

A small step for
evolution
A giant leap of
digitization



BOARD OF DIRECTORS

Mr. Rajendra P. Chitale	Director
Mr. H. Ansari	Director
Mrs. Chhaya Virani	Director
Mr. Soumen Ghosh.....	Director (Ceased to be a Director w.e.f. 31 st March, 2017)
Mr. Lav Chaturvedi	Director (Appointed as a Director w.e.f. 22 nd April, 2017)
Mr. Rakesh Jain	Executive Director & CEO

COMPANY SECRETARY

Mr. Mohan Khandekar

CHIEF FINANCIAL OFFICER

Mr. Hemant K. Jain

BANKERS

HDFC Bank limited	Citi Bank	Yes Bank
ICICI Bank Limited	SBI	
HSBC	IDBI Bank	

AUDITORS

M/s. Haribhakti & Co. LLP Chartered Accountants	M/s. Pathak H.D. & Associates Chartered Accountants
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REGISTERED OFFICE

H Block, 1st floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400 710.

CORPORATE OFFICE

Reliance Centre, South Wing, 4th Floor, Off. Western Express Highway, Santacruz (East), Mumbai - 400 055.
Tel. : +91 - 22 - 33031000 | Fax : +91 - 22 - 33034662 | www.reliancegeneral.co.in

REGISTRAR AND TRANSFER AGENT

Kary Computershare Private Limited
Kary Selenium, Tower B, Plot No. 31 & 32, Survey No. 116/22, 115/24, 115/25, Financial District, Nanakramguda, Hyderabad 500 032,
Tel : +91 40 6716 1500



Our
pursuit is to
bring unique
perspective to
business through
digital
transformation

A QUEST FOR EXCELLENCE

By skillfully navigating external challenges and seizing the opportunities presented by current trends, it is our intent to deliver success sustainably as a socially responsible business which aspires to be a household name in India and beyond.

Dear Stakeholders,

For Reliance General Insurance, 2016-17 was a year of transition and optimism. As a company, we met our targets, continued to outperform the industry and placed ourselves in a position to take advantage of opportunities that will present themselves as we take giant strides in future. In short, it was an extremely gratifying journey.

Success is often a result of design. We started the year on right footing as induction of noteworthy corporate groups and major banks, HFCs, and NBFCs became partners for our growth journey. Our strategy is continuing to yield rich dividends, and in the process we issued more than 4 million policies and achieved 41% growth (GDP). We were overwhelmed that our sharp focus on customer centricity and providing best-in-class service resonated with all stakeholders. This won us accolades and recognition across prestigious platforms like Indian Insurance Awards 2016, BEST BFSI Brand - Economic Times, and CMO Asia Awards.

Reliance General Insurance's consumer-focused strategy is working to create a more profitable business despite some challenges in the external environment. We are living in exciting times. Regulatory changes in the form of company listings, branch license to reinsurers and inviting more foreign investment underlines the importance the government has accorded to risk-protection industry. We expect the game-changing Goods and Services Tax (GST) to make the marketplace simpler, efficient costs and ultimately allow the real economic benefits to trickle down to our valued customers.

Last financial year has been witness to the massive impact technology has brought to insurance operations. As a company, we take pride in enabling people through technology and this objective forms the cornerstone of our accelerating digital transformation. The ongoing digital revolution at our company is bringing along a new era of human empowerment, and also leading to cost-savings that go directly to a growing bottom-line. Our tech platforms for agents & customers, mobile point of sales, use of video streaming, AI-powered chat service and Crop Cutting Experiment (CCE) mobile app are just a few examples of how we have created a competitive edge. Online channel, which forms an important growth channel for the company, registered 54% growth in premium collected and 66% growth in number of policies sold during the year --- a testimony to our Digital India commitment. The transformative effects of digitalization mean that insurers must disrupt or be disrupted.

Our blue-print for success is built upon travelling to where the customer is, providing impeccable service satisfaction and achieving growth that sustains our future endeavours. Our relentless search for better and more convenient products is on account of our deep understanding of the Indian consumer, who is earnestly looking for world-class service at an affordable price-point. Besides commercial considerations, equally important is our role in nation-building. Reliance General Insurance was an active participant in various government crop Insurance schemes – including the Pradhan Mantri Fasal Bima Yojna – and insured over 3 - million farmers under this financial inclusion initiative, during the year.

Reliance General Insurance has emerged as one of the most promising company with a market share of 7.3% and a PAT of Rs. 130.34 crs with an investment book size of Rs. 6724.27crs. With a solvency ratio that has improved further to 1.68, Reliance General Insurance is experiencing the sweet taste of success.

By skillfully navigating external challenges and seizing the opportunities presented by current trends, it is our intent to deliver success sustainably as a socially responsible business which aspires to be a household name in India and beyond. The independent listing of Reliance General Insurance Company Limited is expected to unlock substantial value for all stakeholders. In the coming year, the general insurance industry is slated to grow with the economy. Affluence led consumption will act as primary growth driver. The listing will enable retail investors to participate in this high-growth and new wealth-creation opportunity. This is just a small stride and we are all poised to take the big leap.

We would like to thank each one of you for your unwavering support that has enabled Reliance General Insurance emerge as the country's uniquely tech-driven and financially robust insurer.



Rakesh Jain
CEO

Cultivating new paradigms for a secured tomorrow

a smart app for tracking crop yields and crop health



Providing solutions for an enhanced experience

a smart chatbot for fulfilling service requests
on Facebook messenger



Hi i'm
RIVA



Driving the new revolution in insurance

a smart app for augmenting customer experience



Embracing innovation for faster growth

a smart portal for enabling our partners in
conducting their day to day business



Digital transaction for the digital age

Cashless convenience with secure and
hassle-free online payment



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DIRECTORS' REPORT

To the Members,

Your Directors present the Seventeenth Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2017.

