



General Insurance

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FOURTEENTH ANNUAL REPORT 2013-2014



LiveSmart

14th Annual Report

BOARD OF DIRECTORS

Mr. Rajendra P. Chitale	Director
Mr. D. Sengupta	Director
Mr. H. Ansari	Director
Mr. Soumen Ghosh	Director
Mr. Rakesh Jain	Executive Director & CEO
Mr. S. P. Talwar	Director (ceased to be a Director w.e.f. 09 th August, 2013)

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

570, Rectifier House,
Naigaum Cross Road,
Next to Royal Industrial Estate,
Wadala (W), Mumbai - 400 031.
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LONDON REPRESENTATIVE OFFICE

C/o Reliance Globalcom Limited,
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DIRECTORS' REPORT

To the Members,

Your Directors present the Fourteenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2014.

Financial Results

(₹ in crore)

Particulars	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Gross Direct Premium	2,388.83	2,010.01
Insurance Profit/(Loss)	(23.37)	(144.22)
Investment Income on Shareholders fund	87.41	80.02
Profit/(Loss) before Tax	64.08	(92.77)
Income tax- earlier year tax	-	-
Provision for Deferred Tax	-	-
Profit/(Loss) after Tax	64.08	(92.77)

Dividend

Your Directors do not recommend any dividend for the year ended 31st March, 2014.

Operations

Your Company in the current year has underwritten Gross Direct Premium of ₹ 2,388.83 crore as against ₹ 2,010.01 crore in the previous year registering an increase by 19%. 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 ₹ 426.16 crore as against ₹ 273.22 crore in the previous year. The profit before tax earned during the Financial Year 2013-14 is ₹ 64.08 crore as against loss of ₹ 92.77 crore during the previous year.

During the year, the Company has undertaken various initiatives to improve its performance. The key initiatives implemented are reduction in usage of manual covernotes, recruitment of agents, implementation of in house health claims management for retail health claims, revision in the premium pricing based on analytics, significant increase in commercial line portfolio etc. All these initiatives will also help the Company in long run.

Your Company had issued 36.75 Lac policies during the year as compared to 28.96 Lac in the previous year.

Industry Developments

As per the figures released by Insurance Regulatory and Development Authority (IRDA), the Gross Premium Underwritten by the industry for the Financial Year ended 31st March, 2014 was ₹ 77,538.25 crore as against ₹ 69,088.69 crore during the previous year showing growth rate of 12.23%.

As a part of efforts to improve services to policyholders and insurance penetration, IRDA has taken a pioneering initiative by launching Insurance Repository System. It will help insurers to bring efficiency in dealing with the requirements of the policyholders and at the same time cut down their costs.

In order to increase awareness of General Insurance Products across India, the General Insurance Industry launched a nationwide awareness campaign through Radio, TV and Print media. This campaign had greater impact on rural areas and achieved its objective of having a positive impact on the minds of the people. Insurance Companies are also advised to carry on insurance awareness amongst the people which shall increase the penetration of insurance in the country.

IRDA had advised all the insurers to display information about any unclaimed amount of policyholders on their respective website to bring better governance, transparency and smooth transfer of the amount due to the policyholders.

In order to enhance and develop bancassurance business, IRDA has facilitated banks to sell insurance policies.

Online selling of insurance policies to discerning customers, who access Internet has gained momentum. Typically motor, travel and health policies are being sold more online. The interplay of technology and telecom will be a major factor determining the growth of the industry in future.

The premium rates in case of Motor Third Party have been increased. The increased premium rates were applicable from 1st April, 2014. Increase in the premium has been done to reduce the losses suffered by the Insurance Companies.

Corporate Governance

IRDA 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. Your 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 Corporate Governance Report is presented in a separate section which forms part of the Annual Report. As required under the Corporate Governance Guidelines, a certificate from the Compliance Officer of the Company certifying that the Company has complied with the Corporate Governance Guidelines, also forms part of the Annual Report.

Reinsurance

Your Company has a well structured Reinsurance Program supported by various leading reinsurers (with strong credit ratings) spread across the globe, in accordance with the guidelines laid down by Insurance Regulatory and Development Authority. The Reinsurance Programme has been renewed and placed completely with reinsurers with approved credit rating. The Reinsurance Program has an optimum mix of proportional treaties to enhance the 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. Your Company would also like to emphasize on the Company's preparedness for catastrophic events by regularly monitoring of exposures, assessing accumulations through various statistical CAT modeling tools and having adequate protection in place.

Information Technology

In this Financial Year, Information Technology delivered on following areas:

Strengthening health claims service – Health Claims System (HCS) was launched to facilitate centralized health claims processing for entire Retail policies and a few Group policies. Key functions in the software include setting up benefits configuration for policies, managing network of health care providers, smooth process flow for cashless and reimbursement claims and an efficient communications module to intimate status on claims and various MIS.

Operations Hub-n-spoke – Policy processing operations for many branches was centralized into an Operation's Hub using scanning, indexing and workflow software. This resulted in higher employer productivity while maintaining strict TAT for policy delivery to customers.

Focus on Agent Portal – More products and self-service options were added to the Agent Portal. This resulted in maximum retail policy transactions moving out from branches to agents.

Mobile site – An easy to use mobile site was developed as many transactions are originating from internet enabled mobile phones. Customers can easily locate information on their policies and claims and search the Company's network of branches and service providers. A one-click, quick renewal process based on QR code embedded in Renewal Notices was launched.

Government Health schemes like RSBY was aided with new IT solutions for managing faster enrollments and efficient handling of large volumes of claims. Mobile apps were introduced for field applications.

Lean IT infrastructure – Emails and messaging were moved to public cloud services from Microsoft. Old desktop assets were completely replaced with VDI (virtualized) devices. Critical office locations have been provided with alternate network connectivity resulting in better system uptimes.

Personnel

It is the Company's constant Endeavour to make office a great place to work and keep the employees happy and satisfied. To augment employee's personal growth, the Company has focused upon effective and appropriate training programs and encouraged employees to continuously pursue their learning curve. The Company also believes in promoting internal talent by giving suitable career moves through role enhancement & job rotation. Technology is the key to effectiveness & efficiency. Through automation & various quality projects it is the Company's vision to achieve this goal and delight its customers at all touch points. Parallely, in today's hectic times Company understands the importance of fun @ work through various engagement initiatives. Healthy employees make healthy organization. In partnership with the Company's wellness team, numerous on-site health programs have been carried out across the offices. Being a good corporate citizen is an integral part of our core values. These go hand-in-hand with care for the environment and improvement of quality of life for the society at large and strive to take it forward through several social initiatives:

Reliance General Insurance Company Limited

1. Employee Referral

It is always fun to be with friends, and when the employees get a chance of getting friends on board & share the workplace, the pleasure doubles!! More than 75% of the hiring in the FY 2013-14 has been done through Employee Referral.

2. LEAP Policy

With an aim for motivate self directed learning, the Company launched the Learn Earn And Perform (LEAP) program. The objective of this program is to encourage employees to undertake certification examinations conducted by Insurance Institute of India (III) and give them rewards on successful completion. Since the inception of this program, the Company has taken 380 LEAPS towards self directed learning. On Similar lines in order to encourage the employees from Actuarial team to clear papers, the Company has introduced a Policy for the employees in the Actuarial Department. As per the policy, employees clearing papers are given incentives along with study leave and their entire fee is borne by the Company.

3. Grow Trees

Celebrating employees birthday with an overwhelming feeling of giving back to mother nature! As part of the employee engagement initiatives and Corporate Social Responsibility the Company has tied up with Grow Trees who is planting trees. They have taken up various projects across the country to plant trees. So far, Grow trees have planted over 2,500 trees for the Company. It is a unique gift for the employees that will live for several decades and significantly benefit the planet and Company is proud to be a part of this project.

4. Wellness

Workplace health and wellness programs should be a part of the overall Company strategy for a healthy workplace. Health and safety legislation and other workplace policies or programs can provide a basis for a workplace health (or health promotion) program. In the last 2 years, Company conducted almost 50 on-site wellness activities like health talks, health camps, health campaigns.

One of our unique health camps was Slimpossible, the weight loss program for encouraging employees to be more health conscious and move towards a healthy lifestyle. More than 50% of the employees were ready to take up this thinspiring challenge.

5. Library Services

Bringing a paradigm shift to the concept of corporate libraries, the Company has launched online library services in partnership with Kwench. It was launched on pilot basis in Mumbai, wherein employees could avail library services free of cost, paving a way for employees to be more aware and quench their knowledge thirst. Since the Company has received good response post the launch, the said service shall now be extended to more cities this year.

6. Corporate Sports

In the Company's endeavor to promote team spirit, fitness and fun through healthy competition the Company encouraged employees to participate on numerous sport activities. Reliance Football League and Reliance Champions Cricket League are two yearly activities where employees across LOB's come together and form a team. The league matches are conducted at zonal level and the winners across zones come to Mumbai to play the finals. This event creates team bonding and is good platform to come together and indulge in a healthy competition. Also, marathon runs being organized in different cities has seen good participation from RGICL.

Investments

The Investment portfolio of the company as on 31st March, 2014 is ₹ 3842.02 crore (₹ 3257.80 crore). The market value of the same is ₹ 3770.53 crore (₹ 3271.24 crore). The asset allocation among Debt and Equity is 98.38% (97.93%) and 1.62% (2.07%) respectively. The modified duration of the Debt portfolio stands at 3.51 years (3.47 years). The Debt portfolio comprised 36.38% (31.45%) in Sovereign Bonds – approved securities, 32.78% (35.37%) in AAA, 12.54% (8.14%) in AA+, 7.16% (4.44%) in AA/AA-/A+ rated and the remaining 11.13% (20.59%) in money market instruments and Fixed Deposits.

The income for the whole year was at ₹ 337.03 crore (₹ 272.32 crore). The income from overall portfolio translated into a return of 9.26% from average total assets of ₹ 3570.18 crore debt and ₹ 70.77 crore equity. The MTM gain in debt has gone to a negative ₹ 72.18 crore, an improvement from negative ₹ 87.71 crore a quarter earlier but worse from positive ₹ 18.75 crore a year earlier. However, the MTM in equity moved to a surplus of ₹ 0.70 crore from a negative 1.12 crore a quarter earlier and negative ₹ 5.30 crore a year earlier.

Claims handling

Motor:

1. Operating Efficiency:

- (a) The Motor Claims team had focused more on improving the provider network and the strength at the end of March 2014 stands at 2,025 spread over 313 cities.

- (b) The improved network has helped to increase cashless claims settlement which stands at 73% in Private Car category as on March 2014.
 - (c) The Company has ensured a good network of privilege garages across products providing quality repairs and value added services.
 - (d) 99% of the claims settlement is being done on NEFT mode.
 - (e) 53% of claim intimations is done through website allowing Cashless network garages to facilitate a faster claim intimation.
 - (f) Claim status available through SMS.
2. Team empowerment:
- The team had embarked on various initiatives towards empowering the claim managers to ensure faster settlement of claims.
- (a) Specialised Motor Claims Technical Training- 'Aarush- First ray towards Success' has been initiated. The training includes classroom and practical sessions on collision theory and repair technology with eminent external faculty also being a part.
 - (b) Maintenance of parts repository of various makes and models to help claim managers assess loss better.
 - (c) Professional Pointers carrying updates on latest in repair technology and
 - (d) Sharing of case studies featuring interesting aspects of motor claims management.

Health:

FY 2013-14 has been one of considerable change in the space of health care service delivery to our valued customers leaving behind remarkable milestone achievements in the entire insurance industry.

