option Plan

The company follows the intrinsic method for computing the compensation cost, for options granted under the Plan. The difference, if any, between the intrinsic value and the exercise price, being the compensation cost is amortized over the vesting period of the options.

15. Fixed Assets & Depreciation/Amortisation

- i. Fixed assets are stated at cost less accumulated depreciation.
- ii. Depreciation on Fixed Assets is provided on useful life basis at the rates and the manner provided in Schedule II of the Companies Act, 2013.
- iii. Lease Hold Improvements, is amortized over the primary period of lease.
- iv. Assets purchased for value not exceeding ₹ 5000/- is fully depreciated in the year of purchase.
- v. Intangible assets are stated at cost of acquisition less accumulated amortization. The same is amortized over a period of four years on straight line basis as per technical advice.
- vi. Based on the technical advice, the use lives for Mobile Handset, Camera, Tablet PC are amortized over a period of two years on straight line basis.

16. Impairment of Assets

The Company assesses at each Balance Sheet Date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognized in the profit and loss account. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

17. Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments of assets/premises taken on operating lease are recognised as an expense in the revenue and profit and loss account over the lease term on straight-line basis.

18. Employee Benefits

I. Short Term Employee Benefits

All employee benefits payable within 12 months of rendering of services are classified as short term employee benefits. All Short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

II. Long Term Employee Benefits

All employee benefits other than short term employee benefits are classified as long term employee benefits. The Company has both defined contribution and defined benefits plan.

A. Defined Contribution Plan**Provident fund**

Each eligible employee and the Company make an equal contribution at a percentage of the basic salary specified under the Employees Provident Funds and Miscellaneous Provisions Act, 1952. The Company has no further obligations under the plan beyond its periodic contributions. The Company contribution towards this fund is charged to profit and loss account and revenue accounts as applicable.

Superannuation

The Company has incorporated a superannuation trust. The superannuation contribution is based on a percentage of basic salary payable to eligible employees for the period of service. The Company contribution towards this trust is charged to profit and loss account and revenue accounts as applicable.

B. Defined Benefit Plan

The Company has incorporated a gratuity trust. Gratuity, which is a defined benefit scheme is accounted for on projected credit unit method on the basis of an actuarial valuation done at the year end and is charged to the profit and loss account and revenue accounts as applicable.

III. Other Long Term Employee Benefits

Accrued leave is a long term employee benefit. Compensated absences are provided based on actuarial valuation as at Balance Sheet date and is recognized in the profit and loss account and revenue accounts as applicable.

19. Foreign Currency Transaction

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies at the year end are reinstated at the year end rates. Non-monetary foreign currency items are carried at cost. Any gain or loss on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account and Revenue Accounts as applicable.

20. Forward Contract Transaction

In case of forward exchange contracts entered into, to hedge the foreign currency exposure in respect of monetary items, the difference between the exchange rate on the date of such contracts and the period end rate is recognized in the Statement of Profit and Loss. Any profit / loss arising on cancellation of forward exchange contract is recognized as income or expense of the year.

21. Provision for Taxation

The Company provides for Income Tax in accordance with the provisions of Income Tax Act 1961. Provision for Income Tax is made on the basis of estimated taxable income for the year at current rates. Tax expenses comprises of both Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amounts of Income Tax payable/recoverable in respect of the taxable income/loss for the reporting period.

Deferred Tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future, however, where there is unabsorbed depreciation and carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty backed by the convincing evidence of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and are appropriately adjusted to reflect the amount that is reasonably or virtually certain to be realized.

In accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India and in accordance with the provisions of the Income tax Act, 1961, Minimum Alternative Tax (MAT) credit is recognized as an asset to the extent there is convincing evidence that the Company will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

22. Allocation of Expenses

Operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

- Expenses, which are attributable and identifiable to the business segments, are directly charged to relevant business segment. This is determined by the management, based on the nature of the expenses and their relationship with various business segments, wherever possible
- Other expenses, that are not identifiable to a segments, are allocated on the basis of ratio of net written premium in each business class

Expenses relating to investment activities are charged to profit and loss account.

23. Allocation of Investment Income

Investment Income has been allocated between revenue accounts and profit and loss account on the basis of the ratio of average policyholders funds to average shareholders funds respectively; average being the balance at the beginning of the year and at the end of the year. Further, investment income between policyholders is allocated on the basis of the ratio of average policyholders' funds comprising reserves for unexpired risks, IBNR, IBNER and outstanding claims.

24. Earnings per share (EPS)

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted EPS comprises of weighted average number of shares considered for deriving basic EPS and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion of equity shares would decrease the net profit per share from continuing ordinary operations.

25. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

SCHEDULE – 17

Notes forming part of the Accounts as on 31st March 2015

1. Contingent Liabilities:

Particulars	(₹ in '000)	
	At March 31, 2015	At March 31, 2014
Partly paid up investments	-	-
Underwriting commitments outstanding	-	-
Claims, other than under policies, not acknowledged as debt (Net)	14,706	12,612
Guarantees given by or on behalf of the company	75,285	1,050
Statutory demands/liabilities in dispute, not provided for (Amount paid under dispute ₹ 2,310 thousand ,see note below)	3,172	2,310
Reinsurance obligations to the extent not provided for in accounts	-	-
Others	-	-

Note:- The company had disputed the demand raised by the Income tax department for non deduction of tax at source and penalty for A. Y. 2009-10 for ₹ 1,238 thousands and ₹ 1,072 thousands respectively (Previous ₹ 1,238 thousands and ₹ 1,072 thousands respectively). Also during the current financial year, Company has received two new demands for ₹ 495 thousands u/s 271(1)(c) relating to Assessment Year 2012-13 and ₹ 367 thousands u/s 143(3) read with section 148 relating to Assessment Year 2007-08. We have filed an appeal with CIT(A) and filed a rectification letter against the demands received u/s 271(1)(c) and u/s 143(3) for Assessment year 2012-13 and 2007-08 respectively.

2. The management is continuously in the process of identifying enterprises which have been provided goods and services to the Company which qualify under the definition of medium and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly the disclosure in respect of the amount payable to such Micro, Small and Medium enterprises as at 31st March, 2015 has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

3. There are no encumbrances to the assets of the company in and outside India.

4. The company has not invested any amount in real estate in the current financial year.

5. Commitments:

- There are no commitments made and outstanding for Loans in the current financial year (Previous year Nil).
- The commitments made and outstanding for Investments are Nil (Previous year ₹ 3,129 thousands).
- Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets (net of advances) is ₹ 11,434 thousands (Previous year ₹ 57,509 thousands).