Financial Results

(₹ in crore)

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Gross Direct Premium	3,935.35	2,791.56
Insurance Profit/(Loss)	51.44	0.18
Investment Income on Shareholders fund	99.25	104.70
Profit/(Loss) before Tax	130.34	99.08
Profit/(Loss) after Tax	130.34	99.08

Dividend

Your Directors have recommended a maiden dividend of ₹ 0.50 per Equity Share of ₹ 10 each for the Financial Year ended 31st March, 2017. The dividend on Equity Share is subject to the approval of the Shareholders at the ensuing Annual General Meeting (AGM).

Operations

Your Company in the current year has underwritten Gross Written Premium of ₹ 4,007.09 crore as against ₹ 2,867.98 crore in the previous year registering an increase by 40%. The main focus during the year was again to improve the profitability of the Company along with growth.

The Profit Before Tax earned during the Financial Year 2016-17 is ₹ 130.34 crore as against Profit of ₹ 99.08 crore during the previous year achieving a growth of 32% over Financial Year 2015-16.

Business Updates

The Financial Year started with the Insurance Regulatory and Development Authority of India (IRDAI) coming up with the revised Corporate Agency Regulations under which the Corporate Agent (General) could tie up with 3 Insurance Companies for solicitation of Insurance products by adopting the Open Architecture Policy. During the year your Company has tied up with major Banks/NBFC's which mainly includes Indusind Bank, Bank of India, Andhra Bank, Catholic Syrian Bank, Doha Bank, Daimler Financial Services India Pvt. Ltd, IndiaBulls Housing Finance Ltd, SBICAP Securities Limited, Volkswagen Finance Pvt. Ltd and many others. These tie-ups have given significant boost to the Company's Business and contributed to the Company's growth. Further, with the introduction of the new Pradhan Mantri Fasal Bima Yojana, Government sponsored schemes in Agri Insurance scheme the Company has been awarded tenders in many states to provide crop and weather insurance services, which also contributed positively to growth of the Company.

Debentures

During the year, the Company has issued Unsecured, Subordinated, Redeemable Non Convertible Debentures having a face value of ₹ 10,00,000/- each for cash amounting to ₹ 230 crore pursuant to IRDAI (Other forms of Capital) Regulations, 2015. The Debentures has been rated ["CARE AA" (Double A)] by Credit Analysis & Research Limited ("CARE") and "BWR AA" (Double A) by Brickwork Ratings India Private Limited. The Non-Convertible Debentures are listed on the Wholesale Debt Market ("WDM") Segment of the BSE Limited ("BSE"). The tenor of the Non Convertible Debentures is 3653 days bearing a coupon rate of 9.1%. The Company has issued NCD's to raise resources to augment the Other forms of Capital of the Company in order to meet the ongoing capital requirements for the Company's business activities.

Corporate Governance

IRDAI has issued comprehensive guidelines on Corporate Governance for adoption of the Insurance Companies. The objective of these guidelines is to ensure that the structure, responsibilities and functions of the Board of Directors and senior management of the Company fully recognize the expectations of all stakeholders as well as those of the Regulator. The Company's philosophy on Corporate Governance envisages the attainment of highest levels of transparency, accountability and equity, in all facets of its operations and in all interactions with its stakeholders, including Shareholders, employees, the Government and the society. A 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 Company Secretary & Chief Compliance Officer of the Company certifying that the Company has complied with the Corporate Governance Guidelines, also forms the part of the Annual Report.

Reinsurance

The Company has a well structured Reinsurance Program supported by approved securities, spread across the globe, having a valid UIN for 2016-17. The Reinsurance Programme has been renewed for 2017-18 and placed completely with reinsurers having approved credit rating as acceptable by IRDAI. 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 the Company's historical data, retention levels have been optimally fixed to ensure a healthy solvency margin, stability in financial results, minimum volatility in earnings and generate value to stakeholders. The Company would also like to emphasize on its preparedness for catastrophic events by regular monitoring of exposures, assessing accumulations through statistical Catastrophic (CAT) modeling tools and having adequate protection in place.

Digitization

Digitization has become the talk of the town and so your Company have moved in the same direction. The Company has been a pioneer in the General Insurance space to have an AUA from Unique Identification Authority of India (UIDAI) license thereby making majority of the claims payment directly into the customers Aadhar linked bank account. The Company has also initiated QR code based renewals, Social Login to website, RTO record based motor quotes amongst others.

Information Technology

Year 2016-17 is dedicated to new business Tie-ups with successful system integrations with systems of leading Banks.

SME Products such as Workmen Compensation, Professional Indemnity, Fire insurance & Package policies are launched on SmartZone Agent Portal in order to grow SME business on digital platform.

The Company journey on customer as focal point continues where by one click motor policy issuance, enablement of e-KYC, Self-inspection Mobile application for customer to buy hassle free policy online in the case of Break-in of insurance.

Customer Online enablement with claim intimation, claim status check & supporting document upload for Motor & Health Line of business Services front productivity & quality improvement continues to be focal point. Launch of Digital channel "Garage Portal" & "Provider Portal" enabling servicing partner to ensure better and faster motor & health claim servicing to customer. Rule based Modules such as network discount, Auto Co-Pay, along with Milliman integration made live in Health Claim System to improve the accuracy and productivity of team.

Maintaining the Trend & Pace with mobile world in the Country, the Company has added more mobile applications such as Service desk, Agent recruitment, Sales Diary management, Calculators for Bancassurance Tie ups, Business Dashboard etc.

IT services guarantee becomes vital for digital business model, hence appropriate effort has been taken in order to establish performance monitoring control room equipped with adequate latest tools and professionals to monitor Data Centre, Network, application performance and health of the eco systems.

Personnel

The Company believes that employees are the force behind the success and growth of an organization. The organization is constantly striving to create an engaging environment that draws the best from its employees. Employees' comfort & well-being are thus supreme for the Company.

Aon Engagement Survey 2016 was conducted during the year where in the Company achieved score of 77% placing it not only in the Top quartile range but also qualifying it for the Aon Hewitt Best Employer Study.

Key Automation Initiatives:

One of the essentials of creating a great place to work is to Explore, Identify and Implement the technological trends. With mobile being the go to device for all, Employee First applications was launched which can be used for leave updation, attendance, payslip viewing etc.