The service architecture is strengthened by means of:

- Launch of Robust and dynamic claims application system (HCS) for claims processing of Corporate and Retail Health policies.
- Largest cashless Hospital network in the industry- 4200+ hospitals, 150+ Diagnostic Centers, 2500+ Pharmacies, 400+ Lifestyle partners.
- Claims application for RSBY upgraded towards universal module with an ability to service complex scenarios in Govt. healthcare space including Critical Illness.
- Dedicated Customer Relationship team focused on Customer Experience Enrichment (CEE).
- Customized wellness programmes – focusing on Disease Management a step towards "Preventive Health Care" of customers.

Our goal remains constant to keep customers as focal point for all operations. A few initiatives that have aided...

- A successful completion of Six Sigma Project towards increase in NEFT, optimization in cashless utilization, optimization of claim settlement TAT.
- Introduction of Corporate CRM Team for smooth and efficient claim servicing of Corporate clients.
- Launch of Preventive Care and Health gadget as a part of Wellness offering.
- Performance benchmarking of TPAs initiated to optimize service standards towards end customers.
- CRM Tool integration for Hospital correspondences - offering TAT efficiency and tracking of communication with hospitals.
- Health Education via Knowledge sharing mailers across 150 common health and wellness topics with dedicated web page.
- Launch of R Healthbeat – a quarterly wellness magazine.
- Launch of "EVIDENS", Android based application - Integrated mobility solution for field investigation.
- Stakeholders Updates via Monthly updates and Newsletters. For E.g.; Issue of CHIAK newsletter – a monthly status update of Kerala RSBY policy.
- Introduction of **Enrolment Manager Software** to manage the Enrolment in Govt. Health Policies; with updated features enabling beat planning and comprehensive data and MIS management.

Commercial:

The Company managed about 5400 Commercial line claims in FY 2013-14 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 is on customer delight by promptly attending to all the claims. Complaints, if any, are promptly attended to with an appropriate escalation matrix.

Reliance General Insurance Company Limited

Process & Certification

The Company has been successfully re-certified for a second time to ISO 9001:2008 standard for its conformance to the Quality Management Systems requirements. The certificate has been awarded by DNV (Det Norske Veritas), 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 1st prize in RCAP's Best Lean Six Sigma Award contest in Category A - Service Quality Improvement for Customers / Distributors held in February 2013. This is the 3rd consecutive year for winning an award in this category. The Company has also won RCAP's Company level award for most "Innovative Idea" in H1.

The Company was also nominated finalist at SCMHRD Lean Six Sigma Excellence Awards Contest. The Company has won two awards in HealthCare Leadership Awards category by Stars of the Industry Award 2014 – by CMO Asia for Innovation in Quality of Service Delivery and Product Innovations. The Company has also won the prestigious D L Shah National Quality Award by Quality Council of India, Government of India in the Financial Service Category.

The Company is the only Company from India nominated for the award "Insurance Provider of the Year" by Continuity Insurance & Risk (CIR), UK. This was in recognition of best risk management services conducted by RGICL. CIR is the leading Risk Management Journal from United Kingdom.

Customer Service and Grievances Redressal Cell

IRDA had introduced Integrated Grievance Management System (IGMS), an online portal for the customers to register complaints against Insurance Companies and made it mandatory for the Insurance Companies to integrate their complaints management system for real time flow of complaints from one system to another. Since then our complaints management system, Integrated Customer Engagement (ICE) is also linked to IGMS on real time basis.

To capture the customers experience the Company has built feedback mechanism on the portal. This information is shared with the vertical heads for analysis and corrective action.

Towards Customer Grievance Handling for Financial Year 2013-14, the number of customer complaints has come down from 7,451 to 2,623 registering a 65% drop. All the causes of complaints witnessed decrease in the numbers in FY 2013-14 as compared to FY 2012-13.

Some of the new initiatives undertaken this year to enhance customer service are:

- Revamped IVR with myriad of service options for the customer
- Shortened the contact center number from twelve digit to eight digit
- Dedicated contact center based at Bangalore for our customer from southern India to assist them in local languages
- Points of precaution in the form of Do's and Don'ts for customers displayed at our operating offices
- Self services section on website for customers to view policy details, create service request, set reminders for policy renewals, view policy dispatch details etc
- Online request facility for vehicle inspection
- Launched RGICL mobile application (same features as website)

Fixed deposit

The Company has not accepted any public deposit during the year.

Insurance Regulatory and Development Authority (IRDA) Registration

The certificate of Registration from the Insurance Regulatory and Development Authority was renewed for the year 2014-15. The Company has received certificate Registration number 103 dated 25th February, 2014 from IRDA.

Directors

Mr. Soumen Ghosh, Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. During the year Mr. S. P. Talwar ceased to be Director of the Company w.e.f. 09.08.2013 due to sad demise. Board places on record its deep sense of appreciation for the valuable services rendered by Mr. S. P. Talwar during his tenure as Director.

Directors' Responsibility Statement

Pursuant to the Directors' Responsibility Statement as required under Section 217(2AA) of the Companies Act, 1956 and Insurance Regulatory and Development Authority Act, 1999, it is hereby confirmed that:

1. in the preparation of the accounts for the Financial Year ended 31st March, 2014 the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that 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;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and Insurance Act, 1938 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors have prepared the accounts for the Financial Year ended 31st March, 2014 on a 'Going Concern' basis.
5. an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

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.

Particulars of Employees

As required by the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (particular of Employees) Rules, 1975 as amended up to date, the name and other particulars of the employees is set out in the annexure to the Directors Report.

Conservation of Energy, Technology Absorption and Foreign Exchange earnings and Outgo

Particulars required to be furnished by the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 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	8.29
	On Claims	Nil
	On Premium	42.78
	On Others	Nil
Total Outflow :	On Reinsurance	49.62
	On Claims	4.28
	On Premium	Nil
	On Others	0.10

Acknowledgement

Your Directors wish to place on record their immense appreciation for the assistance and co-operation received from Insurance Regulatory and Development Authority, 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

Date : April 30, 2014

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, fairness, 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 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 & 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. D. Sengupta
2. Mr. Rajendra Chitale
3. Mr. H. Ansari
4. Mr. Soumen Ghosh
5. Mr. Rakesh Jain (Executive Director & CEO)

Mr. S. P. Talwar, ceased to be a Director of the Company w.e.f. 09.08.2013. Out of the five Directors, three Directors are Independent Directors. As per the Corporate Governance guidelines issued by IRDA, your Company has constituted the Mandatory Committees viz. Audit Committee, Investment Committee, Policyholders Protection Committee & Risk Management Committee.

3. Audit Committee

Your Company has constituted an Audit Committee pursuant to the provisions of Section 292A of the Companies Act, 1956 & IRDA Corporate Governance regulations. The Audit Committee comprises of Mr. D. Sengupta, Director, Mr. Rajendra P. Chitale, Director and Mr. Soumen Ghosh, Director. Mr. S. P. Talwar, ceased to be a Member of the Committee w.e.f. 09.08.2013. 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 IRDA. Presently, the Committee consists of Mr. H. Ansari, Mr. Soumen Ghosh, Mr. Rakesh Jain, Mr. Hemant Jain, Mr. K. Ramkumar & Ms. Kirti Kothari. Mr. S. P. Talwar ceased to be a Member of the Committee w.e.f. 09.08.2013. The Investment Committee decides on the Investment Policy of the Company and reviews the Investment decisions taken by the Company. Reports 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 IRDA. At present the Committee consists of Mr. H. Ansari, Mr. Soumen Ghosh, Mr. Rakesh Jain, & Mr. Mukul Kishore. Mr. S. P. Talwar ceased to be a Member of the Committee w.e.f. 09.08.2013. 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. D. Sengupta, Mr. Soumen Ghosh, Mr. Rakesh Jain, Mr. Mukul Kishore, Mr. Mohan Khandekar, Mr. Hemant Jain, Mr. K. Ramkumar & Mr. Sudarshanam Sundararajan.

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

7. Compliance Officer

Mr. Mohan Khandekar, Company Secretary, is the Compliance Officer of the Company for complying with the requirements of IRDA 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 2013-14

BOARD MEETING

Name of the Director	Meeting held during FY 2013-14	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. D. Sengupta	4	4	80000
Mr. Rajendra Chitale	4	4	80000
Mr. H. Ansari	4	4	80000
Mr. Soumen Ghosh	4	4	Nil
Mr. Rakesh Jain (Executive Director & CEO)	4	4	Nil
Mr. S. P. Talwar (ceased to be Director w.e.f. 09.08.2013)	4	1	20000

POLICYHOLDER PROTECTION COMMITTEE

Name of the Director	Meeting held during FY 2013-14	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. H. Ansari (appointed as a Member w.e.f. 29.10.2013)	4	2	40000
Mr. Soumen Ghosh	4	4	Nil
Mr. Rakesh Jain (Executive Director & CEO)	4	4	Nil
Mr. Mukul Kishore	4	4	Nil
Mr. S. P. Talwar (ceased to be Member w.e.f. 09.08.2013)	4	1	20000

INVESTMENT COMMITTEE

Name of the Director	Meeting held during FY 2013-14	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. H. Ansari (appointed as a Member w.e.f. 29.10.2013)	4	2	40000
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 (appointed as a member w.e.f. 25.07.2013)	4	3	Nil
Mr. Gopalkrishnan Pai (ceased to be Member w.e.f. 24.04.2013)	4	1	Nil
Mr. S. P. Talwar (ceased to be Member w.e.f. 09.08.2013)	4	1	20000

AUDIT COMMITTEE

Name of the Director	Meeting held during FY 2013-14	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. D. Sengupta	4	4	80000
Mr. Rajendra Chitale (appointed as a member w.e.f. 23.04.2013)	4	3	60000
Mr. Soumen Ghosh	4	4	Nil
Mr. S. P. Talwar (ceased to be member w.e.f. 09.08.2013)	4	1	20000

RISK MANAGEMENT COMMITTEE

Name of the Director	Meeting held during FY 2013-14	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. D. Sengupta	4	4	80000
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. Sudarshanam Sundararajan	4	4	Nil
Mr. K. Ramkumar	4	4	Nil

COMMITTEE OF EXECUTIVES (INVESTMENT)

Name of the Director/Member	Meeting held during FY 2013-14	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. Rakesh Jain (Executive Director & CEO)	12	12	Nil
Mr. Mukul Kishore	12	8	Nil
Mr. Hemant Jain	12	11	Nil
Mr. Sudarshanam Sundararajan	12	6	Nil
Mr. K. Ramkumar	12	12	Nil

ASSET – LIABILITY MANAGEMENT COMMITTEE

Name of the Director/Member	Meeting held during FY 2013-14	Meetings attended	Compensation paid Gross (Sitting fees)
Mr. Soumen Ghosh	4	4	Nil
Mr. Rakesh Jain (Executive Director & CEO)	4	4	Nil
Mr. Mukul Kishore	4	4	Nil
Mr. Hemant Jain	4	4	Nil
Mr. Sudarshanam Sundararajan	4	3	Nil
Mr. K. Ramkumar	4	4	Nil
Ms. Kirti Kothari (appointed as a Member w.e.f. 13 th August, 2013)	4	3	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	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
Mr. S. P. Talwar*	B.A., LLB, CAIIB	Banking & Finance	Independent Director

*ceased to be a Member w.e.f. 09th August, 2013

#appointed as a Memer w.e.f. 29th October, 2013

INVESTMENT 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. 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
Mr. S. P. Talwar*	B.A., LLB, CAIIB	Banking & Finance	Independent Director