6. Premium:

- All premiums net of reinsurance are written and received in India.
- Premium income recognised on "Varying Risk Patten" is Nil. (Previous year: Nil)

7. Claims:

- Claims net of reinsurances are incurred and paid to claimants in/outside India as under:

(₹ in '000)

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
In India	13,926,699	12,709,414
Outside India	51,389	38,007

- There are no claims which are settled and unpaid for a period of more than six months as on the Balance Sheet date.
- Ageing of gross claims outstanding is set out in the table below:

(₹ in '000)

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
More than six months	16,871,789	14,582,930
Others	4,450,247	4,967,627

- Claims where the claim payment period exceeds four years is Nil. (Previous year Nil)

8. Investments:

- Value of contracts in relation to investments for:

(₹ in '000)

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Purchases where deliveries are pending	-	3,129
Sales where payment are overdue	-	-
Sales where deliveries are pending	-	86,181

- Historical cost of investments valued at fair value on Balance Sheet date is ₹ 1,988,592 thousands (Previous year ₹ 620,824 thousands).

9. Reserve for unexpired risk :

Reserve for unexpired risk (URR) for the current year has been computed on the basis of 1/365 method i.e. actual number of days left in the policy period divided by total number of days of policy period.

In the previous year, the above URR was subject to a minimum of 100% in case of marine hull business and 50% in case of other business, of net written premium, of unexpired policies as on the balance sheet date (i.e. those policies are not considered, where policy period has lapsed during the year itself based on IRDAI circular no. IRDA/F&A/CIR/FA/126/07/2013) as required by Section 64V (1)(ii)(b) of the Insurance Act, 1938. This change in the previous year had resulted in decrease in URR creation amount of ₹ 645,304 thousand with consequential impact in respective revenue accounts and accordingly previous year figures are not comparable to the current year.

During the current year, the minimum of 100% in case of marine hull business and 50% in case of other business, of net written premium, of unexpired policies as on the balance sheet date is not considered for the purpose of URR calculation based on IRDAI circular no. IRDA/F&A/CIR/FA/126/07/2013. Had the Company continued accounting on the basis of the minimum requirement, it would have resulted in creation of additional unexpired risk reserve amounting to ₹ 586 thousands with consequential impact on the respective revenue accounts.

10. Employee Benefits:

- i. Defined Contribution Plan: During the year, Company has recognized ₹ 43,991 thousands as expenses (Previous year ₹ 38,616 thousands)
- ii. Defined Benefit Plan: The disclosure required under the define benefit plan as per AS 15 for gratuity fund is as follow:

(₹ in '000)

Gratuity	For the Year ended March 31, 2015	For the Year ended March 31, 2014
I. Assumptions		
Discount Rate	8.08%	9.31%
Rate of Return on Plan Assets	8.08%	9.31%
Salary Escalation	6.00%	5.00%
II. Table Showing Change in Benefit Obligation		
Liability at the beginning of the Year	45,727	43,795
Interest Cost	4,257	3,612
Current Service Cost	10,167	11,048
Benefit Paid	(12,591)	(14,140)
Actuarial Gain/(Loss) on Plan Obligation	31,750	1,412
Liability at the end of the Year	79,310	45,727
III. Tables of Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the Year	49,595	39,117
Expected Return on Plan Assets	4,617	3,403
Contributions	28,788	20,924
Benefit Paid	(12,591)	(14,140)
Actuarial Gain/(Loss) on Plan Assets	4,722	291
Fair Value of Plan Assets at the end of the Year	75,131	49,595
Total Actuarial Gain/(Loss) to be recognised	27,028	1,121
IV. Actual Return on Plan Assets		
Expected return on Plan Assets	4,617	3,403
Actuarial Gain/(Loss) on Plan Assets	4,722	291
Actual return on Plan Assets	9,339	3,694

(₹ in '000)

Gratuity	For the Year ended March 31, 2015	For the Year ended March 31, 2014
V. Amount Recognised in the Balance Sheet		
Liability at the end of the Year	79,310	45,727
Fair Value of Plan Assets at the end of the Year	75,131	49,595
Difference	4,178	(3,868)
Amount Recognised in the Balance Sheet	4,178	(3,868)
VI. Expenses Recognised in the Income Statement		
Current Service Cost	10,167	11,048
Interest Cost	4,257	3,612
Expected Return on Plan Assets	4,617	3,403
Net Actuarial Gain/(Loss) to be recognized	27,028	1,121
Expense Recognised in P&L	36,835	12,378
VII. Amount Recognised in the Balance Sheet		
Opening Net Liability	(3,868)	4,678
Expense as above	36,835	12,378
Employers Contribution Paid	(28,788)	20,924
Closing Net Liability	4,178	(3,868)

Experience adjustments

	Year ended March 31,2015	Year ended March 31,2014	Year ended March 31,2013	Year ended March 31,2012	Year ended March 31,2011
Defined benefits obligations	79,310	45,727	43,795	35,090	30,300
Plan assets	75,131	49,596	39,117	30,097	33,533
Surplus/ (Deficit)	(4,178)	3,869	(4,678)	(4,993)	3,233
Experience adjustment for plan liabilities (Gain)/ Losses	15,910	670	828	(538)	(6,110)
Experience adjustment for plan liabilities (losses)/Gains	4,722	291	-111	(1,454)	(753)

As the gratuity fund is managed by Reliance Life Insurance Company, details of its investments are not available with the Company.