Employee Engagement:

The Company has an approach of always maintaining the right conditions for all its employees so that they give of their best each day. Some engagement steps taken towards that are:

- Emergency Card Initiative: A handy card with critical details distributed to all employees and also formalized as monthly activity for all the new joinees.
- Rakhi goes Khaki: Over 1000 rakhis collected from employees were sent for our border Jawaans of the Assam contingent.
- A week long Mandatory Off Policy was launched to ensure healthier work life balance.

Talent Management:

The Company launched the Talent Management program - PACE (Program for Accelerated Career Enhancement) to draw the best out of employees in their current role and also to prepare them for future. This program is founded on the ENSRCL Competency Framework derived basis the success stories across Reliance Group and leadership inputs.

On-boarding:

"First impression is the best!" A Comprehensive joining kit was issued to all the campus hires & new joinees consisting of Joining Manual- a book to 'get started', Emergency Cards, VIBES copies, diary, stationary etc. All new joinees and campus fresher also underwent induction program.

Training Initiatives:

The Company believes in the continuous growth and development of its employees. The Company has undertaken various training initiatives over the last year. Speaking of the unconventional training methods the Company introduced Beyond the Blockbuster where Company used movies to reiterate learnings based on organisational DNAs. The Company has introduced highly engaging Goldmine Expedition & Outbound training program for building cohesive teams.

Investments

The investment portfolio of the Company as on 31st March, 2017 is ₹ 6,715.03 crore as compared to ₹ 5,395.33 crore as on 31st March, 2016. The market value of the same is ₹ 6,791.12 crore as compared to ₹ 5,415.69 crore in the previous financial year. The asset allocation among Debt and Equity is at 98.52% as compared to 98.42% in the last financial year and 1.48% as compared to 1.58% in the last financial year respectively. The modified duration of the Debt portfolio stands at 3.15 years as compared to 3.16 years a year earlier. The Debt portfolio comprised 38.20% as compared to 33.07% in last financial year in Sovereign Bonds – approved securities, 30.28% as compared to 35.78% in last financial year in AAA rated securities, 14.38% as compared to 13.00% in last financial year in AA+ rated, 9.94% as compared to 6.97% in last financial year in AA/AA- rated and 7.25% as compared to 11.18% last financial year in money market instruments and Fixed Deposits.

The income for the whole year stood at ₹ 603.14 crore as compared to ₹ 515.98 crore in the last financial year. The income from overall portfolio translated into a return of 9.75% from average total assets of ₹ 6,089 crore debt and ₹ 96.42 crore equity. The MTM gain in debt is up to a positive ₹ 67.40 crore from a positive ₹ 34.85 crore last year, as a substantial improvement in the market conditions led to good profit booking from the debt portfolio. The MTM appreciation in equity also moved up as a significant outperformance of the portfolio over benchmark helped it to move to positive ₹ 8.69 crore from a negative to ₹ 14.49 crore seen in the previous year.

Claims handling

Motor

Motor Claims team continues with its endeavor to build a best in class operating model with emphasis on finer customer centric approach:

Adoption of Technology:

- About 87% of claims registered by Garages were through Web Portal increasing online claim registration by 10%. This ensures instant assignment of surveyors, quick surveys and faster claims settlement.
- Launched a revamped Garage Portal with a wide range of features for Garages. The new complete self help portal has ensured both ease and transparency in transactions. Apart from claim intimation through portal, the garages can upload documents, download TDS certificates, upload garage pictures & create their profile for their offerings and many more. This would help the customers to choose the right cashless garage viewing the facilities available.

Focussed Approach in Claims Management:

- Building upon core competency, better claims assessment and increased productivity, D2H (Direct-to-Hub) concept was introduced. Two Hubs were set up to take over the processing. As a result of this, there has been an increase in productivity of the technical team by 18% and a resultant improvement in the turnaround time in claim settlement.
- Go Digital – As a Go digital initiative the Company reiterated its focus on Aadhaar based payments to customers in reimbursement claims.
- Introduced a feature on the website wherein customers can directly upload documents. This will help in faster claims processing & settlement, as claims can be processed basis the uploaded documents and payments can be released immediately upon receipt of the Physical documents, after verification.

- The Network strength has increased to 4,339 as on 31st March, 2017 as against 3,259 on 31st March, 2016, which is 33% increase over last year contributing to increase in cashless claim settlement .
- Cashless claim settlement in private car has increased to 81% as compared to 78% in the previous year.

Health

Health Claims (RCare) architecture is built on 3 pillars: centralized services, customer handholding and Broadening of claims horizon towards holistic care management of customers.

The following has been key initiatives in this area:

- **Provider Portal Efficacy:** Web intimation for Cashless network hospitals has been provided thereby enabling dynamic claim intimations. 60% of the Cashless claim intimations are now done through the Provider portal. Provider Portal has helped in reducing the data entry and reduction in a step thus resulting in improvement in the processing time and ensuring that the claim manager gets quality time on medical aspects.
- **Customer Self Help Web Portal:** An enhanced self-help portal for the customer to intimate the claim and upload the claim documents. Additionally, provision has been made to upload query response to avoid courier delays and thus reduction in response time.
- **Applications Integration:** Integration of CRM tool (ICE) with Health Claim System (HCS) enhancing efficiency and turnaround time. Real-time integration of Third Party Administrator (TPA) and HCS system for seamless payment process and enabling claim monitoring and hassle free claims adjudication. HCS is also integrated with Data Warehouse, Policy Admin system and SAP to ensure that data flows freely between applications reducing any manual intervention.
- **D2H: Direct to Hub** is another feature introduced to ensure that the claim details are submitted at branch and the branch supports the processing team located at the Hub by sharing the softcopies of documents that can be accessed direct through Application and avoiding time taken for the physical documents to reach the Hub.
- **Various Modalities for Claim Status:** Claim status has been made available on the website of the Company. This was done to ensure transparency and also to ensure that customer is posted of the status of the claim which shall ensure timely submission of documents for faster settlement.
- **Aadhaar enabled Payments:** A step ahead of NEFT, Aadhaar based claim payments has been introduced in claims settlement.