*ceased to be a Member w.e.f. 09th August, 2013

#appointed as a Member w.e.f. 29th October, 2013

AUDIT COMMITTEE

Name	Qualification	Field of Specialization	Category
Mr. D. Sengupta	B.Sc, Post Graduate Diploma in Marketing	Insurance	Independent Director
Mr. Rajendra Chitale#	Chartered Accountant	Finance & Insurance	Independent Director
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. S. P. Talwar*	B.A., LLB, CAIIB	Banking & Finance	Independent Director

*ceased to be a Member w.e.f. 09th August, 2013

#Appointed as a Member w.e.f. 23rd April, 2013

BOARD OF DIRECTORS

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari	Post Graduate in Science	Insurance	Independent Director
Mr. D. Sengupta	B.Sc, Post Graduate Diploma in Marketing	Insurance	Independent Director
Mr. Soumen Ghosh	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rajendra Chitale	Chartered Accountant	Finance & Insurance	Independent Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. S. P. Talwar*	B.A., LLB, CAIIB	Banking & Finance	Independent Director

*ceased to be a Director w.e.f. 09th August, 2013

NOMINATION 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. S. P. Talwar*	B.A., LLB, CAIIB	Banking & Finance	Independent Director

*ceased to be a Member w.e.f. 09th August, 2013

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. D. Sengupta	B.Sc, Post Graduate Diploma in Marketing	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. Sudarshanam Sundararajan	B.E. (Mech), AIII	Project Insurance, Risk Management	Employee
Mr. K. Ramkumar	B.Sc (Chemistry), Diploma in Business Finance from ICFAI, Hyderabad, ICWAI	Investments	Employee

COMMITTEE OF EXECUTIVES (INVESTMENT)

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. Sudarshanam Sundararajan	B.E. (Mech), AIII	Project Insurance, 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. Sudarshanam Sundararajan	B.E. (Mech) AIII	Project Insurance, Risk Management	Employee
Ms. Kirti Kothari	FIAI	Appointed Actuary	Appointed Actuary

**MANAGEMENT REPORT ATTACHED TO THE FINANCIAL STATEMENT
AS ON 31ST MARCH 2014**

- 1) We confirm that the validity of the registration granted by Insurance Regulatory & Development Authority 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 IRDA 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 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 IRDA regulations.
- 11) Ageing analysis of claims outstanding and average claims settlement time for the five years.

Ageing of Claim Outstanding

FY 2013-14

(₹ in '000)

Period / Class Ageing	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	88	350,691	116	22,743	-	-	5,129	285,045
31 days to 6 Months	149	376,370	113	88,609	1	1,370	4,784	756,277
6 Months to 1 Year	64	425,842	47	12,759	1	90	932	288,185
1 Year to 5 Years	139	303,817	165	124,004	2	2,200	2,747	401,835
5 Years and Above	-	-	-	-	-	-	2	250
Grand Total	440	1,456,720	441	248,115	4	3,660	13,594	1,731,588

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,360	257,981	121	97,577	17	2,311	2	1,205
31 days to 6 Months	6,299	1,223,010	224	664,329	42	10,180	12	5,553
6 Months to 1 Year	7,666	1,512,315	161	419,291	22	8,814	8	4,414
1 Year to 5 Years	54,994	8,837,251	268	269,426	48	10,615	32	22,234
5 Years and Above	5,368	654,793	1	325	5	774	2	1,534
Grand Total	75,687	12,485,350	775	1,450,944	134	32,694	56	34,940

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc		Total	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	48,245	427,361	1	85	207	16,276	99	20,777	55,385	1,482,050
31 days to 6 Months	10,485	212,869	-	-	612	45,536	300	110,644	23,021	3,494,745
6 Months to 1 Year	7,090	54,306	4	1,576	437	24,849	140	93,741	16,572	2,846,183
1 Year to 5 Years	1,325	79,907	10	728,752	1321	77,954	1,013	210,100	62,064	11,068,095
5 Years and Above	-	-	-	-	-	0	20	1,839	5,398	659,515
Grand Total	67,145	774,443	15	730,417	2,577	164,615	1,572	437,101	162,440	19,550,588

FY 2012-13

(₹ in '000)

Period / Class	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	4,838	295,023
31 days to 6 Months	95	239,330	128	41,628	-	-	6,597	874,416
6 Months to 1 Year	58	360,188	49	16,432	-	-	1,672	330,631
1 Year to 5 Years	110	401,783	109	173,743	4	7,174	2,864	376,088
5 Years and Above	-	-	-	-	-	-	-	-
Grand Total	365	1,234,454	367	255,448	5	7,936	15,971	1,876,158

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,313	264,018	48	27,691	22	1,661	9	1,928
31 days to 6 Months	7,758	1,485,066	142	152,370	45	13,209	38	6,079
6 Months to 1 Year	9,550	1,789,199	175	217,270	6	1,551	4	1,320
1 Year to 5 Years	51,572	7,182,245	116	224,215	-	-	70	15,708
5 Years and Above	-	-	-	-	-	-	2	1,536
Grand Total	70,193	10,720,528	481	621,546	73	16,421	123	26,571

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc		Total	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	57,081	185,704	-	-	174	14,513	103	28,885	63,772	1,076,983
31 days to 6 Months	208,609	145,578	1	2,328	640	45,288	331	96,829	224,384	3,102,121
6 Months to 1 Year	28,729	64,449	7	1,506	413	25,099	333	103,749	40,996	2,911,394
1 Year to 5 Years	927	60,617	7	729,697	644	39,382	875	126,804	57,298	9,337,456
5 Years and Above	-	-	-	-	-	-	-	-	2	1,536
Grand Total	295,346	456,348	15	733,531	1,871	124,282	1,642	356,267	386,452	16,429,490

Reliance General Insurance Company Limited

FY 2011-12

(₹ in '000)

Period / Class	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	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

FY 2009-10

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	170	78,697	112	19,878	4	619	15,158	310,578
31 days to 6 Months	262	419,602	240	41,028	6	7,333	17,670	529,070
6 Months to 1 Year	125	132,266	122	46,945	3	945	2,856	166,150
1 Year to 5 Years	107	188,666	37	65,175	4	51,976	91	17,404
5 Years and Above	-	-	-	-	-	-	-	-
Grand Total	664	819,231	511	173,027	17	60,872	35,775	1,023,202

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	836	12,087	131	35,056	21	3,162	-	-
31 days to 6 Months	4,227	97,049	353	258,829	52	6,436	6	1,565
6 Months to 1 Year	4,409	170,531	109	179,678	30	3,854	2	211
1 Year to 5 Years	10,740	676,286	43	100,113	9	863	30	2,428
5 Years and Above	-	-	-	-	-	-	-	-
Grand Total	20,212	955,954	636	573,675	112	14,316	38	4,204

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc		Total	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	5,898	135,692	3	177	146	47,885	192	16,394	22,671	660,225
31 days to 6 Months	4,595	80,310	1	27,675	398	94,442	374	126,837	28,184	1,690,177
6 Months to 1 Year	1,347	17,015	3	130,000	55	12,543	99	13,190	9,160	873,329
1 Year to 5 Years	1,580	95,299	-	-	-	-	52	163,921	12,693	1,362,131
5 Years and Above	-	-	-	-	-	-	-	-	-	-
Grand Total	13,420	328,316	7	157,852	599	154,871	717	320,342	72,708	4,585,862

Reliance General Insurance Company Limited

Average claims settlement time

Product/Class	FY 2013-14		FY 2012-13		FY 2011-12		FY 2010-11		FY 2009-10	
	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	653	119	808	110	1,060	136	1,440	126	1,631	80
Marine Cargo	1,098	63	884	64	1,011	95	1,604	82	3,418	32
Marine Hull	1	859	4	154	9	38	13	313	9	96
Motor OD	137,263	33	124,713	38	174,492	34	231,934	43	252,397	34
Engineering	505	113	575	148	828	148	1,302	120	1,386	90
Liability	117	176	75	211	88	209	103	156	144	94
Public Liability	21	89	18	200	13	159	23	26	16	130
Health	1,041,290	126	896,690	129	152,771	99	74,654	57	96,323	93
Aviation	2	494	8	434	1	431	4	158	5	125
Public Accident	1,394	119	1948	96	2,024	65	2,826	77	2,461	69
All Other Misc	1,147	82	1141	78	2,613	63	2,132	75	2,327	44
Total	1,183,491		1,026,870		334,710		316,035		360,117	

Notes: 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 or loss 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), 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	309
				Reimbursement paid for expenses (Rent, Communication, Electricity, Professional fees, Maintenance Charges)	18,835
				Management fees	60,000
				Reimbursement paid for IT services	36,723
		Reliance Life Insurance Company Limited	Director	Claim Paid	152
				Gratuity	20,924
				Term Insurance policy	5,111
2	Mr. Soumen Ghosh	Reliance Life Insurance Company Limited	Director	Claim Paid	152
				Gratuity	20,924
				Term Insurance policy	5,111
		Reliance Securities Limited	Director	Claim Paid	10
				Brokerage Paid for Stock Exchange Trading	31
		Reliance Capital Asset Management Limited	Director	Claim Paid	445

For and on behalf of the Board of Directors

D. Sengupta

Director

H. Ansari

Director

Rajendra Chitale

Director

Soumen Ghosh

Director

Rakesh Jain

Executive Director and CEO

Hemant K. Jain

Chief Financial Officer

Mohan Khandekar

Company Secretary

Place: Mumbai

Date: April 30, 2014

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 comprises of the Balance Sheet as at March 31, 2014, the Revenue Account, 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 Management is responsible for the preparation of these financial statements that give a true and fair view of the Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account of the Company in accordance with the accounting principles generally accepted in India, the provisions of section 11 of the Insurance Act 1938, 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 (the "IRDA Financial Statements Regulation") and the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013, to the extent applicable and in the manner so required. This responsibility includes the design, implementation and maintenance of internal controls 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. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 auditors' 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 auditors consider the internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the financial statements have been prepared in accordance with the requirements of the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations and the Companies Act 1956, 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:
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - ii. in the case of the Revenue Account, of the surplus / (deficit), as the case maybe for the year ended on that date;
 - iii. in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - iv. in the case of the Receipts and Payments Account, of the Receipts and Payments for the year ended on that date.

Emphasis of Matter and Other Matters

Emphasis of Matter

5. Without qualifying our opinion, we draw attention to Note 16 in Schedule 17 to the financial statement, regarding Insurance Regulatory and Development Authority Order no. IRDA/F&A/ORD/MTAP/070/03/2012 dated 22nd March 2012 relating to IMTPIP liability for underwriting years 2009-10, 2010-11, 2011-12, wherein the Company has opted to amortise the transitional liability on straight line basis over three years beginning with financial year 31st March, 2012. Accordingly, the balance of ₹ 792,765 thousand has been charged to Revenue Account during the current financial year.

Other Matters

6. The actuarial valuation of liabilities with respect to claims Incurred But Not Reported (IBNR) and claims Incurred But Not Enough Reported (IBNER) 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 Actuarial Society 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

7. As required under Schedule C of IRDA Financial Statements Regulations, read with section 227 of the Companies Act 1956, we report that :
- we have 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;
 - 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 maintained by the Company so far as appears from our examination of those books;
 - the financial accounting systems of the Company are centralized and therefore accounting returns are not required to be submitted by branches and other offices;
 - the Balance Sheet, Revenue Account, Profit and Loss Account and Receipts and Payments account referred to in this report are in agreement with the books of account;
 - in our opinion and to the best of our information and according to the explanations given to us, investments of the Company have been valued in accordance with the provisions of the Insurance Act, 1938 and the regulations/directions issued by the IRDA in this behalf;
 - 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 in compliance with applicable accounting standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013 to the extent they are not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations and orders or directions issued by the IRDA in this behalf;
 - the Balance Sheet, Revenue Account, Profit and Loss Account and Receipts and Payments Account referred to in this report are in compliance with the accounting standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013, except as stated in para 5 above, to the extent they are not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations and orders or directions issued by the IRDA in this behalf; and
 - Based on the written representations received from the Directors of the Company, as on March 31, 2014, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2014 from being appointed as a Director in terms of Section 274 (1) (g) of the Companies Act, 1956.
8. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate of even date on the matters specified in paragraph 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.