11. Deferred Taxes:

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

(₹ in '000)

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Deferred Tax Asset		
Related to Fixed Assets	7,181	35,833
Related to Leave Encashment Provision	5,421	4,733
Unabsorbed Depreciation	360,134	332,169
Total	372,735	372,735
Deferred Tax Asset/(Liability)(Net)	372,735	372,735
Deferred Tax Expense/(Income) recognised in Profit and Loss A/c	-	-

12. Employee Stock Option Plan (ESOP):

The company had introduced the Employee Stock Option Plan during the F. Y. 2008-09 under which options were granted to the employees of the Company on the basis of their performance and other eligibility criteria. During the year the Company granted Nil equity shares (Previous year Nil) to Reliance General Insurance Employees' Benefit Trust. These options are planned to be settled in cash or equity at the time of exercise and have maximum period of 7 years from the date of respective grants. The plan existing during the year is as follows:

Exercise Period	On completion of 3 years	30%
	On completion of 4 years	30%
	On completion of 5 years	40%

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:

Particulars	For the Year ended March 31, 2015			For the Year ended March 31, 2014		
	No. of Stock Options	Weighted Average Exercise Price (₹)	Weighted Average remaining Contractual Life (Years)	No. of Stock Options	Weighted Average Exercise Price (₹)	Weighted Average remaining Contractual Life (Years)
Outstanding at the beginning of the year	414,900	70	0.42	414,900	70	1.42
Granted	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Lapsed/Forfeited/Surrendered	414,900	-	-	-	-	-
Outstanding at the end of the year	-	-	-	414,900	70	-
Exercisable at the end of the year	-	-	-	414,900	70	-

As there are no exercisable options as at the year end there is no requirement of valuation or accounting of the same.

13. Premium Deficiency:

In accordance with circular no IRDA/F&A/CIR/FA/126/07/2013 there is no premium deficiency for the Company as a whole, on an annual basis.

14. Details of Outsourcing, Business Development and Marketing Support Expenses:

(₹ in '000)

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Outsourcing Expenses	958,742	827,006
Business Development	1,564,644	1,306,529
Marketing Support	340,735	380,849

15. Terrorism Pool:

In accordance with the requirements of IRDAI, the company together with other insurance companies participates in the Terrorism Pool. This pool is managed by the General Insurance Corporation of India (GIC). Amount collected as terrorism premium in accordance with the requirements of the Tariff Advisory Committee (TAC) are ceded at 100% of the terrorism premium collected to the Terrorism Pool.

In accordance with the terms of the agreement, GIC retrocedes to the company, terrorism premium to the extent of the company's share in the risk which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly statements received from GIC. The reinsurance accepted on account of terrorism pool has been recorded in accordance with the last statement received from GIC

The Company has created liability to the extent of 50% of premium retroceded to the company through reserve for unexpired risks.

16. Indian Motor Third Party Insurance Pool (IMTPIP):

- (a) In accordance with the directions of IRDAI, the Company, together with other insurance companies, had participated in the Indian Motor Third Party Insurance Pool (IMTPIP). The IMTPIP was a multilateral reinsurance arrangement, in which all member companies were compulsorily required to participate. The IMTPIP was administered by the General Insurance Corporation of India ('GIC'). The IMTPIP had covered reinsurance of third party risks of specified motor vehicles ("Specified Risks"). Amounts collected as premium in respect of Specified Risks were ceded at 100% of such premium, 100% of claims incurred against risks ceded being recoverable from the pool.

In accordance with the terms of the agreement, each participant company was compulsorily required to share in the revenues, expenses, assets and liabilities of the IMTPIP, including Unexpired Risks Reserve, in the proportion that the company's Gross Direct Premium written in India (GDPI), bears to the total GDPI of all participant companies. The Company's share as specified above had been recorded based on the returns submitted by GIC, under the respective heads.

- (b) IRDAI through its Orders dated December 23, 2011, January 3, 2012 and March 22, 2012 had directed the dismantling of the Pool on a clean cut basis and advised recognition of the Pool liabilities as per loss ratios estimated by Government's Actuary Department UK ("GAD Estimates") at 159%, 188%, 200%, 213% and 145% for underwriting year 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 respectively with the option to recognise the additional liabilities for the period 2009-10, 2010-11 and 2011-12 over a three year period, The company had exercised this option and IMTPIP liability relating to underwriting years 2009-10, 2010-11, 2011-12 is being recognized based on straight line basis over three years beginning with financial year 31st March, 2012. Accordingly, the profit of the company for the financial year 2013-14 was lower by ₹ 792,765 thousands pursuant to recognition of the liability pertaining to the dismantling of IMTPIP.
- (c) During the year 2013-14, Company had also accounted investment income of ₹ 786,461 thousands (including ₹ 472,898 thousands pertaining to earlier period) as interest income from IMTPI Pool as per IRDAI Order No. IRDA/F&A/ORD/MTPP/070/03-2012 dated March 22, 2012 read with IRDAI Order No. IRDA/NL/ORD/MPL/100/03/2014. In the current year, The pool account is settled with the receipt of payment on account of dismantling of pool.

Accordingly figures of the current year are not comparable to the previous year to the above extent.

17. Indian Motor Third Party Decline Risk Pool (IMTPDRP):

In accordance with the directions of IRDAI, the Company, together with other insurance companies, is participating in the Indian Motor Third Party Decline Risk Pool (IMTPDRP). The IMTPDRP is a multilateral reinsurance arrangement, in which all member companies are compulsorily required to participate. The IMTPDRP is administered by the General Insurance Corporation of India (GIC).

The Authority vide Order dated January 03, 2012 has created IMTPDRP for Act only Commercial Vehicle third party risks i.e. Act only policies.

Under this arrangement, any business relating to Act only policies of Commercial Vehicles which does not fall within the underwriting parameters of insurers shall be ceded to IMTPDRP. This arrangement is called the Declined Risk Pool.

IRDAI has mandated that every insurer has to comply with the obligation to underwrite a minimum percentage of such policies that is calculated as an average of insurer's total gross premium percentage share in the industry and gross motor premium percentage share in the industry.

The insurers are required to retain 20% of such risk, while 5% is ceded to GIC under obligatory cession and remaining 75% ceded to IMTPDRP.

The Company has received its share of premium, claims and expenses of the pool, which is recorded as inward reinsurance business, based on the statement received from GIC. Accordingly the Company has recognized pool retrocession up to 9 month period ended 31st December 2014, the accounts for which statement received.

Company has accounted for its share in Decline Risk Pool for the 3 months period January 2015 to March 2015 on provisional basis based on management estimate and recorded the net amount if any under claims incurred. Unexpired risks reserve is provided for at 50% of net premium of such inward business.

18. Contribution to Environment Relief Fund:

During the year, Company had collected ₹ 1,443 thousand (Previous year ₹ 6,123 thousand) towards Environment Relief Fund (ERF) for public liability policies, Out of which an amount of ₹ 1,392 thousand (Previous year ₹ 6,062 thousand) transferred to "United India Insurance Company Limited, Environment Fund Ac. count" as per Notification of ERF scheme under the public liability Insurance Act, 1991 as amended, balance amount of ₹ 51 thousand (Previous year ₹ 61 thousand) is shown under current liabilities in schedule 13.