Commercial Lines

The Company managed about 10,500 Commercial line claims in Financial Year 2016-17, against the previous year's 6,000 claims, with an enhanced productivity of about 60%. Direct claims increased by 78% from 5,000 to 8,918 with Follower claims largely remaining constant around 1,500. This was largely possible due to efficiency building through differential treatment for rule based claims.

The focus continues to be on customer delight. Thrust is on immediate visit to the site of loss by senior team members in maximum high value claims as a gesture of assurance to client. In case of small size claims, focus is on simplicity of process and speed of settlement.

Vardah cyclone in December 2016 brought in about 120 claims of varied severity. Team made multiple visits to the loss sites to assure support and ease of documentation. Immediate succor was offered to small clients by quick settlement through in house survey and settlement across the table on the basis of inspection of affected site.

Multiple customer testimonials from Retail and Corporate customers are on record to evidence the quality of services given by the Company.

Claims team has initiated pro-active involvement with Corporate Clients at the initial stage of business procurement which has facilitated better understanding of clients business. This has facilitated better understanding of the risk and helped speedy claim settlement. There is enhanced emphasis on regular structured meeting with Sales teams and Corporate clients on a monthly/quarterly basis.

Process and Certification

The Company has been successfully re-certified pan India for complying with the requirements of Quality Management Systems as per ISO 9001:2008 standard. The certificate has been awarded by Det Norske Veritas (DNV), one of the leading ISO certifying bodies. The initial certification had been achieved in July 2007. The existing certification is valid until September 2018.

Awards and Recognition

The Company has won awards throughout the year. The Company won prestigious "Chairman's Quality Award" consecutively for second year in a row. The Company was declared as "General Insurance Company of the Year" by ABP News BFSI Awards. The Company has won "SKOCH Order-of-Merit" and Silver award for its path breaking innovation in creating and installing the "Agri Insurance System". The Company has also won "Best Product Innovation" in General Insurance by the Indian Insurance Awards.

Customer Service and Grievances Redressal Cell

This was yet another year of sustained gradual decline in the Grievances volume, with the last two months of the Financial Year registering less than 50 Grievances each, an overall improvement of 15.6% reduction in Grievances for Financial Year 2016-17 (1288) as compared to Financial Year 2015-16 (1526).

Digitization, Automation, Collaboration within departments, peer to peer reviews, CEO reviews, are further powering a think tank of continuous improvement.

Some of the highlights of the year towards enhancing customer experience are as follows:

Online premium bearing endorsements: A provision and flow has been built to accept premium bearing endorsement by sharing a link to customers on request.

Same day endorsement: To attract and generate customer wow experience by assured same day assistance to one of the highest category of customer interactions - endorsements.

Smartservices Feedback Application: A tool for direct feedback from customers and channel partners initiated as Pilot for north region.

Further Web tools: Claim Intimations on website with document upload facility.

Call a Tech: By creating a hotline from the call center to the claim specialist has halved the number of grievances related to the highest category of complaint -Dispute on quantum of claim settled.

Senior Citizens Help: Dedicated support HelpLine for senior citizen specially for health policy.

Internal CSAT: Improvement of scores from 81% in Q3 to 85% in Q4.

Reduction of contact Center call: Redirecting of erroneous calls at source meant for other business from impacting Reliance General Insurance bandwidth and cost.

Implementation of Indian Accounting Standard

The Insurance Regulatory and Development Authority of India (IRDAI) had issued circular no. IRDA/F&A/CIR/IFRS/038/03/2016 dated 01st March, 2016 on implementation of Indian Accounting Standards (Ind AS) in Insurance Sector under which the Company has to comply with the Ind AS for financial statement beginning from April 2018 onwards.

During the period, the Company had prepared and submitted first draft financial statement as on 31st December, 2016 to the IRDAI along with key assumption and the challenges.

On 15th March, 2017, the IRDAI has also issued Exposure draft on Insurance Regulatory and Development Authority of India (Preparation of Financial Statements of Insurers) Regulations, 2017 on which suggestions have been shared by the Company as required by the IRDAI.

Directors Responsibility Statement

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013 ('the Act'), it is hereby confirmed that:

- i. In the preparation of the Annual Financial Statements for the Financial Year ended 31st March, 2017, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- ii. The Directors had 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 as at 31st March, 2017 and of the Profit of the Company for the year ended on that date;

- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 and Insurance Act, 1938, as amended, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the Annual Financial Statements for the Financial Year ended 31st March, 2017 on a 'Going Concern' basis;
- v. The Directors had laid down proper internal financial controls to be followed by the Company and such financial controls are adequate and operating effectively;
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Directors and Key Managerial Personnel

During the year Mr. Soumen Ghosh ceased to be a Director with effect from 31st March, 2017. Board places on records its deep sense of appreciation for the valuable services rendered by Mr. Soumen Ghosh during his tenure as Director. Mr. Lav Chaturvedi has been appointed as Director in place of Mr. Soumen Ghosh with effect from 22nd April, 2017. Subsequent to the resignation of Mr. Soumen Ghosh, the Company has appointed Mr. Lav Chaturvedi as an Additional Director (Non-Executive) who shall hold the office till the Annual General Meeting and therefore none of the Directors are liable to retire by rotation for this year.

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

Number of Meetings of the Board

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

Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance and individual directors pursuant to the provisions of the Companies Act, 2013. The Board evaluated the performance after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. In a separate meeting of Independent Directors, the performance of Non-Independent Directors, the performance of the Board as a whole, taking into account the views of Executive Director and Non-Executive Directors was evaluated.

Policy on Director's Appointment and Remuneration and other details

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

Particulars of Loans, Guarantees or Investments under Section 186

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

Transfer to Reserves

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

Material changes and commitments, affecting the financial position

There were no material changes or commitments, affecting the financial position of the Company between 31st March, 2017 and the date of this report.

Particulars of Employees

As required under the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the name and other particulars of the employees are set out in the Annexure to the Directors' Report. The Directors' Report is being sent to the shareholders excluding the Annexure. Any shareholder interested in obtaining a copy of the Annexure may write to the Company Secretary at the Registered Office of the Company.