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 : April 30, 2014

INDEPENDENT AUDITORS' CERTIFICATE

(Referred to in paragraph 8 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated April 30, 2014)

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.

Management of the Company 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 "IRDA Financial Statements Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority (the "IRDA"). 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, 2014, we certify that:

- 1) We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2014 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 by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention which 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, 2014, by actual inspection or on the basis of certificates/ confirmations received from the Custodians/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 : April 30, 2014

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014 Fire Insurance Business

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

(₹ in '000)

Particulars	Schedule	2013-14	2012-13
Premium Earned (Net)	1	410,893	355,667
Profit / (loss) on sale/redemption of Investments (Net)		9,912	10,769
Interest, Dividend & Rent – Gross		157,534	113,760
TOTAL (A)		578,339	480,196
Claims Incurred (Net)	2	365,492	207,203
Commission	3	(133,628)	(62,387)
Operating Expenses related to Insurance Business	4	117,596	105,373
Reserve for Premium Deficiency		-	-
TOTAL (B)		349,460	250,189
Operating Profit/(Loss) from Fire Business C= (A) - (B)		228,879	230,007
Appropriations			
Transfer to Shareholders' Accounts		228,879	230,007
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		228,879	230,007
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 Report of even date attached

For and on behalf of the Board

For Singhi & Co.

D. Sengupta

H. Ansari

Chartered Accountants
(Firm Registration no. 302049E)

Director

Director

Nikhil Singhi

Partner, Membership No. 061567

Rajendra Chitale

Director

Soumen Ghosh

Director

For Pathak H. D. & Associates

Chartered Accountants
(Firm Registration no. 107783W)

Rakesh Jain

Executive Director & CEO

Hemant K. Jain

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary

Place : Mumbai

Date : April 30, 2014

Reliance General Insurance Company Limited

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014 Marine Insurance Business

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

(₹ in '000)

Particulars	Schedule	2013-14	2012-13
Premium Earned (Net)	1	193,096	86,911
Profit / (loss) on sale/redemption of Investments (Net)		2,253	1,820
Interest, Dividend & Rent – Gross		35,802	19,227
TOTAL (A)		231,151	107,958
Claims Incurred (Net)	2	179,780	110,210
Commission	3	24,574	13,624
Operating Expenses related to Insurance Business	4	53,655	29,463
Reserve for Premium Deficiency		(20,900)	17,936
TOTAL (B)		237,109	171,233
Operating Profit/(Loss) from Marine Business C= (A) - (B)		(5,958)	(63,275)
Appropriations			
Transfer to Shareholders' Accounts		(5,958)	(63,275)
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		(5,958)	(63,275)
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 Report of even date attached

For and on behalf of the Board

For Singh & Co.

D. Sengupta

H. Ansari

Chartered Accountants
(Firm Registration no. 302049E)

Director

Director

Nikhil Singhi

Partner, Membership No. 061567

Rajendra Chitale

Director

Soumen Ghosh

Director

For Pathak H. D. & Associates

Chartered Accountants
(Firm Registration no. 107783W)

Rakesh Jain

Executive Director & CEO

Hemant K. Jain

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary

Place : Mumbai

Date : April 30, 2014

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014
Miscellaneous Insurance Business

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

(₹ in '000)

Particulars	Schedule	2013-14	2012-13
Premium Earned (Net)	1	16,793,592	13,155,573
Profit / (loss) on sale/redemption of Investments (Net)		148,742	141,829
Interest, Dividend & Rent – Gross		3,033,232	1,644,588
Exchange Gain / (loss)		(13,113)	(5,883)
Misc Income		4,393	3,773
TOTAL (A)		19,966,846	14,939,880
Claims Incurred (Net)	2	15,490,948	12,290,518
Commission	3	505,417	497,770
Operating Expenses related to Insurance Business	4	4,427,086	3,760,525
Reserve for Premium Deficiency		-	-
TOTAL (B)		20,423,451	16,548,813
Operating Profit/(Loss) from Miscellaneous Business C= (A) - (B)		(456,605)	(1,608,933)
Appropriations			
Transfer to Shareholders' Accounts		(456,605)	(1,608,933)
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		(456,605)	(1,608,933)
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 Report of even date attached

For and on behalf of the Board

For Singhi & Co.

Chartered Accountants
(Firm Registration no. 302049E)

D. Sengupta

Director

H. Ansari

Director

Nikhil Singhi

Partner, Membership No. 061567

Rajendra Chitale

Director

Soumen Ghosh

Director

For Pathak H. D. & Associates

Chartered Accountants
(Firm Registration no. 107783W)

Rakesh Jain

Executive Director & CEO

Hemant K. Jain

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary

Place : Mumbai

Date : April 30, 2014

Reliance General Insurance Company Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014

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

(₹ in'000)

Particulars	2013-14		2012-13	
Operating Profit / (Loss)				
a. Fire Insurance	228,879		230,007	
b. Marine Insurance	(5,958)		(63,275)	
c. Miscellaneous Insurance	(456,605)		(1,608,933)	
		(233,684)		(1,442,201)
Income from Investments				
Interest, Dividend & Rent – Gross	822,343		731,028	
Profit on sale/redemption of investments	75,346		103,283	
Less: Loss on sale/redemption of investment	(23,603)		(34,083)	
		874,086		800,228
Other Income				
Profit/(Loss) on sale of assets	(3,132)		(10,031)	
Miscellaneous Income	17,936		38,751	
Excess Provision Written Back	43,499		-	
		58,303		28,720
TOTAL (A)		698,705		(613,253)
Provisions (Other than Taxation)				
(a) For diminution in the value of investment	-		-	
(b) For doubtful debts	34,085		305,106	
(c) Others :-				
Risk reserve	-		-	
Standard Assets	(1,017)		1,203	
		33,068		306,309
Other Expenses				
Expenses other than those related to Insurance Business		24,810		8,130
Exchange Gain / (loss)		-		-
TOTAL (B)		57,878		314,439
Profit / (Loss) Before Tax		640,827		(927,692)
Provision for Taxation				
Current Tax		-		-
Deferred Tax		-		-
Net Profit / (Loss) After Tax		640,827		(927,692)
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		640,827		(927,692)
Balance of Profit / Loss brought forward from last year		(9,634,626)		(8,706,934)
Balance carried forward to Balance Sheet		(8,993,799)		(9,634,626)
Basic & Diluted Earning Per Share		5.22		(7.61)

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

As per our Report of even date attached

For and on behalf of the Board

For Singhi & Co.

Chartered Accountants
(Firm Registration no. 302049E)

D. Sengupta

Director

H. Ansari

Director

Nikhil Singhi

Partner, Membership No. 061567

Rajendra Chitale

Director

Soumen Ghosh

Director

For Pathak H. D. & Associates

Chartered Accountants
(Firm Registration no. 107783W)

Rakesh Jain

Executive Director & CEO

Hemant K. Jain

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary

Place : Mumbai

Date : April 30, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

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

(₹ in'000)

Particulars	Schedule	31.03.2014		31.03.2013	
Sources of funds					
Share Capital	5&5A		1,227,750		1,227,750
Reserves and Surplus	6		16,242,881		16,242,881
Fair Value Change Account			6,955		(53,002)
Borrowings	7		-		-
Total			17,477,586		17,417,629
Application of funds					
Investments	8		38,427,155		32,524,961
Loans	9		46,315		299,424
Fixed Assets	10		265,990		250,407
Deferred Tax Assets			372,735		372,735
Current Assets					
Cash and Bank Balances	11	644,135		545,783	
Advances and Other Assets	12	9,122,566		9,475,344	
Sub-Total (A)		9,766,701		10,021,127	
Current Liabilities	13	31,295,618		27,795,034	
Provisions	14	9,099,491		7,890,617	
Sub-Total (B)		40,395,109		35,685,651	
Net Current Assets (C = A - B)			(30,628,408)		(25,664,524)
Miscellaneous Expenditure (to the extent not written off or adjusted)	15		-		-
Debit Balance in Profit & Loss Account			8,993,799		9,634,626
Total			17,477,586		17,417,629
Significant accounting policies and notes to accounts to the Financial Statements	16 & 17				

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

As per our Report of even date attached

For and on behalf of the Board

For **Singhi & Co.****D. Sengupta****H. Ansari**

Chartered Accountants

Director

Director

(Firm Registration no. 302049E)

Nikhil Singhi

Partner, Membership No. 061567

Rajendra Chitale

Director

Soumen Ghosh

Director

For **Pathak H. D. & Associates**

Chartered Accountants

(Firm Registration no. 107783W)

Rakesh Jain

Executive Director & CEO

Hemant K. Jain

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary

Place : Mumbai

Date : April 30, 2014

Reliance General Insurance Company Limited

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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	2013-14	1,779,633	304,838	1,607,947	476,524	(65,631)	410,893
	2012-13	1,684,248	287,830	1,555,176	416,902	(61,235)	355,667
Marine Cargo	2013-14	389,274	1,230	174,140	216,364	(25,291)	191,073
	2012-13	278,105	1,297	164,107	115,295	(29,800)	85,495
Marine Hull	2013-14	15,174	-	14,116	1,058	965	2,023
	2012-13	6,557	-	5,283	1,274	142	1,416
Marine Total	2013-14	404,448	1,230	188,256	217,422	(24,326)	193,096
	2012-13	284,662	1,297	169,390	116,569	(29,658)	86,911
Motor OD	2013-14	7,690,118	80	444,759	7,245,439	(256,742)	6,988,697
	2012-13	7,484,862	48	773,171	6,711,739	(250,645)	6,461,094
Motor TP	2013-14	6,756,332	167,871	466,703	6,457,500	(863,352)	5,594,148
	2012-13	5,431,906	294,383	602,149	5,124,140	(1,192,490)	3,931,650
Motor Total	2013-14	14,446,450	167,951	911,462	13,702,939	(1,120,094)	12,582,845
	2012-13	12,916,768	294,431	1,375,320	11,835,879	(1,443,135)	10,392,744
Employer's Liability	2013-14	79,912	-	6,047	73,865	4,210	78,075
	2012-13	76,689	-	7,824	68,865	(8,025)	60,840
Public Liability	2013-14	275,231	3,331	240,006	38,556	(13,099)	25,457
	2012-13	285,426	153	256,847	28,732	(2,975)	25,757
Engineering	2013-14	723,357	42,148	616,659	148,846	6,132	154,978
	2012-13	848,941	62,427	762,600	148,768	(2,660)	146,108
Aviation	2013-14	29,554	-	28,880	674	617	1,291
	2012-13	22,801	-	24,120	(1,319)	5	(1,314)
Personal Accident	2013-14	278,838	8,485	89,085	198,238	(14,160)	184,078
	2012-13	222,814	2,756	25,718	199,852	8,700	208,552
Health	2013-14	4,700,920	-	1,174,166	3,526,754	55,470	3,582,224
	2012-13	2,955,306	2,663	499,730	2,458,239	(275,320)	2,182,919
Other Misc.	2013-14	1,169,906	692	924,802	245,796	(61,152)	184,644
	2012-13	802,397	13	667,003	135,407	4,560	139,967
Misc Total	2013-14	21,704,168	222,607	3,991,107	17,935,668	(1,142,076)	16,793,592
	2012-13	18,131,142	362,443	3,619,162	14,874,423	(1,718,850)	13,155,573
Total	2013-14	23,888,249	528,675	5,787,310	18,629,614	(1,232,033)	17,397,581
	2012-13	20,100,052	651,570	5,343,728	15,407,894	(1,809,743)	13,598,151