19. Contribution to Solatium Fund:

In accordance with the requirements of the IRDAI circular dated March 18, 2003 and based on recommendations made at the General Insurance Council meeting held on February 4, 2005, the Company has provided 0.1% of gross written premium on all motor third party policies (excluding reinsurance premium accepted on motor third party for commercial vehicles) towards contribution to the solatium fund.

20. The Company had in February 2006 obtained Regulatory approval for a health product titled "Reliance Health Care Insurance Policy" which was launched as a retail product in December 2006 under the name "Reliance HealthWise Policy".

Based on the review of product performance, the Company has effected increase in premium w.e.f. 1st December 2007. IRDAI in May 2008 raised the issue concerning the change in name and pricing of the product. IRDAI has subsequently issued show cause notice to the Company and had imposed a penalty of ₹ 2,000 thousands on the Company in the year 2009-10. The Company had subsequently remitted the penalty amount of ₹ 2,000 thousands to IRDAI.

Based on further inquiry in the matter in the current year, it came to notice that excess premium was charged by the company which based on advice from the IRDAI vide its letter dated 16th October, 2014, is to be refunded to the policyholder and the letter directed the Company to take following actions:

1. Open a separate bank account and deposit the now declared excess premium charged during the year 2007-08 and 2008-09.
2. Identify each and every policyholder from whom excess amount has been received and refund the same along with appropriate interest at 2% above the current Bank rate.
3. Issue advertisements in the media to draw the attention of the policyholders regarding refund due to them as a result of the excess collection.

Accordingly the Company has taken the following actions:

1. The Company has reversed premium amounting to ₹ 196,023 thousand as per the directions of the IRDAI vide letter dated 16th October, 2014 and has transferred equivalent amount of ₹ 196,023 thousand to a separate bank account towards the base premium refund amount.
2. During the year, the Company has also provided ₹ 148,050 thousand (including ₹ 10 thousand paid during the year) towards interest liability upto the period 31st March 2015 on the unpaid cases. Thus a total impact of ₹ 344,073 thousand including premium reversal has been charged to Profit & Loss Account and respective Revenue Account for the period.
3. The Company has issued several advertisements & taken various other steps to draw attention of various policyholder & to expedite refunds due to them as a result of such excess collection.

21. Effective April 1, 2014, pursuant to and in line with the requirements of Part C of Schedule II of the Companies Act, 2013 during the year ended March 31, 2015; the Company has reviewed its policy of providing for depreciation on its tangible fixed assets and also reassessed their useful lives. On and from April 1, 2014, the straight line method is being used to depreciate all classes of tangible fixed assets. Previously, straight line method was used for depreciating certain office equipment and computer while other tangible fixed assets were depreciated using written down value method.

As a result following changes with respect to provision for depreciation have been effected.

- a) In respect of assets where remaining useful life as on April 1, 2014 is 'Nil', their carrying amounts after retaining the residual value, if any, aggregating to ₹ 8,178 thousands, has been adjusted against the opening balance of retained earnings as on that date.
- b) In respect of other assets, depreciation is provided under the Straight Line Method (SLM). Their carrying amount as at April 1, 2014 is depreciated over their useful lives. Pursuant to this, the depreciation for the year ended March 31, 2015 is higher by ₹ 25,696 thousands. There has also been a change of method of charging depreciation from Written Down Value (WDV) to SLM, in respect of certain assets. The depreciation on such assets has been re-computed retrospectively and the resultant surplus as at April 1, 2014 of ₹ 5,981 thousands has been credited to the profit of the Company for the year ended March 31, 2015.
- c) During the year, the Company had changed the useful life of the intangible assets from 3 years to 4 year based on management estimates. Pursuant to above change in estimates, the profit of the Company is higher by ₹ 26,477 thousand

22. The MAT credit entitlement amounting to ₹ 34,700 thousand has been recognised as an asset based on the future economic benefits associated with it that will flow to the Company.

23. Leases:

In respect of premises taken on operating lease, the lease agreements are generally mutually renewable/ cancellable by the lessor/lessee except for some premises.

Non Cancellable Operating Lease

The total of future minimum lease rent payable under operating lease for premises & assets for each of the following periods:

(₹ in '000)

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Not later than one year	22,967	52,841
Later than one year and not later than five years	17,529	28,110
Later than five years	-	-

Lease payment debited to the Revenue account during the year ₹ 178,064 thousands (Previous year ₹ 231,275 thousands).

24. Sector wise business based on Gross Direct Premium (GDP):

Particulars	For the Year ended March 31, 2015		For the Year ended March 31, 2014	
	GDP (₹ in '000)	% of GDP	GDP (₹ in '000)	% of GDP
Rural	2,844,865	10.48	2,110,538	8.84
Urban	24,313,456	89.52	21,777,711	91.16
Total	27,158,321	100.00	23,888,249	100.00

Particulars	For the Year ended March 31, 2015		For the Year ended March 31, 2014	
	GDP (₹ in '000)	No. of lives	GDP (₹ in '000)	No. of lives
Social Sector	19,538	212,087	24,971	296,439

25. Extent of risk retained and reinsured is set out below (excluding excess of loss and catastrophe reinsurance)

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	% of business written	% of business written
Risk Retained	71%	78%
Risk Reinsured	29%	22%

26. Managerial Remuneration:

(₹ in '000)

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Salaries	29,791	27,557
Contribution to Provident Fund and Superannuation	2,524	1,901
Provision for Gratuity and Leave Encashment	1,385	1,043

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

The managerial remuneration in excess of ₹ 15,000 thousands for each managerial personnel has been charged to Profit & Loss Account.

27. Basis used by Actuary for determining IBNR / IBNER:

The liability for IBNR and IBNER as at 31st March 2015 has been estimated by the Appointed Actuary as per IRDAI circular Ref: 11/IRDA/ACTL/IBNR/2005-06 dated 8th June 2005.

For lines of business other than motor third party, the estimation was carried out using past trends in claims experience as indicated by paid claims chain ladder approach. Bornhuetter-Ferguson method of estimation was also applied for some lines as considered appropriate by the Appointed Actuary.