Extract of Annual return

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

Secretarial Auditor

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

Auditor’s Report and Secretarial Auditor’s Report

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

Related Party Transactions

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

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

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

- 1) Part A and B pertaining to conservation of energy and technology absorption are not applicable to the Company.
- 2) Foreign exchange Earnings and Outgo:

During the Financial Year 2016-17, total Inflow in foreign currencies amounted to ₹ 42.94 crore and total Outflow in foreign currencies amounted to ₹ 100.85 crore.

Risk Management

The Company has implemented an integrated Enterprise Risk Management framework with the Risk Management Committee (RMC) monitoring the implementation of Enterprise Risk Management practices across the organisation. The Chief Risk Officer is responsible to identify, assess & monitor various risks including Business, Operational and Compliance risk that the organization faces, along with the mitigation plan. There is an overarching Risk Management Policy in place that is annually reviewed and approved by the Board of Directors.

The Company has identified enterprise wide risks which are categorized under five broad categories viz. Credit risk, Market risk, Business Risk (Insurance Risk), Operational risk and Compliance risk. ERM team submits the risk report on quarterly basis to the Risk Management Committee and the Board of Directors. It also provides risk based audit inputs to the Internal Audit team. Based on the Risk report the Risk Management Committee decides an appropriate mitigation plan to be implemented. The Chief Risk Officer monitors the implementation of formulated mitigation plans along with the relevant control owners from time to time.

Corporate Social Responsibility

The Company has constituted Corporate Social Responsibility Committee in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Corporate Social Responsibility Committee has formulated a Corporate Social Responsibility Policy (CSR policy) indicating the activities to be undertaken by the Company. Annual Report on CSR Activities is annexed herewith as “Annexure IV” as per the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company - www.reliancegeneral.co.in.

The CSR Committee consists of Mr. H. Ansari, Mr. Lav Chaturvedi and Mr. Rakesh Jain as members.

Public Deposits

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

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

No significant or material orders are passed by the regulators or courts or tribunals which may impact the going concern status and Company's operation in future.

Internal financial control systems and their adequacy

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

Report on Internal Financial Control

The Company has established a well defined internal control over financial reporting criterion across the organisation. During the year, such controls are tested by the Internal Audit team. Any material weakness in their design or operating effectiveness are reported to senior management.

Audit Committee

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this report.

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

No Companies became or ceased to be a subsidiary, joint venture or associate Company during the Financial Year 2016-17.

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

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

The following is a summary of sexual harassment complaints received and disposed off during the Financial Year 2016-17

No. of complaints received: 3

No. of complaints disposed off: 3

Auditors and Auditors' Report

M/s. Pathak H.D. & Associates, Chartered Accountants (Firm Registration Number 107783W), and M/s. Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration Number 103523W/W100048), Joint Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. M/s. Haribhakti & Co. LLP, Chartered Accountants has express their unwillingness to be re-appointed as Statutory Auditor. The Board proposed to appoint M/s. Price Waterhouse Chartered Accountants LLP, (Firm Registration No. FRN 012754N/N500016) as Statutory Auditor of the Company at the ensuing Annual General Meeting.

The Company has received letters from M/s. Pathak H.D. & Associates and M/s. Price Waterhouse Chartered Accountants LLP, to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) of the Act and that they are not disqualified from appointment as Statutory Auditors of the Company.

Your Directors have therefore proposed to appoint M/s. Pathak H.D. & Associates and M/s. Price Waterhouse Chartered Accountants LLP, as Joint Statutory Auditors of the Company, subject to the approval of the members at the ensuing AGM.

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

Debenture Trustees.

As per SEBI circular no. CIR/IMD/DF/18/2013 dated 29th October, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Debenture Trustee details are as under:

Name: Vistra ITCL (India) Limited

Contact details : The Vistra ITCL (India) Limited, IL&FS Financial Centre, Plot C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai : 400051

Website : www.vistraitcl.com

Acknowledgement

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

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

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

For and on behalf of the Board of Directors

Rajendra Chitale
Chairman of the Meeting
[DIN-00015986]

Place: Mumbai

Dated: 22nd June, 2017

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

1. Introduction

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

2. Objectives

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

3. Scope

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

4. Definitions

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

5. Policy

5.1 Appointment of Directors/ Key Managerial/ Senior Management personnel

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

5.2 Remuneration to Directors/ Key Managerial Personnel

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

5.2.4 The remuneration structure shall include the following components:

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

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

5.3 Remuneration to the other employees

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

6. Retention Features as part of Compensation Package

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

7. Modification and Amendment

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

FORM NO. MGT – 9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2017

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

I. Registration and other details

1.	CIN	U66603MH2000PLC128300
2.	Registration Date	August 17, 2000
3.	Name of the Company	Reliance General Insurance Company Limited
4.	Category / Sub-Category of the Company	Public Company Limited by Shares/ Indian Non-Government Company
5.	Address of the Registered office and contact details	H Block, 1 st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai – 400710 Tel. No. 022- 33031000
6.	Whether listed company	Yes
7.	Name, Address and Contact details of the Registrar and Transfer Agent, if any.	Karvy Computershare Private Limited Karvy Selenium, Tower B, Plot No. 31 & 32, Survey No. 116/22, 115/24, 115/25, Financial District, Nanakramguda, Hyderabad 500 032, Tel : +91 40 6716 1500

II. Principal Business Activities of the Company

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

Sl No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	General Insurance	6512	100

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Reliance Capital Limited 'H' Block, 1 st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400 710	L65910MH1986PLC165645	Holding Company	100	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2016				No. of Shares held at the end of the year i.e. 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	122110660	-	122110660	99.46	125774960	-	125774960	100	0.54
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(1) -	122110660	-	122110660	99.46	125774960	-	125774960	100	0.54
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-