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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	2013-14	869,199	37,348	648,864	257,683	410,836	303,027	365,492
	2012-13	728,771	140,529	676,217	193,083	303,027	288,907	207,203
Marine Cargo	2013-14	208,377	2,637	100,155	110,859	170,956	101,723	180,092
	2012-13	216,939	12,079	141,643	87,375	101,723	78,667	110,431
Marine Hull	2013-14	295	-	30	265	637	1,214	(312)
	2012-13	386	-	39	347	1,214	1,782	(221)
Marine Total	2013-14	208,672	2,637	100,185	111,124	171,593	102,937	179,780
	2012-13	217,325	12,079	141,682	87,722	102,937	80,449	110,210
Motor OD	2013-14	4,305,196	-	373,519	3,931,677	1,722,057	1,892,076	3,761,658
	2012-13	3,724,843	-	386,738	3,338,105	1,892,076	1,459,119	3,771,062
Motor TP	2013-14	3,817,581	1,198,620	170,032	4,846,169	16,747,101	13,872,071	7,721,199
	2012-13	3,483,145	366,453	121,016	3,728,582	13,872,071	11,597,898	6,002,755
Motor Total	2013-14	8,122,777	1,198,620	543,551	8,777,846	18,469,158	15,764,147	11,482,857
	2012-13	7,207,988	366,453	507,754	7,066,687	15,764,147	13,057,017	9,773,817
Employer's Liability	2013-14	21,674	-	2,170	19,504	38,827	29,412	28,919
	2012-13	21,496	-	2,269	19,227	29,412	21,460	27,179
Public Liability	2013-14	3,247	-	379	2,868	26,874	13,077	16,665
	2012-13	3,147	-	1,550	1,597	13,077	8,177	6,497
Engineering	2013-14	530,784	17,804	441,456	107,132	204,121	137,135	174,118
	2012-13	523,178	31,373	429,559	124,992	137,135	148,976	113,151
Aviation	2013-14	10,651	432	10,289	794	1,713	443	2,064
	2012-13	218,651	183	211,580	7,254	443	6	7,691
Personal Accident	2013-14	174,296	210	39,829	134,677	140,182	122,037	152,822
	2012-13	202,112	-	47,120	154,992	122,037	94,697	182,332
Health	2013-14	4,323,384	-	1,106,848	3,216,536	950,880	637,499	3,529,917
	2012-13	2,091,227	-	285,861	1,805,366	637,499	377,568	2,065,297
Other Misc.	2013-14	348,698	(2)	229,439	119,257	159,596	175,267	103,586
	2012-13	105,052	-	44,023	61,029	175,267	121,742	114,554
Misc Total	2013-14	13,535,511	1,217,064	2,373,961	12,378,614	19,991,351	16,879,017	15,490,948
	2012-13	10,372,851	398,009	1,529,716	9,241,144	16,879,017	13,829,643	12,290,518
Total	2013-14	14,613,382	1,257,049	3,123,010	12,747,421	20,573,780	17,284,981	16,036,220
	2012-13	11,318,947	550,617	2,347,615	9,521,949	17,284,981	14,198,999	12,607,931

Reliance General Insurance Company Limited

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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	2013-14	96,469	11,247	241,344	(133,628)
	2012-13	100,177	16,103	178,667	(62,387)
Marine Cargo	2013-14	35,845	12	10,004	25,853
	2012-13	27,667	19	13,945	13,741
Marine Hull	2013-14	359	-	1,638	(1,279)
	2012-13	277	-	394	(117)
Marine Total	2013-14	36,204	12	11,642	24,574
	2012-13	27,944	19	14,339	13,624
Motor OD	2013-14	729,673	-	66,136	663,537
	2012-13	694,040	-	112,744	581,296
Motor TP	2013-14	5,764	-	21,097	(15,333)
	2012-13	-	-	80,551	(80,551)
Motor Total	2013-14	735,437	-	87,233	648,204
	2012-13	694,040	-	193,295	500,745
Employer's Liability	2013-14	7,262	-	1,442	5,820
	2012-13	6,808	-	1,150	5,658
Public Liability	2013-14	7,974	83	12,497	(4,440)
	2012-13	6,632	2	13,129	(6,495)
Engineering	2013-14	37,385	1,703	127,403	(88,315)
	2012-13	34,684	3,646	146,888	(108,558)
Aviation	2013-14	160	-	1,873	(1,713)
	2012-13	(547)	-	2,479	(3,026)
Personal Accident	2013-14	21,389	85	16,882	4,592
	2012-13	18,825	27	2,275	16,577
Health	2013-14	189,818	-	189,177	641
	2012-13	176,388	27	65,218	1,11,197
Other Misc.	2013-14	27,139	-	86,511	(59,372)
	2012-13	37,279	-	55,607	(18,328)
Misc Total	2013-14	1,026,564	1,871	523,018	505,417
	2012-13	974,109	3,702	480,041	497,770
Total	2013-14	1,159,237	13,130	776,004	396,363
	2012-13	1,102,230	19,824	673,047	449,007

Schedule 3 A

Commission Paid - Direct

(₹ in '000)

Particulars	Paid in India		Paid Outside India	
	2013-14	2012-13	2013-14	2012-13
Agents	767,180	749,828	-	-
Brokers	351,581	309,406	-	-
Corporate agency	40,476	42,996	-	-
Referral	-	-	-	-
Total	1,159,237	1,102,230	-	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**Schedule – 4****Operating Expenses related to insurance business**

(₹ in'000)

Particulars	2013-14		2012-13	
Employees' remuneration & welfare benefits		1,371,198		1,189,717
Company's contribution to Provident fund and others		72,006		61,820
Travel, conveyance and vehicle running expenses		65,704		66,986
Rents, rates & taxes		266,454		387,021
Repairs		273,586		248,813
Printing & Stationery		50,910		48,118
Communication expenses		93,301		85,154
Postage expenses		41,292		40,426
Legal & professional charges		182,729		147,316
Auditors Fees, expenses, etc.				
a. As auditor	3,969		3,568	
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	-	3,969	-	3,568
Advertisement and Publicity		1,687,377		1,165,923
Interest & Bank Charges		32,317		33,969
Service Tax Expenses		52,824		19,576
Others :				
Directors' Sitting fees		620		580
Entertainment Expenses		6,133		2,593
Office Maintenance Expenses		147,376		143,290
Training & Recruitment Expenses		57,220		42,147
Depreciation		113,504		106,304
Office Management Expenses		56,000		60,253
Subscriptions and Membership Fees		26,433		24,097
Coinsurance Expenses (net)		10,524		13,137
Miscellaneous expenses		11,670		12,683
TOTAL		4,623,147		3,903,491
Allocation:				
Fire Revenue Account		117,596		105,373
Marine Revenue Account		53,655		29,463
Miscellaneous Revenue Account		4,427,086		3,760,525
Expenses not relating to Insurance Business taken in Profit & Loss A/c		24,810		8,130
TOTAL		4,623,147		3,903,491

Reliance General Insurance Company Limited

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Schedule – 5

Share Capital

(₹ in'000)

Particulars	2013-14		2012-13	
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 11,84,80,288 shares are held by Holding Company, Reliance Capital Limited (previous year 11,84,80,288 Equity shares).

Schedule – 5A

Pattern of Share Holding (As certified by the Management)

(₹ in'000)

Shareholder	2013-14		2012-13	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoters- Indian				
Holding Company- Indian	118,480,288	96.50%	118,480,288	96.50%
Holding Company- Foreign	-	-	-	-
Others				
Reliance General Insurance Employees Benefit Trust	4,294,672	3.50%	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, 2014**Schedule – 6****Reserves and Surplus**

(₹ in'000)

Particulars	2013-14		2012-13	
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	2013-14		2012-13	
Debentures/ Bonds		-		-
Banks		-		-
Financial Institutions		-		-
Others		-		-
Total		-		-

Reliance General Insurance Company Limited

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

SCHEDULE – 8

Investments

(₹ in'000)

Particulars	2013-14		2012-13	
LONG TERM INVESTMENTS				
Government securities and Government guaranteed bonds including Treasury Bills	12,236,993		7,998,452	
Other Approved Securities	1,545,371		2,005,494	
Other Investments :				
(a) Shares				
(aa) Equity	505,038		495,110	
(bb) Preference	-		-	
(b) Mutual Funds	-		-	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	7,984,220		7,622,541	
(e) Other securities	-		-	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	7,288,629		6,737,392	
Other than Approved Investments	675,964		353,539	
Total Long Term Investments		30,236,215		25,212,528
SHORT TERM INVESTMENTS				
Government securities and Government guaranteed bonds including Treasury Bills	-		47,220	
Other Approved Securities	-		-	
Other Investments :				
(a) Shares				
(aa) Equity	-		-	
(bb) Preference	-		-	
(b) Mutual Funds	-		-	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	6,333,046		6,257,267	
(e) Other securities	-		-	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	1,847,206		757,895	
Other than Approved Investments	10,688		250,051	
Total Short Term Investments		8,190,940		7,312,433
Total		38,427,155		32,524,961

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

(₹ in'000)

Particulars	Current Year	Previous Year
Book Value	37,799,373	31,903,742
Market Value	37,077,566	32,091,212

- Government Securities include ₹ 1,31,731 thousand as at 31st March, 2014 (as at 31st March, 2013 ₹ 134,247 thousand), deposit u/s 7 of the Insurance Act, 1938.
- 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, 2014

SCHEDULE – 9

Loans

(₹ in'000)

Particulars	2013-14		2012-13	
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		299,424	
TOTAL		46,315		299,424
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		299,424	
TOTAL		46,315		299,424
PERFORMANCE-WISE CLASSIFICATION				
(a) Loans classified as standard				
(aa) In India	46,315		299,424	
(bb) Outside India	-		-	
(b) Non-performing loans less provisions				
(aa) In India	-		-	
(bb) Outside India	-		-	
TOTAL		46,315		299,424
MATURITY-WISE CLASSIFICATION				
(a) Short Term	-		-	
(b) Long Term	46,315		299,424	
TOTAL		46,315		299,424

* Net of Provision of ₹ 186/- (₹ in 000) (Previous Year 1,203/- (Rs in 000))

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Schedule – 10
Fixed Assets

(₹ in '000)

Description	Gross Block			Depreciation			Net Block		
	As at 01-04-13	Additions	Deductions	As at 31-03-14	As at 01-04-13	For the year	Deductions	As at 31-03-14	As at 31-03-13
Furniture & Fittings	74,227	1,025	7,721	67,531	56,153	4,441	6,811	13,748	18,074
Leasehold Improvements	29,053	3,705	-	32,758	28,379	1,122	-	3,257	674
Information Technology Equipment	263,715	25,036	83,691	205,060	216,200	26,301	80,886	43,445	47,515
Intangible Asset (Computer Software)	640,025	96,551	236,608	499,968	567,560	48,870	234,208	117,746	72,465
Vehicles	1,207	-	277	930	1,006	50	243	117	201
Office Equipment	204,057	26,618	52,316	178,359	122,718	32,105	49,889	73,425	81,339
Plant & Machinery	9,457	167	2,100	7,524	5,025	617	1,268	3,150	4,432
Total	1,221,741	153,102	382,713	992,130	997,041	113,506	373,305	254,890	224,700
Capital WIP	25,707	33,528	48,135	11,100	-	-	-	11,100	25,707
Grand Total	1,247,448	186,630	430,848	1,003,230	997,041	113,506	373,305	265,990	250,407
Previous Year (2012-13)	1,248,714	128,366	129,632	1,247,448	997,509	106,304	106,772	250,407	