For motor third party line of business, the estimations were done using ultimate loss ratio method. For liabilities relating to erstwhile motor third party pool and declined risk pool, the ultimate loss ratios as specified in regulatory circulars were referred to in determining the estimates.

28. Till last year, the Company was allocating operating expenses relating to insurance business on net written premium and investment income on gross direct premium in each business class. During the last quarter of the current year, the Company has reviewed and refined the basis of allocation of operating expenses and investment income (refer point no. 22 & 23 of schedule 16) to the shareholders and various revenue accounts. The consequent impact of changes in the basis of allocation on the operating results for revenue accounts and Profit & Loss Account for the year ended March 31, 2015 is as under:

- Operating profit of Fire account is lower by ₹ 155,473 thousand
- Operating loss of Marine account is higher by ₹ 23,844 thousand
- Operating loss of Miscellaneous account is lower by ₹ 276,056 thousand
- Allocation to shareholder account in the Profit and loss account is lower by ₹ 96,738 thousand

29. As per IRDAI Circular No 005/IRDA/F&A/CIR/MAY-09 dated May 07, 2009, below table mentions the details of the penalty imposed by various regulators and Government authorities:

(₹ in '000)					
SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/Reduced
1	Insurance Regulatory and Development Authority	Non Compliance in respect of IMTPDRIP for 2012-13.	Nil (500)	Nil (500)	Nil (Nil)
2	Service Tax Authorities	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
3	Income Tax Authorities	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
4	Any other Tax Authorities	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	Enforcement Directorate/Adjudicating Authority/Tribunal or any Authority under FEMA	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 1956	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
8	Securities and Exchange Board of India	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
9	Competition Commission of India	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
10	Any other Central/State/Local Government/Statutory Authority	None	Nil (Nil)	Nil (Nil)	Nil (Nil)

30. As per IRDAI Master Circular IRDA/F&I/CIR/F&A/231/10/2012 dated October 5th, 2012 and Corrigendum on Master Circular IRDA/F&I/CIR/F&A/126/07/2013 dated July 3rd, 2012, below table mention the age-wise analysis of unclaimed amount of the policyholders as on 31st March, 2015:

(₹ in '000)							
Particulars	Total	4-12 Months	13-18 Months	19-24 Months	25-30 Months	31-36 Months	Beyond 36 Months
a. Claim Settled but not paid to the policy holders/insured due to any reason except under litigation from the insured/policyholders.	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
b. Any other sum due/payable to the insured/policyholder on completion of the policy terms or otherwise.	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
c. Any excess collection of premium/tax or any other charges which is refundable to the policyholders either as per the terms of the conditions of the policy or as per law or as per the direction of the authority but not refunded so far.	383,592 (35,664)	154,888** (5,585)	2,880 (2,288)	2,090 (2,895)	2,219 (4,763)	2,895 (2,450)	218,620* (17,683)
Cheques Issued by the company under "a", "b" or "c" above & cheques have not been encashed by the policyholders/Insured.	362,890 (331,663)	68,940 (61,019)	20,793 (31,085)	17,895 (18,428)	21,548 (23,114)	17,412 (18,353)	216,302 (179,664)

*Includes ₹ 196,009 thousands with respect to refund endorsement passed in Q3 FY 2014-15 on account of Healthwise Policies issued in 2007-08 and 2008-09 (refer note no. 20 above).

**This includes ₹ 148,040 thousand with respect to interest payable till 31st March, 2015 on Healthwise Policies refund mentioned above.

Reliance General Insurance Company Limited

31. As per the requirement of Accounting Standard 18 'Related Party Disclosures' as notified by the Companies (Accounting Standard) Rules, 2006, following are the list of related parties with the relationship.

1. List of related parties relationships, where control exists.

Ultimate Holding Company	
Reliance Innoventures Private Limited (RIPL) (Up to March 26,2015)	
Holding Company	
Reliance Capital Limited	
Subsidiaries of Holding Company	
1.	Reliance Capital Asset Management Limited
2.	Reliance Equity Advisors (India) Limited (ceased w.e.f. July 2, 2014)
3.	Reliance Money Express Limited
4.	Reliance Home Finance Limited
5.	Reliance Securities Limited
6.	Reliance Spot Exchange Infrastructure Limited
7.	Transasia Composite Insurance Broking Limited (ceased w.e.f. June 30, 2014)
8.	Quant Capital Private Limited
9.	Reliance Capital Trustee Co. Ltd.
10.	Reliance Wealth Management Limited
11.	Reliance Money Solutions Private Limited
12.	Reliance Commodities Limited
13.	Reliance Money Precious Metals Private Limited
14.	Reliance Capital Pension Fund Limited
15.	Reliance Financial Limited
Subsidiaries of Ultimate Holding Company (Up to March 26,2015)	
16.	Reliance Infratel Limited
17.	Reliance Infocomm Infrastructure Private Limited
18.	Big Animation (India) Private Limited
19.	Reliance Communications Infrastructure Limited
20.	Zapak Mobile Games Private Limited (Formerly Jump Games Private Limited)
21.	Zapak Digital Entertainment Limited
22.	Reliance Telecom Limited
23.	Big Flicks Private Limited
24.	Reliance Big Broadcasting Pvt Ltd
25.	Reliance Big Entertainment Pvt Ltd
Person Having Control	
Shri Anil D. Ambani	
Key managerial personnel	
Rakesh Jain (Executive Director & CEO)	

2. Transaction during the period with related parties:

(₹ in '000)					
S. No.	Name of the Related Party	Relationship	Nature of transaction	For the Year ended March 31, 2015	For the Year ended March 31, 2014
1	Reliance Capital Ltd.	Holding Company	Premium Received	28,081	3,874
			Claim Paid	95	309

(₹ in '000)