Reliance General Insurance Company Limited

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2016				No. of Shares held at the end of the year i.e. 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub -Total (A)(2) :-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	122110660	-	122110660	99.46	125774960	-	125774960	100	0.54
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (trust)	664300	-	664300	0.54	Nil	-	Nil	0	-
Sub-total (B)(2):-	664300	-	664300	0.54	Nil	-	Nil	0	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	664300	-	664300	0.54	Nil	-	Nil	0	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	122774960	-	122774960	100.00	125774960	-	125774960	100.00	-

(ii) Shareholding of Promoters

Sl. No.	Share holder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Reliance Capital Limited	122110660	99.46	-	125774960	100	-	0.54
	Total	122110660	99.46	-	125774960	100	-	0.54

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	122110660	99.46	125774960	100
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	Increase as on 31.05.2016 due to transfer of shares and on 18.07.2016 due to allotment of shares on Right Basis			
3	At the end of the year	-	-	125774960	100

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

(v) Shareholding of Directors and Key Managerial Personnel (KMPs):

Mr. Rajendra Chitale, Mr. Haris Ansari, Mrs. Chhaya Virani, Mr. Lav Chaturvedi and Mr. Rakesh Jain (Executive Director & CEO) Directors of the Company hold nil shares at the beginning and end of the year.

The KMP's of the Company i.e. Mr. Rakesh Jain (Executive Director & CEO), Mr. Hemant Jain, CFO and Mr. Mohan Khandekar, Company Secretary, hold nil shares at the beginning and end of the year.

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

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

(₹ in Crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	230	-	230
• Reduction	-	-	-	-
Net Change	-	230	-	230
Indebtedness at the end of the financial year				
i) Principal Amount	-	230	-	230
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	13.07	-	13.07
Total (i+ii+iii)	-	243.07	-	243.07

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total (₹ in crore)
		Mr. Rakesh Jain Executive Director & CEO	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income - Tax Act, 1961	4.11 0.004 NIL	4.11 0.004 NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL
5	Others, please specify - Provident Fund - Retiral	0.13	0.13
	Total (A)	4.24	4.24
	Ceiling as per the Act		

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Director			Total (Amount in ₹)
		Mr. Rajendra Chitale	Mr. H. Ansari	Ms. Chhaya Virani	
1. Independent Directors	Fee for attending board/ committee meetings	6,40,000	8,00,000	2,40,000	16,80,000
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	6,40,000	8,00,000	2,40,000	16,80,000

Sr. No.	Particulars of Remuneration	Name of Director	Total (Amount in ₹)
		Mr Soumen Ghosh*	
2. Other Non Executive Directors	Fee for attending board/ committee meetings	NIL	NIL
	Commission	NIL	NIL
	Others, please specify	NIL	NIL
	Total (2)	NIL	NIL
	Total (B) = (1 + 2)	NIL	16,80,000
	Total Managerial Remuneration (A+B)	NIL	NIL
Overall Ceiling as per the Act			
* ceased to be Director w.e.f. 31 st March, 2017			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Rakesh Jain CEO	Mr. Hemant Jain CFO	Mr. Mohan Khandekar Company Secretary	Total (₹ in crore)
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.11	0.99	0.63	5.73
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify				
	- PF	0.13	0.04	0.02	0.19
	- Retiral	NIL	NIL	NIL	NIL
	Total	4.24	1.03	0.65	5.92

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment			None		
Compounding			None		
B. DIRECTORS					
Penalty			None		
Punishment			None		
Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment			None		
Compounding			None		

For and on behalf of the Board of Directors

Rajendra Chitale
Chairman of the Meeting
[DIN-00015986]

Place: Mumbai
Dated: 22nd June, 2017

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,

The Members,

Reliance General Insurance Company Limited

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

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the financial year ended 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2017, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - Not Applicable;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder ;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – Not Applicable;
 - v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - vi. Further we report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company being a general insurance company, has complied with the Insurance Act, 1938 as applicable, the Insurance Laws (Amendment) Act, 2015 and regulations, guidelines and directions issued by the Insurance Regulatory & Development Authority of India (IRDAI). The Company has its compliance system, which is subject to monitoring and reporting to IRDAI.

I have examined compliances with applicable clauses of:

- i. Secretarial Standards issued by the Institute of the Company Secretaries of India
- ii. Listing Agreement

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the year under review in compliance with the provisions of the Act.

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

The decisions at Board Meetings and Committee Meetings are carried out and recorded in the minutes of the Board of Directors and Committee of the Board accordingly.

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

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

- (i) Revision in remuneration of Mr. Rakesh Jain as Executive Director and CEO of the Company.
- (ii) Borrow fund by way of Issuance of Non Convertible Debentures;
- (iii) Listing of Non Convertible Debentures on BSE Limited;
- (iv) Shifting of Registered Office within city;
- (v) Reconstitution of various committees;
- (vi) Allotment of 30,00,000 Equity Shares to holding Company;
- (vii) Transfer of Equity Shares

Sd/-

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

Place: Mumbai
Date: 22nd April, 2017

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

ANNUAL REPORT ON CSR ACTIVITIES

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

The Company has a robust CSR Policy. As per the said policy, all our efforts are focused towards building a great enterprise for the stakeholders.

Our approach is to interweave social responsibility into the Company’s mainstream business functions through translating commitments into policies, which not only drive all employees but influence and mobilize stakeholders, especially partners and suppliers, to embrace responsible business practices in their respective spheres of action. The policy affirms business objectives and strategy along with our commitment to preserve natural resources and augment the growth and development of employees and families, the communities we operate in, suppliers/vendors, and our investors. Through the social policy manual, the Company seeks to engage with all the stakeholders, using it as a reference or guideline for all stakeholders and practitioners. CSR policy is placed on our website at the link www.reliancegeneral.co.in/Downloads/Corporate-Social-Responsibility-Policy.pdf.

2. The Composition of the CSR Committee:

The CSR Committee comprises of Mr. H. Ansari, Mr. Rakesh Jain and Mr. Lav Chaturvedi. Mr. Soumen Ghosh, ceased to be a Member w.e.f. 31st March, 2017.

3. Average net profit of the Company for last three financial years:

Average net profit of ₹ 81.38 crore for last three financial years.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is required to spend ₹ 1.63 crore towards CSR.