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Schedule – 11

Cash and Bank Balances

(₹ in'000)

Particulars	2013-14		2012-13	
Cash (including cheques, drafts and stamps on hand)		86,786		59,102
Bank Balances				
(a) Deposit Accounts				
(aa) Short - term (due within 12 months)	1,400		1,400	
(aa) Others	-		-	
(b) Current Accounts	329,149		292,721	
(c) Cheques on Hand	226,800	557,349	192,560	486,681
Money at Call and Short Notice				
(a) With Bank	-		-	
(b) With other Institutions	-		-	-
Others				-
Total		644,135		545,783
Balances with non-scheduled banks included in (Current Accounts) above		-		-
Total		644,135		545,783

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

Schedule – 12

Advances and Other Assets

(₹ in'000)

Particulars	2013-14		2012-13	
Advances				
Reserve deposits with Ceding Companies		-		-
Application money for investments		-		-
Prepayments		34,571		32,021
Advances to Directors/ Officers		-		-
Advance tax paid and taxes deducted at source (Net of provision for taxation)		7,510		5,808
Others				
- Rental & Other Deposits	198,635		185,868	
- Advances to Staff	1,494		1,359	
- Unutilised Service Tax Credit and VAT	202,593		45,286	
- Other Advances	184,954		427,179	
Less : Provision	-	587,676	(219,176)	440,516
Other Assets				
Income accrued on investments	1,545,911		1,233,849	
Outstanding Premium	200,421		247,184	
Agents' Balances	719		1,288	
Foreign Agency Balances	-		-	
Due from subsidiaries/holding cos.	-		-	
Repossessed Stock	15		-	
Due from other entities carrying on insurance business	7,117,986		7,094,119	
Less Provision for doubtful debts	(372,243)		(372,206)	
Motor Pool Transition Liabilities (Unamortised Losses)	-	8,492,809	792,765	8,996,999
Deposit with Reserve Bank of India (Pursuant to Section 7 of Insurance Act, 1938)		-		-
Total		9,122,566		9,475,344

Reliance General Insurance Company Limited

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Schedule – 13

Current Liabilities

(₹ in'000)

Particulars	2013-14		2012-13	
Agent's Balances		80,573		77,862
Balances due to other insurance companies		226,916		369,338
Premium received in Advance		45,965		356,885
Unallocated Premium		1,071,194		372,452
Sundry Creditors		1,264,596		1,257,136
Claims Outstanding	27,746,457		24,279,579	
Add : Provision for Doubtful Reinsurance Recoveries	135,125	27,881,582	103,406	24,382,985
Due to Officers / Directors		-		12
Others :				
- Unclaimed amount of policyholders	367,327		335,386	
- Environmental Relief Fund Payable	61		116	
- Temporary Book Overdraft as per accounts	269,742		491,281	
- Employee Related Payables	13,837		21,197	
- Statutory Dues	61,683		73,070	
- Service Tax & VAT Liability	12,142	724,792	57,314	978,364
Total		31,295,618		27,795,034

Schedule – 14

Provisions

(₹ in'000)

Particulars	2013-14		2012-13	
Reserve for Unexpired Risk		8,984,897		7,752,864
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		-		20,900
Others :				
- For Leave Encashment	14,594		16,853	
- For Risk Reserves	100,000	114,594	100,000	116,853
Total		9,099,491		7,890,617

SCHEDULE – 15

Miscellaneous Expenditure

(₹ in'000)

Particulars	2013-14		2012-13	
Discount Allowed in issue of shares/ debentures		-		-
Others (to be specified)		-		-
Total		-		-

RECEIPTS AND PAYMENTS ACCOUNT FOR YEAR ENDED 31ST MARCH, 2014

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

(₹ in '000)

Particulars	Current Year		Previous Year	
Cash flows from operating activities :				
Direct Premiums received	23,577,329		20,329,699	
Payment to re-insurers, net of commissions and claims	(218,539)		(2,271,151)	
Payment to co-insurers, net claims recovery	(274,184)		(85,559)	
Direct Claims Paid	(15,086,786)		(11,318,948)	
Direct Commission / Brokerage Payments	(1,180,744)		(1,096,720)	
Payment of other operating expenses	(4,342,189)		(3,363,052)	
Preliminary and pre-operating expenses	-		-	
Deposits, Advances, and Staff loans	660,118		(366,468)	
Service Tax (Net)	(94,734)		24,800	
Income tax paid (Net)	(1,702)		7,318	
Wealth tax paid	-		-	
Misc Receipts/payments	(8,725)		(2,110)	
Cash flow before extraordinary items		3,029,844		1,857,809
Cash flow from extraordinary operations		-		-
Cash flow from operating activities		3,029,844		1,857,809
Cash flows from investing activities :				
Purchase of investments	(28,035,131)		(41,295,279)	
Sale of Investments (Including gain/ Loss)	21,544,160		32,924,066	
Purchase of fixed Assets	(138,495)		(98,782)	
Proceeds from sale of fixed assets	6,277		2,583	
Rent/ Interest/ Dividends received	2,845,638		2,134,095	
Investment in money market instruments and in liquid mutual funds (Net)	838,282		2,945,121	
Repayment received	-		-	
Loan Given	254,126		-	
Expenses related to investments	(24,810)		(8,130)	
Net Cash flow from investing activities		(2,709,953)		(3,396,326)
Cash flows from financing activities :				
Proceeds from Issuance of Share Capital	-		-	
Share Application Money Received'	-		1,549,999	
Proceeds from borrowings	-		-	
Repayment of borrowings	-		-	
Interest/ Dividend Paid	-		-	
Cash flow from financing activities		-		1,549,999
Net increase in cash & cash equivalents		319,891		11,482
Cash and cash equivalents at the beginning of the year		54,502		43,020
Cash and cash equivalents at the end of the period including Bank Overdraft		374,393		54,502
Cash and cash Equivalent at the end of the period:				
Cash & Bank balance as per schedule		644,135		545,783
Less: Temporary book over draft as per schedule		269,742		491,281
Cash and Cash Equivalent at the end including Bank Overdraft		374,393		54,502

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

For and on behalf of the Board
D. Sengupta
Director

H. Ansari
Director

Nikhil Singhi
Partner, Membership No. 061567

Rajendra Chitale
Director

Soumen Ghosh
Director

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

Rakesh Jain
Executive Director & CEO

Hemant K. Jain
Chief Financial Officer

Mukesh Mehta
Partner, Membership No. 043495

Mohan Khandekar
Company Secretary

Place : Mumbai
Date : April 30, 2014

Reliance General Insurance Company Limited

SCHEDULE – 16

Significant accounting policies forming part of the financial statements as at 31st March 2014

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 obtained regulatory approval to undertake General Insurance business on October 23, 2000 from the Insurance Regulatory and Development Authority (“IRDA”) and has also obtained its certificate of renewal of registration with validity until March 31, 2015.

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 IRDA in this behalf and the Regulations framed there under read with relevant provisions of the Insurance Act, 1938 and the Companies Act, 1956 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) as prescribed in the Companies (Accounting Standard) Rules 2006 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 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 reinsurers.

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 (applied 1/365 method), subject to a minimum of 100% in case of marine hull business and 50% in case of others business, based on net premium written (for unexpired risk) during the year as required by Section 64V (1) (ii) (b) of the Insurance Act, 1938.

8. Claims Incurred

Claims incurred comprise claims paid, 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.

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

Estimated liability for outstanding claims at Balance Sheet date is recorded net of claims recoverable from/payable to co-insurers/reinsurers and salvage to the extent there is certainty of realisation.

Estimated liability for outstanding claims is determined by management on the basis 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 IRDA 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 are carried at cost on weighted average basis. Cost includes brokerage, securities transactions tax, stamp duty and other charges incidental to transactions.

Reliance General Insurance Company Limited

- ii. 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 method.
- iii. 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.
- iv. Investment in Mutual Funds units is stated at previous day's Net Asset Value (NAV) at the Balance Sheet date. Unrealized gains/losses are credited / debited to fair value change account.
- v. 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 Written down Value basis at the rates and the manner provided in Schedule XIV to the Companies Act, 1956.
- 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 three years on straight line basis.
- vi. Based on the management's estimate of 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. Employee Benefits

I. 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. 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.

III. Defined Benefit Plan

The Company has incorporated a gratuity trust. Gratuity, which is a Defined Benefit Scheme is accounted for 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.

IV. 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.

18. 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.

19. 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.

20. 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.

21. Allocation of Expenses

Expenses relating to insurance business are allocated on the basis of net premium written to the Revenue Accounts.

Expenses relating to investment activities are charged to the Profit and Loss Account.

22. Earnings per share

Earnings per share is calculated by dividing the profit after tax in the profit and loss account by the weighted average number of equity shares outstanding during the year.

23. 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.

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SCHEDULE – 17

Notes forming part of the Accounts as on 31st March 2014

1. Contingent Liabilities:

(₹ in '000)

Particulars	At March 31, 2014	At March 31, 2013
Partly paid up investments	-	-
Underwriting commitments outstanding	-	-
Claims, other than under policies, not acknowledged as debt (Net)	12,612	11,415
Guarantees given by or on behalf of the company	1,050	1,400
Statutory demands/liabilities in dispute, not provided for (Amount paid under dispute Rs 2,310 thousand ,see note below)	2,310	2,310
Reinsurance obligations to the extent not provided for in accounts	-	-
Others	-	-

Note:- The company has 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).

2. The management had sent confirmation letters to the vendors asking for their registrations under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). However, no confirmations have been received by management and therefore no provision has been made for the same. In view of the management, the impact of interest, if any, that may be payable in accordance with 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:

- i. There are no commitments made and outstanding for Loans in the current financial year (Previous year Nil).
- ii. The commitments made and outstanding for Investments are Rs 3,129 thousands. (Previous year Rs 102,177 thousands).
- iii. Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets(net of advances) is ₹ 57,509 thousands (Previous year Rs 76,402 thousands).

6. Premium:

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

7. Claims:

- i. Claims, less reinsurance paid to claimant in/outside India are as under:

(₹ in '000)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
In India	12,709,414	9,491,068
Outside India	38,007	30,881

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

(₹ in '000)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
More than six months	14,573,791	12,250,386
Others	4,976,797	4,278,064

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

8. Investments:

- i. Value of contracts in relation to investments for:

(₹ in '000)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Purchases where deliveries are pending	3,129	102,177
Sales where payment are overdue	-	-
Sales where deliveries are pending	86,181	162,125

- ii. Historical cost of investments valued at fair value on Balance Sheet date is ₹ 620,824 thousands (Previous year Rs 674,220 thousands).
- iii. 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 Gross Direct Premium.