S. No.	Name of the Related Party	Relationship	Nature of transaction	For the Year ended March 31, 2015	For the Year ended March 31, 2014
			Reimbursement received for expenses (Rent, Communication, Electricity, Canteen expenses)	5,306	13,644
			Reimbursement paid for expenses:- Rent, Communication, Electricity, Professional fees, Maintenance Charges	7,665	18,835
			Reimbursement paid for IT services	27,374	36,723
			Management fees Paid	60,000	60,000
			Interest Accrual on Debenture	100,494	90,479
			Share Application Money Received	900,000	-
			Outstanding balance in Customer Deposit (CD) A/c	1,324	1,464
			Debtors	564	458
2	Reliance Capital Asset Management Ltd.	Fellow Subsidiary	Premium Received	10,468	7,680
			Claim Paid	143	445
			Reimbursement received for expenses (Rent, Communication, Electricity, Canteen expenses)	753	1,418
			Outstanding balance in CD A/c	3,374	1,087
			Debtors	202	73
3	Reliance Equity Advisor (India) Ltd.	Fellow Subsidiary	Premium Received	626	478
			Outstanding balance in CD A/c	15	15
4	Reliance Home Finance Ltd.	Fellow Subsidiary	Premium Received	1,714	1418
			Outstanding balance in CD A/c	158	25
5	Reliance Money Express Ltd.	Fellow Subsidiary	Premium Received	1,380	24
			Foreign Currency Purchased	3,548	1,778
			Outstanding balance in CD A/c	554	434
6	Reliance Securities Ltd.	Fellow Subsidiary	Premium Received	4,279	37
			Claim Paid	--	10
			Reimbursement received for expenses (Rent, Communication, Electricity, Canteen expenses)	1,935	1,770
			Brokerage paid for stock exchange trading	91	31
			Outstanding balance in CD A/c	8	-
			Debtors	181	500
7	Reliance Spot Exchange Infrastructure Ltd.	Fellow Subsidiary	Outstanding balance in CD A/c	22	22
8	Reliance Innoventures Pvt. Ltd. (RIPL)(Up to March 26, 2014)	Ultimate Holding Company	Premium Received	3,250	2,645
9	Transasia Composite Insurance Broking Limited (ceased w.e.f June 30, 2014)	Fellow Subsidiary	Premium Received	415	-
			Brokerage	22,220	20,635
			Creditors	-	62
10	Quant Capital Pvt. Ltd.	Fellow Subsidiary	Premium Received	37	449

(₹ in '000)

S. No.	Name of the Related Party	Relationship	Nature of transaction	For the Year ended March 31, 2015	For the Year ended March 31, 2014
11	Reliance Capital Trustee Co. Ltd.	Fellow Subsidiary	Premium Received	10,674	32,643
12	Reliance Wealth Management Limited	Fellow Subsidiary	Premium Received	82	-
			Outstanding balance in CD A/c	1	-
13	Reliance Big Broadcasting Private Limited	Fellow Subsidiary	Premium Received	-	35
			Debtors	474	474
14	Reliance Infratel Limited	Fellow Subsidiary	Premium Received	35	205
15	Reliance Big Entertainment Private Limited	Fellow Subsidiary	Premium Received	25	60
16	Reliance Communication Infrastructure Limited *	Fellow Subsidiary	Premium Received	145	98
			Reimbursement received for expenses (Rent, Communication, Electricity, Canteen expenses)	391	716
			Payments towards Information and Technology Services	27,883	20,445
			Reimbursement paid for expenses:- Rent, Communication, Electricity, Professional fees, Maintenance Charges	520	520
			Purchase of Fixed Asset (Tablet)	1,560	2,198
			Creditors	22	78
17	Reliance Infocomm Infrastructure Private Limited	Fellow Subsidiary	Premium Received	7	19
			Claim Paid	61	-
			Reimbursement paid for expenses:- Rent, Communication, Electricity, Professional fees, Maintenance Charges	8,939	2,970
			Creditors	923	13,679
18	Reliance Money Solutions Private Limited	Fellow Subsidiary	Premium Received	180	-
			Outstanding balance in CD A/c	136	-
19	Big Animation (India) Private Limited	Fellow Subsidiary	Premium Received	16	87
20	Zapak Mobile Games Private Limited (Formerly Jump Games Private Limited)	Fellow Subsidiary	Premium Received	135	-
21	Zapak Digital Entertainment Limited	Fellow Subsidiary	Premium Received	148	-
			Outstanding balance in CD A/c	205	-
22	Reliance Commodities Limited	Fellow Subsidiary	Premium Received	325	-
			Outstanding balance in CD A/c	42	-

(₹ in '000)

S. No.	Name of the Related Party	Relationship	Nature of transaction	For the Year ended March 31, 2015	For the Year ended March 31, 2014
23	Reliance Money Precious Metals Private Limited	Fellow Subsidiary	Premium Received	303	-
			Outstanding balance in CD A/c	52	-
24	Reliance Telecom Limited	Fellow Subsidiary	Premium Received	2	-
			Outstanding balance in CD A/c	800	-
25	Reliance Financial Limited	Fellow Subsidiary	Premium Received	125	-
			Outstanding balance in CD A/c	9	-
26	Reliance Capital Pension Fund Limited	Fellow Subsidiary	Premium Received	41	-
			Outstanding balance in CD A/c	73	-
27	Reliance BPO Private Limited	Fellow Subsidiary	Premium Received	1,875	-
28	Big Flicks Private Limited	Big Flicks Private Limited	Outstanding balance in CD A/c	25	-
29	Shri Anil D. Ambani	Person having control	Premium Received	7	6
30	Rakesh Jain	Key Managerial Personnel	Remuneration	33,700	30,501
			Premium Received	32	14

* Expenses incurred towards public utilities services such as telephone and electricity charges have not been considered for related party transaction.

* Claim paid to employees against Group Medical Policy have not been considered for related party transaction.

32. Segment Information for the year ended on 31st March, 2015

- Revenue and expenses have been identified to a segment on the basis of relationship to the operating activities of the segment. Revenue and expenses, which relate to enterprise as a whole and are not allocable to a segment on reasonable basis, have been disclosed as "Unallocable".
- Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

(₹ in '000)

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Employer Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Other Miscellaneous	Total
Segment Revenues:												
Premium												
2014-15	483,880	217,006	1,668	13,302,636	72,536	46,748	152,084	990	260,557	4,232,094	414,425	19,184,624
2013-14	410,893	191,073	2,023	12,582,845	78,075	25,457	154,978	1,291	189,923	3,583,591	177,432	17,397,581
Investment Income												
2014-15	85,461	31,554	143	3,601,314	7,551	7,206	32,078	235	37,851	222,705	54,051	4,080,149
2013-14	167,446	36,627	1,428	2,499,094	7,519	25,897	68,061	2,781	26,236	442,310	110,076	3,387,475
Misc. Income												
2014-15	(21)	(6)	63	404	-	(113)	6,104	(21)	111	-	7,984	14,505
2013-14	-	-	-	-	-	-	-	-	-	-	(8,720)	(8,720)
Total Segment Revenues												