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year: ₹ 1.63 crore

(b) Amount unspent, if any: NA

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

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1) Local area or 2) Specify the State and projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Oncology Centre	Health Care	Maharashtra	1.38 crore	1.38 crore	1.38 crore	Through a Non-profit centre specialized in the provision of health care
2.	Sports	Training to Promote Sports	Maharashtra	0.25 crore	0.25 crore	0.25 crore	Directly by the Company
	TOTAL			1.63 crore	1.63 crore	1.63 crore	

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

Not Applicable

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

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the Company.

Rakesh Jain
(Executive Director and CEO)

H. Ansari
(Chairman of CSR Committee)

Report on Corporate Governance

1. Philosophy on Corporate Governance

The Company has always maintained the highest standards of Corporate Governance. The Principles which are set in Corporate Governance Policy are disclosure, fairness, independence, transparency, accountability, responsibility, social responsibility, compliances and ethical standards. The Company strives to achieve its mission in the lights of these corporate governance principles. These principles are not just words but are strictly followed in its true and strict sense in day to day working of the Company. The Company has also framed a strong whistle blowing mechanism where employees without hesitation can raise concern or report a possible breach of law or regulation with appropriate measures to protect against retaliation against reporting employees. Timely disclosure on all material matters regarding the Company, including the financial situation, performance, ownership and governance arrangement, 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 shareholder's value and protecting the interest of the stakeholders.

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

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

2. Board of Directors

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

1. Mr. Rajendra Chitale
2. Mr. H. Ansari
3. Mrs. Chhaya Virani
4. Mr. Lav Chaturvedi (Appointed w.e.f. 22nd April, 2017)
5. Mr. Rakesh Jain (Executive Director & CEO)

During the year, Mr. Soumen Ghosh, ceased to be a Director w.e.f. 31st March, 2017. Out of five Directors, three Directors are Independent Directors. As per the Corporate Governance guidelines issued by IRDAI, your Company has constituted the Mandatory Committees viz. Audit Committee, Investment Committee, Policyholders Protection Committee, Risk Management Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

3. Audit Committee

Your Company has constituted an Audit Committee pursuant to the provisions of Sections 177 of the Companies Act, 2013 and IRDAI Corporate Governance regulations. The Audit Committee comprises of Mr. Rajendra Chitale, Director, Mrs. Chhaya Virani, Director, Mr. H. Ansari, Director and Mr. Lav Chaturvedi, Director. Mr. Soumen Ghosh, ceased to be a Member of the committee w.e.f. 31st March, 2017. Audit Committee inter alia advises the management on the areas where systems, process, internal audit, risk management can be improved. The minutes of the meetings of the Audit Committee are placed before the Board for review. Audit Committee recommends to the Board, appointment and remunerations 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 concern.

4. Investment Committee

Your Company has constituted an Investment Committee pursuant to the requirement of Corporate Governance Guidelines of IRDAI. Presently the Committee consists of Mr. H. Ansari, Mr. Rajendra Chitale, Mr. Rakesh Jain, Mr. Hemant Jain, Mr. K. Ramkumar, Mr. Lav Chaturvedi, Mr. Sudip Banerjee, and Mr. Karthikeyan A.V. Mr. Soumen Ghosh, ceased to be a Member of the committee w.e.f. 31st March, 2017. The Investment Committees decides on the Investment Policy of the Company and reviews the Investment decisions taken by the Company. Report on Investment performance and investment portfolio is also placed before the Board for review.

5. Policyholders Protection Committee

Your Company has also constituted Policyholders Protection Committee as required under Corporate Governance Guidelines of IRDAI. At present the Committee consists of Mr. H. Ansari, Mr. Lav Chaturvedi, Mr. Rakesh Jain and Mr. Vivek Gambhir. Mr. Soumen Ghosh, ceased to be a Member of the committee w.e.f. 31st March, 2017. The Committee reviews and monitor 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. Rajendra Chitale, Mr. H. Ansari, Mr. Rakesh Jain, Mr. Mohan Khandekar, Mr. Hemant Jain, Mr. Vivek Gambhir, Mr. K. Ramkumar, Mr. Lav Chaturvedi, Mr. Sudip Banerjee, and Mr. Karthikeyan A.V. Mr. Soumen Ghosh, ceased to be a Member of the committee w.e.f. 31st March, 2017.

7. Nomination and Remuneration Committee

Your Company has also constituted Nomination and Remuneration Committee which comprises of Mr. Rajendra Chitale, Mr. H. Ansari and Mr. Lav Chaturvedi. Mr. Soumen Ghosh, ceased to be a Member of the committee w.e.f. 31st March, 2017.

8. Corporate Social Responsibility

Your Company has also constituted Corporate Social Responsibility which comprises of Mr. H. Ansari, Mr. Rakesh Jain and Mr. Lav Chaturvedi. Mr. Soumen Ghosh, ceased to be a Member of the committee w.e.f. 31st March, 2017.

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

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

9. Compliance Officer

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

Certification for Compliance of the Corporate Governance Guidelines

I, Mohan Khandekar, hereby certify that Reliance General Insurance Company Limited 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

DEATILS OF NUMBER OF MEETINGS HELD, DATE OF MEETINGS, ATTENDED AND COMPENSATION PAID DURING THE FINANCIAL YEAR 2016-17

BOARD MEETING

Date of Meetings:	29.04.2016, 18.07.2016, 21.10.2016, 19.01.2017, 15.03.2017		
Name of the Director	Meeting held during FY 2016-17	Meetings attended	Compensation paid Gross (Sitting Fees) (₹)
Mr. Rajendra Chitale	5	5	2,00,000
Mr. H. Ansari	5	5	2,00,000
Mrs. Chhaya Virani	5	4	1,60,000
Mr. Soumen Ghosh (ceased to be a Director w.e.f. 31.03.2017)	5	5	Nil
Mr. Rakesh Jain (Executive Director & CEO)	5	5	Nil