9. Reserve for unexpired risk :

Reserve for unexpired risk have 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, subject to a minimum of 100% in case of marine hull business and 50% in case of other business, based on net premium written during the year as required by Section 64V (1) (ii) (b) of the Insurance Act, 1938. In current year while computing the same, those policies are not considered where policy period has lapsed during the year itself based on IRDA circular number IRDA/F&A/CIR/FA/126/07/2013. Had the Company continued with the earlier method, it would have resulted in creation of additional unexpired risk reserve amounting to Rs 645,304 thousands with consequential impact in respective revenue accounts

10. Employee Benefits:

- i. Defined Contribution Plan: During the year company has recognized Rs 38,616 thousands as expenses (Previous year ₹ 31,567 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, 2014	For the Year ended March 31, 2013
I. Assumptions		
Discount Rate	9.31%	8.25%
Rate of Return on Plan Assets	9.31%	8.70%
Salary Escalation	5.00%	5.00%
II. Table Showing Change in Benefit Obligation		
Liability at the beginning of the Year	43,795	35,090
Interest Cost	3,612	2,983
Current Service Cost	11,048	8,906
Benefit Paid	(14,140)	(7,602)
Actuarial Gain/(Loss) on Plan Obligation	1,412	4,418
Liability at the end of the Year	45,727	43,795
III. Tables of Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the Year	39,117	30,097
Expected Return on Plan Assets	3,403	2,558
Contributions	20,924	14,175
Benefit Paid	(14,140)	(7,602)
Actuarial Gain/(Loss) on Plan Assets	291	(111)

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Gratuity	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Fair Value of Plan Assets at the end of the Year	49,595	39,117
Total Actuarial Gain/(Loss) to be recognised	1,121	(4,529)
IV. Actual Return on Plan Assets		
Expected return on Plan Assets	3,403	2,558
Actuarial Gain/(Loss) on Plan Assets	291	(111)
Actual return on Plan Assets	3,694	2,447
V. Amount Recognised in the Balance Sheet		
Liability at the end of the Year	45,727	43,795
Fair Value of Plan Assets at the end of the Year	49,595	39,117
Difference	(3,868)	4,678
Amount Recognised in the Balance Sheet	(3,868)	4,678
VI. Expenses Recognised in the Income Statement		
Current Service Cost	11,048	8,906
Interest Cost	3,612	2,983
Expected Return on Plan Assets	3,403	2,558
Net Actuarial Gain/(Loss) to be recognized	1,121	(4,529)
Expense Recognised in P&L	12,378	13,860
VII. Amount Recognised in the Balance Sheet		
Opening Net Liability	4,678	4,994
Expense as above	12,378	13,859
Employers Contribution Paid	20,924	14,175
Closing Net Liability	(3,868)	4,678

Experience adjustments

	Year ended March 31,2014	Year ended March 31,2013	Year ended March 31,2012	Year ended March 31,2011	Year ended March 31,2010
Defined benefits obligations	45,727	43,795	35,090	30,300	29,817
Plan assets	49,596	39,117	30,097	33,533	35,904
Surplus/ (Deficit)	3,869	(4,678)	(4,993)	3,233	6,087
Experience adjustment for plan liabilities (Gain)/ Losses	670	828	(538)	(6,110)	(171)
Experience adjustment for plan liabilities (losses)/Gains	291	(111)	(1,454)	(753)	3,190

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 31,2014	For the Year ended March 31, 2013
Deferred Tax Asset		
Related to Fixed Assets	35,833	19,215
Related to Leave Encashment Provision	4,733	5,468
Unabsorbed Depreciation	332,169	348,052
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, 2014			For the Year ended March 31, 2013		
	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	1.42	459,900	70	2.42
Granted	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Lapsed/Forfeited	-	-	-	45,000	-	-
Outstanding at the end of the year	414,900	70	-	414,900	70	-
Exercisable at the end of the year	414,900	70	-	414,900	70	-

The Company has chosen to account for the plan by Intrinsic Value Method. The total expense recognized for the year arising from stock option plan as per intrinsic value method is ₹ Nil (Previous Year Nil) The net results and Earning Per Share (EPS) for the year, had the Company adopted the fair value method, would have been unchanged.

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, 2014	For the Year ended March 31, 2013
Outsourcing Expenses	827,006	766,933
Business Development	1,306,529	936,520
Marketing Support	380,849	205,300

15. Terrorism Pool:

In accordance with the requirements of IRDA, 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

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The Company has ensured that it has created liability to the extent 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 IRDA, 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) IRDA 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 would have been higher by Rs 792,765 thousands pursuant to recognition of the said liability in the year of dismantling of IMTPIP.

(c) **Transitional Liabilities (TL) recognized in current year is as follow:**

(₹ in '000)

Particulars	Unrecognised as on March 31, 2013	Accounted during the year	Recognized during the year	Unrecognised as on March 31, 2014
Opening	792,765	-	792,765	-

(d) The company has accounted investment income of Rs 786,461 thousands (including Rs 472,898 thousands pertaining to earlier period) as interest income from IMTPI Pool as per IRDA Order No. IRDA/F&A/ORD/MTPP/070/03-2012 dated March 22, 2012 read with IRDA Order No. IRDA/NL/ORD/MPL/100/03/2014

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

In accordance with the directions of IRDA, 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

IRDA 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% (Previous year 10%) is ceded to GIC under obligatory cession and remaining 75% (Previous year 70%) 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 ended 31st December 2013, the accounts for which statement received.

Company has accounted for its share in Decline Risk Pool for the 3 months period January 2014 to March 2014 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, being the minimum rate specified in Section 64V(1)(ii) of the Insurance Act, 1938.

18. Contribution to Solatium Fund:

In accordance with the requirements of the IRDA 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 towards contribution to the solatium fund.

19. 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, 2014	For the Year ended March 31, 2013
Not later than one year	52,841	67,666
Later than one year and not later than five years	28,110	80,636
Later than five years	-	-

Lease payment debited to the Profit and Loss account during the year Rs 231,275 thousands (Previous year Rs 244,617 thousands).

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

Particulars	For the Year ended March 31, 2014		For the Year ended March 31, 2013	
	GDP (Rs in '000)	% of GDP	GDP (Rs in '000)	% of GDP
Rural	2,110,538	8.84	1,705,576	8.49
Urban	21,777,711	91.16	18,394,476	91.51
Total	23,888,249	100.00	20,100,052	100.00

Particulars	For the Year ended March 31, 2014		For the Year ended March 31, 2013	
	GDP (Rs in '000)	No. of lives	GDP (Rs in '000)	No. of lives
Social Sector	24,971	296,439	22,897	240,556

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

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
	% of business written	% of business written
Risk Retained	78%	74%
Risk Reinsured	22%	26%

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22. Managerial Remuneration:

(₹ in '000)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Salaries	27,557	13,388
Contribution to Provident Fund and Superannuation	1,901	2,304
Provision for Gratuity and Leave Encashment	1,043	308

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

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

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

The liability for IBNR and IBNER as at 31st March 2014 has been estimated by the Appointed Actuary as per IRDA 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.

24. As per IRDA 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	500 (Nil)	500 (Nil)	500 (Nil)	Nil (Nil)
2	Service Tax Authorities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3	Income Tax Authorities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
4	Any other Tax Authorities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	Enforcement Directorate/Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 1956	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8	Securities and Exchange Board of India	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
9	Competition Commission of India	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
10	Any other Central/State/Local Government/ Statutory Authority	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

25. As per IRDA 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, 2014:

(₹ 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 (1,392)	- (1,392)	- -	- -	- -	- -	- -
b. Any other sum due/payable to the insured/policyholder on completion of the policy terms or otherwise.	- -	- -	- -	- -	- -	- -	- -
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.	35,664 (31,235)	5,585 (6,315)	2,288 (4,783)	2,895 (2,450)	4,763 (3,017)	2,450 (3,505)	17,683 (11,165)
Cheques Issued by the company under "a", "b" or "c" above & cheques have not been encashed by the policyholders/ Insured.	331,663 (302,759)	61,019 (67,198)	31,085 (26,119)	18,428 (21,715)	23,114 (34,448)	18,353 (31,952)	179,664 (121,327)

26. 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	
Holding Company	
Reliance Capital Limited	
Subsidiary of Holding Company	
1.	Reliance Capital Asset Management Limited
2.	Reliance Capital Trustee Co. Limited
3.	Reliance Equity Advisors (India) Limited
4.	Reliance Money Express Limited
5.	Reliance Home Finance Limited
6.	Reliance Securities Limited
7.	Reliance Composite Insurance Broking Limited
8.	Reliance Wealth Management Limited
9.	Reliance Spot Exchange Infrastructure Limited
10.	Quant Capital Private Limited
11.	Quant Broking Private Limited
12.	Reliance Big Broadcasting Private Limited

Reliance General Insurance Company Limited

Subsidiary of Ultimate Holding Company	
13.	Reliance Big Entertainment Private Limited
14.	Big Animation (India) Private Limited
15.	Reliance Communication Infrastructure Limited
16.	Reliance Infratel Limited
17.	Reliance Infocomm Infrastructure Private Limited
Person Having Control	
Shri Anil D. Ambani	
Key managerial personnel	
Rakesh Jain	

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, 2014	For the Year ended March 31, 2013
1	Reliance Capital Ltd.	Holding Company	Premium Received	3,874	4,471
			Reimbursement received for expenses (Rent, Communication, Electricity, Canteen expenses)	13,644	12,788
			Claim Paid	309	463
			Reimbursement paid for expenses:- Rent, Communication, Electricity, Professional fees, Maintenance Charges	18,835	10,509
			Reimbursement paid for IT services	36,723	28,358
			Management fees Paid	60,000	82,441
			Advertisement Charges paid	-	548
			Share Capital Received	-	15,816
			Share Premium Received	-	1,534,183
			Interest Accrual on Debenture	90,479	73,163
			Outstanding balance in Customer Deposit (CD) A/c	1,464	948
			Debtors	458	355
2	Reliance Capital Asset Management Ltd.	Fellow Subsidiary	Premium Received	7,680	13,523
			Claim Paid	445	138
			Reimbursement received for expenses (Rent, Communication, Electricity, Canteen expenses)	1,418	2,473
			Outstanding balance in CD A/c	1,087	649
			Debtors	73	219
3	Reliance Capital Trustee Co. Ltd.	Fellow Subsidiary	Premium Received	32,643	41,266
4	Reliance Equity Advisor (India) Ltd.	Fellow Subsidiary	Premium Received	478	19
			Outstanding balance in CD A/c	15	15
5	Reliance Home Finance Ltd.	Fellow Subsidiary	Reimbursement paid for expenses (Market Intelligent & Feedback)	-	17
			Outstanding balance in CD A/c	25	25
6	Reliance Money Express Ltd.	Fellow Subsidiary	Premium Received	24	14
			Foreign Currency Purchased	1,778	625
			Outstanding balance in CD A/c	434	434
7	Reliance Securities Ltd.	Fellow Subsidiary	Reimbursement received for expenses (Rent, Communication, Electricity, Canteen expenses)	1,770	1,859
			Premium Received	37	60
			Brokerage paid for stock exchange trading	31	40
			Claim Paid	10	-
			Debtors	500	155

S.No.	Name of the Related Party	Relationship	Nature of transaction	For the Year ended March 31, 2014	For the Year ended March 31, 2013
8	Reliance Spot Exchange Infrastructure Ltd.	Fellow Subsidiary	Outstanding balance in CD A/c	22	22
9	Reliance Composite Insurance Broking Limited (w.e.f. October 18, 2011)	Fellow Subsidiary	Premium Received	-	21
			Brokerage	20,635	14,847
			Creditors	62	972
10	Reliance Innoventures Pvt. Ltd.	Ultimate Holding Company	Premium Received	2,645	4,793
11	Quant Capital Pvt. Ltd.	Fellow Subsidiary	Premium Received	449	23
12	Quant Broking Private Limited	Fellow Subsidiary	Premium Received	-	22
			Brokerage paid for stock exchange trading	-	52
13	Reliance Wealth Management Limited	Fellow Subsidiary	Premium Received	-	38
14	Reliance Big Broadcasting Private Limited	Fellow Subsidiary	Premium Received	35	-
			Debtors	474	474
15	Reliance Big Entertainment Private Limited	Fellow Subsidiary	Premium Received	60	175
16	Big Animation (India) Private Limited	Fellow Subsidiary	Premium Received	87	105
17	Reliance Communication Infrastructure Limited *	Fellow Subsidiary	Premium Received	98	603
			Reimbursement received for expenses (Rent, Communication, Electricity, Canteen expenses)	716	-
			Payments towards Information and Technology Services	20,445	21,723
			Reimbursement paid for expenses:- Rent, Communication, Electricity, Professional fees, Maintenance Charges	520	-
			Purchase of Fixed Asset (Tablet)	2,198	383
18	Reliance Infratel Limited	Fellow Subsidiary	Creditors	78	793
			Premium Received	205	674
19	Reliance Infocomm Infrastructure Private Limited	Fellow Subsidiary	Reimbursement paid for expenses:- Rent, Communication, Electricity, Professional fees, Maintenance Charges	2,970	1,043
			Creditors	13,679	9,386
20	Shri Anil D. Ambani	Person having control	Premium Received	6	120
21	Rakesh Jain	Key Managerial Personnel	Remuneration	30,501	16,000
			Premium Received	14	17

Note: Related Party relationship is as identified by the management and relied upon by the auditors.