(₹ in '000)

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Employer Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Other Miscellaneous	Total
2014-15	569,320	248,554	1,874	16,904,354	80,087	53,841	190,266	1,204	298,519	4,454,799	476,460	232,79,278
2013-14	578,339	227,700	3,451	1,5081,939	85,594	51,354	223,039	4,072	216,159	4,025,901	278,788	20,776,336
Segment Expenses:												
Claims												
2014-15	364,984	185,969	86	12,128,887	32,032	22,399	145,469	656	309,303	4,519,773	333,484	18,043,042
2013-14	365,492	180,092	(312)	11,482,857	28,919	16,665	174,118	2,064	162,093	3,529,917	94,315	16,036,220
Commission												
2014-15	(120,356)	21,315	(6,180)	52,228	6,613	928	(82,638)	(2,727)	21,640	95,611	(193,638)	(207,204)
2013-14	(133,628)	25,853	(1,279)	648,204	5,820	(4,440)	(88,315)	(1,713)	5,742	851	(60,732)	396,363
Premium Deficiency												
2014-15	-	-	-	-	-	-	-	-	-	-	-	-
2013-14	-	(20,900)	-	-	-	-	-	-	-	-	-	(20,900)
Management Expenses												
2014-15	166,514	63,103	426	3,638,149	20,249	11,789	46,461	240	96,606	1,153,123	180,086	5,376,746
2013-14	117,596	53,394	261	3,382,530	18,228	9,515	36,732	166	48,921	870,330	60,657	4,598,337
Total Segment Expenses												
2014-15	411,142	270,387	(5,668)	15,819,264	58,894	35,116	109,292	(1,831)	427,549	5,768,507	319,932	23,212,584
2013-14	349,460	238,439	(1,330)	15,513,597	52,967	21,740	122,535	517	216,756	4,401,099	94,240	21,010,020
Net Profit/(Loss)												
2014-15	158,178	(21,833)	7,542	1,085,090	21,193	18,725	80,974	3,035	(129,030)	(1,313,708)	156,528	66,694
2013-14	228,879	(10,739)	4781	(431,658)	32,627	29,614	100,504	3,555	(597)	(375,198)	184,548	(233,684)
Unallocated items												
Investment Income												
2014-15												957,072
2013-14												874,086
Provision/(Other Income)												
2014-15												179,866
2013-14												(25,235)
Expenses												
2014-15												30,000
2013-14												24,810
Net Profit before tax												
2014-15												813,900
2013-14												640,827
Income tax												
2014-15												34,700
2013-14												-
MAT Credit												
2014-15												(34,700)
2013-14												-
Net Profit after tax												
2014-15												813,900
2013-14												640,827
Assets:												
Segment Assets												

(₹ in '000)

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Employer Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Other Miscellaneous	Total
2014-15												-
2013-14												-
Unallocated Assets												
2014-15												56,628,581
2013-14												48,878,896
Total Assets												
2014-15												56,628,581
2013-14												48,878,896
Liabilities:												
Segment Liabilities												
2014-15	891,508	327,854	1,048	35,963,295	73,935	80,658	329,351	2,362	464,088	2,222,453	608,876	40,965,428
2013-14	740,555	275,262	1,672	32,762,784	70,606	60,722	283,432	2,116	257,513	2,037,727	449,797	36,935,066
Unallocated Liabilities												
2014-15												5,465,939
2013-14												3,460,043
Shareholders Fund												
2014-15												10,197,214
2013-14												8,483,787
Total												
2014-15												56,628,581
2013-14												48,878,896

Notes:

- Segment Reporting is made as per the modification prescribed by the Insurance Regulatory and Development Authority Regulations wherein details are to be given for fire, marine cargo, marine hull and eight classes of miscellaneous insurance
- Since the company's entire business is conducted within India, there are no reportable geographical segments for the year.

33. Summary of Financial Results:

(₹ in '000)

Particulars	FY 2014-15	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11
Operating Results					
Gross Direct Premiums	27,158,321	23,888,249	20,100,052	17,125,473	16,554,261
Net Earned Premium	19,184,624	17,397,581	13,598,151	11,630,872	12,938,039
Income From Investment	4,080,149	3,387,475	1,931,993	1,427,425	1,091,724
Other Income	14,469	(8,720)	(2,110)	4,829	1,045
Total Income	23,279,242	20,776,336	15,528,034	13,063,126	14,030,808
Commission (Net) including Brokerage	(207,204)	396,363	449,007	412,724	(225,156)
Operating Expenses	5,376,745	4,598,337	3,895,361	3,833,566	4,468,708
Net Incurred Claims	18,043,042	16,036,220	12,607,931	12,658,686	13,313,814
Change in unexpired risk reserve	(100,941)	1,232,033	1,809,743	208,497	(1,390,034)
Operating Profit/(Loss)	66,695	(233,684)	(1,442,201)	(3,844,814)	(3,526,558)
Non Operating Results					
Total Income under Shareholder's Account	1,001,226	932,389	828,948	647,571	573,841
Profit/(Loss) before tax	813,901	640,827	(927,692)	(3,415,993)	(3,097,593)
Provision for tax	34,700	-	-	16,000	18,424
Profit/(Loss) after tax	813,901	640,827	(927,692)	(3,431,993)	(3,116,017)

(₹ in '000)

Particulars	FY 2014-15	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11
Miscellaneous					
Policyholders' Account					
Total Funds	40,286,049	29,943,368	25,061,691	20,180,364	15,544,875
Total Investments	40,286,049	29,943,368	25,061,691	20,180,364	15,544,875
Yield on Investments	10.52%	9.26%	8.92%	8.65%	7.35%
Shareholders' Account					
Total Funds	10,197,214	8,483,787	7,783,003	7,138,051	6,218,547
Total Investments	10,197,214	8,483,787	7,783,003	7,138,051	6,218,547
Yield on Investments	10.52%	9.26%	8.92%	8.65%	7.35%
Paid up Equity Capital	1,227,750	1,227,750	1,227,750	1,211,933	1,166,729
Net Worth	10,197,214	8,483,787	7,783,003	7,138,051	6,218,547
Total Assets	56,628,581	48,878,896	43,468,654	30,749,895	25,416,341
Yield on total Investments	10.52%	9.26%	8.92%	8.65%	7.35%
Earnings Per Share (₹)	6.63	5.22	(7.61)	(29.24)	(26.80)
Book Value Per Share (₹)	83.06	69.10	63.82	59.52	53.27
Total Dividend	-	-	-	-	-
Dividend Per Share (₹)	-	-	-	-	-