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

Reliance General Insurance Company Limited

27. Segment Information for the year ended on 31st March 2014

- a. 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”.
- b. 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												
2013-14	410,893	191,073	2,023	12,582,845	78,075	25,457	154,978	1,291	184,078	3,582,224	184,644	17,397,581
2012-13	355,667	85,495	1,416	10,392,744	60,840	25,757	146,108	(1,314)	208,552	2,182,919	139,967	13,598,151
Investment Income												
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
2012-13	124,529	20,562	485	1,400,882	5,665	21,104	62,768	1,686	16,477	218,507	59,328	1,931,993
Misc. Income												
2013-14	-	-	-	-	-	-	-	-	-	-	(8,720)	(8,720)
2012-13	-	-	-	-	-	-	-	-	-	-	(2,110)	(2,110)
Total Segment Revenues												
2013-14	578,339	227,700	3,451	15,081,939	85,594	51,354	223,039	4,072	210,314	4,024,534	286,000	20,776,336
2012-13	480,196	106,057	1,901	11,793,626	66,505	46,861	208,876	372	225,029	2,401,426	197,185	15,528,034
Segment Expenses:												
Claims												
2013-14	365,492	180,092	(312)	11,482,857	28,919	16,665	174,118	2,064	152,822	3,529,917	103,586	16,036,220
2012-13	207,203	11,0431	(221)	9,773,817	27,179	6,497	113,151	7,691	182,332	2,065,297	114,554	12,607,931
Commission												
2013-14	(133,628)	25,853	(1,279)	648,204	5,820	(4,440)	(88,315)	(1,713)	4,592	641	(59,372)	396,363
2012-13	(62,387)	1,3741	(117)	500,745	5,658	(6,495)	(108,558)	(3,026)	16,577	111,197	(18,328)	449,007
Premium Deficiency												
2013-14	-	(20,900)	-	-	-	-	-	-	-	-	-	(20,900)
2012-13	-	17,936	-	-	-	-	-	-	-	-	-	17,936
Management Expenses												
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
2012-13	105,373	29,141	322	2,992,524	17,406	7,262	37,602	(333)	50,513	621,327	34,224	3,895,361
Total Segment Expenses												
2013-14	349,460	238,439	(1,330)	15,513,597	52,967	21,740	122,535	517	206,335	4,400,889	104,871	21,010,020
2012-13	312,576	157,508	101	12,766,341	44,585	13,759	150,753	7,358	232,845	2,686,624	148,778	16,521,228
Net Profit/(Loss)												
2013-14	228,879	(10,739)	4,781	(431,658)	32,627	29,614	100,504	3,555	3,979	(376,355)	181,129	(233,684)
2012-13	230,007	(65,192)	1,917	(1,473,460)	16,262	39,597	166,681	(3,960)	(24,393)	(396,395)	66,735	(1,442,201)
Unallocated items												
Investment Income												
2013-14												874,086
2012-13												800,228
Provision/(Other Income)												
2013-14												(25,235)
2012-13												277,589
Expenses												
2013-14												24,810
2012-13												8,130
Net Profit before tax												
2013-14												640,827
2012-13												(927,692)
Income tax												

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Employer Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Other Miscellaneous	Total
2013-14												-
2012-13												-
Net Profit after tax												
2013-14												640,827
2012-13												(927,692)
Assets:												
Segment Assets												
2013-14												-
2012-13												-
Unallocated Assets												
2013-14												48,878,896
2012-13												43,468,654
Total Assets												
2013-14												48,878,896
2012-13												43,468,654
Liabilities:												
Segment Liabilities												
2013-14	740,555	275,262	1,672	32,762,784	70,606	60,722	283,432	2,116	257,513	2,030,607	449,797	36,935,066
2012-13	571,914	181,609	24,114	29,021,124	65,374	33,517	225,403	1,463	228,653	1,787,572	372,892	32,513,635
Unallocated Liabilities												
2013-14												3,460,043
2012-13												3,172,016
Shareholders Fund												
2013-14												8,483,787
2012-13												7,783,003
Total												
2013-14												48,878,896
2012-13												43,468,654

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.

28. Summary of Financial Results:

(₹ in '000)

Particulars	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11	FY 2009-10
Operating Results					
Gross Direct Premiums	23,888,249	20,100,052	17,215,473	16,554,216	19,796,515
Net Earned Premium	17,397,581	13,598,151	11,630,872	12,938,039	13,992,484
Income From Investment	3,387,475	1,931,993	1,427,425	1,091,724	1,030,071
Other Income	(8,720)	(2,110)	4,829	1,045	1,180
Total Income	20,776,336	15,528,034	13,063,126	14,030,808	15,023,735
Commission (Net) including Brokerage	396,363	449,007	412,724	(225,156)	(351,876)
Operating Expenses	4,598,337	3,895,361	3,833,566	4,468,708	4,806,330
Net Incurred Claims	16,036,220	12,607,931	15,658,686	13,313,814	11,856,942
Change in unexpired risk reserve	1,232,033	1,809,743	208,497	(1,930,034)	294,736
Operating Profit/(Loss)	(233,684)	(1,442,201)	(3,844,814)	(3,526,558)	(1,262,261)
Non Operating Results					

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Particulars	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11	FY 2009-10
Total Income under Shareholder's Account	932,389	828,948	647,571	573,841	498,280
Profit/(Loss) before tax	640,827	(927,692)	(3,415,993)	(3,097,593)	(905,470)
Provision for tax	-	-	16,000	18,424	(401,200)
Profit/(Loss) after tax	640,827	(927,692)	(3,431,993)	(3,116,017)	(504,270)
Miscellaneous					
Policyholders' Account					
Total Funds	29,943,368	25,061,691	20,180,364	15,544,875	9,064,638
Total Investments	29,943,368	25,061,691	20,180,364	15,544,875	9,064,638
Yield on Investments	9.26%	10.07%	11.39%	10.57%	8.34%
Shareholders' Account					
Total Funds	8,483,787	7,783,003	7,138,051	6,218,547	7,822,890
Total Investments	8,483,787	7,783,003	7,138,051	6,218,547	7,822,890
Yield on Investments	9.26%	10.07%	11.39%	10.57%	8.34%
Paid up Equity Capital	1,227,750	1,227,750	1,211,933	1,166,729	1,152,239
Net Worth	8,483,787	7,783,003	7,138,051	6,218,547	7,822,890
Total Assets	48,878,896	43,468,654	30,749,895	25,416,341	26,003,787
Yield on total Investments	9.26%	10.07%	11.39%	10.57%	8.34%
Earnings Per Share (₹)	5.22	(7.61)	(29.24)	(26.80)	(4.46)
Book Value Per Share (₹)	69.10	63.82	59.52	53.27	68.66
Total Dividend	-	-	-	-	-
Dividend Per Share (₹)	-	-	-	-	-

29. 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	2013-14	6%	23%	-28%	15%
	2012-13	45%	21%	-15%	30%
Marine Cargo	2013-14	40%	55%	12%	-36%
	2012-13	-30%	41%	12%	-79%
Marine Hull	2013-14	131%	7%	-121%	166%
	2012-13	-19%	19%	-9%	101%
Motor	2013-14	12%	94%	5%	-22%
	2012-13	14%	90%	4%	-28%
Employer Liability	2013-14	4%	92%	8%	32%
	2012-13	30%	90%	8%	17%
Public Liability	2013-14	-4%	14%	-12%	15%
	2012-13	104%	10%	-23%	72%
Engineering	2013-14	-15%	19%	-59%	21%
	2012-13	-6%	16%	-73%	71%
Aviation	2013-14	30%	2%	-254%	60%
	2012-13	-38%	-6%	229%	430%
Personal Accident	2013-14	25%	69%	2%	-12%
	2012-13	-13%	89%	8%	-20%

Particulars	Financial Year	Gross Direct Premium Growth Rate	Net Retention Ratio	Net Commission Ratio	Underwriting Balance Ratio
Health	2013-14	59%	75%	0%	-23%
	2012-13	31%	83%	5%	-28%
Other Miscellaneous	2013-14	46%	21%	-24%	43%
	2012-13	44%	17%	-14%	7%
Total	2013-14	19%	76%	2%	-20%
	2012-13	17%	74%	3%	-25%

30. Other Ratios:

Ratio	Basis	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Gross Direct Premium to Net worth Ratio	Gross direct premium for current year divided by paid up capital & free reserve	2.82	2.58
Growth Rate of Net worth	Change in Net Worth during the period divided by net worth as at previous balance sheet date	9%	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%	25%
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)	31%	32%
Net Incurred Claims to Net Earned Premium	Net Incurred Claims divided by Net Earned Premium	92%	93%
Combined Ratio	Net Incurred Claims divided by Net Earned Premium plus expenses of management (including net commission) divided by Net written premium	119%	121%
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	2.12	2.36
Operating Profit Ratio	Underwriting profit/loss divided by net premium	0%	-10%
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)	0.24	0.25
Net Earnings Ratio	Profit after tax divided by net premium	3%	-6%
Return on net worth ratio	Profit after tax divided by net worth	8%	-12%
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)	1.51	1.62
NPA Ratio		-	-

Note: The above ratios have been calculated as per IRDA 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

Reliance General Insurance Company Limited

31. Earnings per share information:

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Profit/(Loss) available to equity shareholders (Rs in '000)	640,827	(927,692)
Weighted Average number of equity shares outstanding during the year	122,774,960	121,981,977
Basic earning per share (₹)	5.22	(7.61)
Diluted earning per share (₹)	5.22	(7.61)

32. Forward contracts entered and outstanding as on March 31, 2014 is Rs 4,692 thousand (Previous year Nil)

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

For and on behalf of the Board of Directors

D. Sengupta

Director

H. Ansari

Director

Rajendra Chitale

Director

Soumen Ghosh

Director

Rakesh Jain

Executive Director and CEO

Hemant K. Jain

Chief Financial Officer

Mohan Khandekar

Company Secretary

Place: Mumbai

Date: April 30, 2014



A Reliance Capital Company

Reliance General Insurance Co. Ltd.

Corporate Office: 570, Rectifier House, Naigaum Cross Road, Wadala (W), Mumbai 400031.

Registered Office: Reliance Centre, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400001.

IRDA Reg. No. 103, Corporate Identity Number.(CIN): U66603MH2000PLC128300

An ISO 9001:2008 Certified Company