34. Financial Ratios:

Particulars	Financial Year	Gross Direct Premium Growth Rate	Net Retention Ratio	Net Commission Ratio	Underwriting Balance Ratio
		(Gross direct premium for the current year divided by Gross direct premium for the previous year)	(Net premium divided by gross written premium)	(Gross commission paid net of reinsurance commission divided by net premium)	(Underwriting profit divided by net premium)
Fire	2014-15	6%	26%	-21%	0.15
	2013-14	6%	23%	-28%	0.15
Marine Cargo	2014-15	7%	55%	9%	-0.25
	2013-14	40%	55%	12%	0.36
Marine Hull	2014-15	192%	2%	-600%	4.40
	2013-14	131%	7%	-121%	1.66
Motor	2014-15	14%	80%	0.4%	-0.19
	2013-14	12%	94%	5%	0.22
Employer Liability	2014-15	0%	93%	9%	0.19
	2013-14	4%	92%	8%	0.32
Public Liability	2014-15	-5%	16%	2%	0.25
	2013-14	-4%	14%	-12%	0.15
Engineering	2014-15	-7%	21%	-52%	0.28
	2013-14	-15%	19%	-59%	0.21
Aviation	2014-15	5%	3%	-331%	2.85
	2013-14	30%	2%	-254%	0.60
Personal Accident	2014-15	31%	91%	6%	-0.64
	2013-14	25%	70%	3%	-0.15
Health	2014-15	2%	87%	2%	-0.36
	2013-14	59%	75%	0%	0.23
Other Miscellaneous	2014-15	85%	17%	-52%	0.23
	2013-14	46%	21%	-24%	0.49
Total	2014-15	14%	69%	-1%	-0.21
	2013-14	19%	76%	2%	-0.20

35. Other Ratios:

Ratio	Basis	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Gross Direct Premium to Net worth Ratio	Gross direct premium for current year divided by paid up capital & free reserve	2.66	2.82
Growth Rate of Net worth	Change in Net Worth during the period divided by net worth as at previous balance sheet date	20%	9%
Expenses of Management to Gross Direct Premium	Expenses of Management (operating expenses related to insurance business plus direct commission paid divided by gross direct premium)	24%	24%
Expenses of Management to Net written premium ratio	Expenses of Management (operating expenses related to insurance business plus direct commission paid divided by Net written premium)	34%	31%
Net Incurred Claims to Net Earned Premium	Net Incurred Claims divided by Net Earned Premium	94%	92%
Combined Ratio	Net Incurred Claims divided by Net Earned Premium plus expenses of management (including net commission) divided by Net written premium	121%	119%
Technical Reserves to Net Premium Ratio	Reserve for un-expired risks plus premium deficiency reserve plus reserve for outstanding claims (including IBNR and IBNER) divided by net premium	2.13	2.12
Operating Profit Ratio	Underwriting profit/loss divided by net premium	0.3%	0%
Liquid Assets to Liabilities Ratio (times)	Liquid assets (short term investment plus short term loan plus cash and bank balances of the insurer) divided by policyholders liabilities (claims outstanding plus reserve for unexpired risk and premium deficiency)	0.31	0.24
Net Earnings Ratio	Profit after tax divided by net premium	4%	3%
Return on net worth ratio	Profit after tax divided by net worth	8%	8%
Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	Ratio of Available Solvency Margin (ASM) at the end of the Quarter to the Required Solvency Margin (RSM)	1.53	1.51
NPA Ratio		-	-

Note: The above ratios have been calculated as per IRDAI Master Circular IRDA/F&I/CIR/F&A/231/10/2012 dated October 5th, 2012 and Corrigendum on Master Circular IRDA/F&I/CIR/F&A/126/07/2013 dated July 3rd, 2012

36. Earnings per share information:

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Profit/(Loss) available to equity shareholders (₹ in '000)	813,901	640,827
Weighted Average number of equity shares outstanding during the year	122,774,960	122,774,960
Basic earning per share (₹)	6.63	5.22
Diluted earning per share (₹)*	6.59	5.22

*Considering the dilutive potential of the share application money at the proposed value of ₹ 200 per share

Reliance General Insurance Company Limited

37. Forward contracts entered and outstanding as on March 31, 2015 is ₹ Nil (Previous year - ₹ 4,692 thousand)

38. Prior year figures have been reclassified, wherever necessary, to conform to current year's presentation.

For the Year ended March 31, 2014		Regrouped in For the Year ended March 31, 2015		₹ In '000
Schedule	Old grouping	Schedule	New grouping	
Schedule- 4	Training & Recruitment Expenses	Schedule- 4	Advertisement & Publicity	25,201

We have also reclassified and regroup following product code in reportable class as compared to previous year.

Product	Regrouped in For the Year ended March 31, 2015	For the Year ended March 31, 2014
JPA Individual	Personal Accident	Other Misc
JPA Group	Personal Accident	Other Misc
Reliance Home Loan Protect Policy	Health	Other Misc
Reliance Personal Loan Care Insurance Policy	Health	Other Misc
Reliance Auto Loan Care Insurance Policy	Health	Other Misc

For and on behalf of the Board of Directors

Rajendra Chitale

Director (DIN No.: 0015986)

H. Ansari

Director (DIN No.: 2155529)

Chhaya Virani

Director (DIN No.: 6953556)

Soumen Ghosh

Director (DIN No.: 1262099)

Rakesh Jain

Executive Director & CEO
(DIN No.: 3645324)

Hemant K. Jain

Chief Financial Officer

Mohan Khandekar

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : May 05, 2015



General Insurance

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1800 3009

Reliance General Insurance Company Limited. IRDA of India Registration No. 103.
Registered Office: 19, Reliance Centre, Walchand Hirachand Marg, Ballard Estate, Mumbai 400001.
Corporate Office: 570, Rectifier House, Naigaum Cross Road, Next to Royal Industrial Estate, Wadala (W), Mumbai 400031.
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