POLICYHOLDERS PROTECTION COMMITTEE

Date of Meetings:	29.04.2016, 18.07.2016, 21.10.2016, 18.01.2017		
Name of the Director/Member	Meeting held during FY 2016-17	Meetings attended	Compensation paid Gross (Sitting Fees) (₹)
Mr. H. Ansari	4	4	1,10,000
Mr. Soumen Ghosh (ceased to be a member w.e.f. 31.03.2017)	4	4	Nil
Mr. Rakesh Jain (Executive Director & CEO)	4	4	Nil
Mr. Vivek Gambhir (appointed as a member w.e.f. 21.10.2016)	4	1	Nil
Mr. Mukul Kishore (ceased to be a member w.e.f. 22.07.2016)	4	2	Nil

INVESTMENT COMMITTEE

Date of Meetings:	29.04.2016, 18.07.2016, 21.10.2016, 18.01.2017		
Name of the Director/Member	Meeting held during FY 2016-17	Meetings attended	Compensation paid Gross (Sitting Fees) (₹)
Mr. H. Ansari	4	4	1,10,000
Mr. Rajendra Chitale (appointed as a member w.e.f. 29.04.2017)	4	3	90,000
Mr. Soumen Ghosh (ceased to be a member w.e.f. 31.03.2017)	4	4	Nil
Mr. Rakesh Jain (Executive Director & CEO)	4	4	Nil
Mr. Hemant Jain	4	4	Nil
Mr. K. Ramkumar	4	4	Nil
Mr. Sudip Banerjee (appointed as a member w.e.f. 18.07.2016)	4	2	Nil
Mr. Karthikeyan A.V. (appointed as a member w.e.f. 19.01.2017)	4	0	Nil

AUDIT COMMITTEE

Date of Meetings:	29.04.2016, 18.07.2016, 21.10.2016, 19.01.2017		
Name of the Director	Meeting held during FY 2016-17	Meetings attended	Compensation paid Gross (Sitting Fees) (₹)
Mr. Rajendra Chitale	4	4	1,60,000
Mr. H. Ansari	4	4	1,60,000
Mrs. Chhaya Virani (appointed as a member w.e.f 29.04.2017)	4	2	80,000
Mr. Soumen Ghosh (ceased to be a member w.e.f. 31.03.2017)	4	4	Nil

RISK MANAGEMENT COMMITTEE

Date of Meetings:	29.04.2016, 18.07.2016, 21.10.2016, 19.01.2017		
Name of the Director/Member	Meeting held during FY 2016-17	Meetings attended	Compensation paid Gross (Sitting Fees) (₹)
Mr. Rajendra Chitale	4	4	1,10,000
Mr. H. Ansari	4	4	1,10,000
Mr. Soumen Ghosh (ceased to be a member w.e.f. 31.03.2017)	4	4	Nil
Mr. Rakesh Jain (Executive Director & CEO)	4	4	Nil
Mr. Mohan khandekar	4	4	Nil
Mr. Sudip Banerjee	4	4	Nil
Mr. Hemant Jain	4	4	Nil
Mr. K. Ramkumar	4	4	Nil
Mr. Vivek Gambhir (appointed as a member w.e.f. 21.10.2016)	4	1	Nil
Mr. Karthikeyan A.V. (appointed as a member w.e.f 19.01.2017)	4	0	Nil
Mr. Mukul Kishore (ceased to be a member w.e.f. 22.07.2016)	4	2	Nil

COMMITTEE OF EXECUTIVES (INVESTMENT)

Date of Meetings:	19.04.2016, 19.05.2016, 21.06.2016, 16.07.2016, 24.08.2016, 26.09.2016, 19.10.2016, 17.11.2016, 26.12.2016, 16.01.2017, 17.02.2017, 22.03.2017		
Name of the Director/Member	Meeting held during FY 2016-17	Meetings attended	Compensation paid Gross (Sitting Fees) (₹)
Mr. Rakesh Jain (Executive Director & CEO)	12	12	Nil
Mr. K. Ramkumar	12	10	Nil
Mr. Sudip Banerjee	12	11	Nil
Mr. Hemant Jain	12	11	Nil
Mr. Karthikeyan A.V. (appointed as a member w.e.f 19.01.2017)	12	2	Nil
Mr. Mukul Kishore (ceased to be a member w.e.f. 22.07.2016)	12	3	Nil

ASSET - LIABILITY MANAGEMENT COMMITTEE

Date of Meetings:	07.05.2016, 18.08.2016, 09.11.2016, 13.02.2017		
Name of the Director/Member	Meeting held during FY 2016-17	Meetings attended	Compensation paid Gross (Sitting Fees) (₹)
Mr. Soumen Ghosh (ceased to be a member w.e.f. 31.03.2017)	4	4	Nil
Mr. Rakesh Jain (Executive Director & CEO)	4	4	Nil
Mr. Hemant Jain	4	4	Nil
Mr. K. Ramkumar	4	4	Nil
Mr. Sudip Banerjee	4	4	Nil
Mr. Karthikeyan A.V. (appointed as a member w.e.f. 19.01.2017)	4	1	Nil
Mr. Vivek Gambhir (appointed as a member w.e.f. 21.10.2016)	4	2	Nil
Mr. Mukul Kishore (ceased to be a member w.e.f. 22.07.2016)	4	1	Nil

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Date of Meetings:	18.01.2017		
Name of the Director	Meeting held during FY 2016-17	Meetings attended	Compensation paid Gross (Sitting Fees) (₹)
Mr. H. Ansari	1	1	30,000
Mr. Soumen Ghosh (ceased to be a member w.e.f. 31.03.2017)	1	1	Nil
Mr. Rakesh Jain (Executive Director & CEO)	1	1	Nil

NOMINATION AND REMUNERATION COMMITTEE

Date of Meetings:	29.04.2016, 18.07.2016, 21.10.2016		
Name of the Director	Meeting held during FY 2016-17	Meetings attended	Compensation paid Gross (Sitting Fees) (₹)
Mr. H. Ansari	3	3	80,000
Mr. Rajendra Chitale	3	3	80,000
Mr. Soumen Ghosh (ceased to be a member w.e.f. 31.03.2017)	3	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	General Insurance	Independent Director
Mr. Lav Chaturvedi	MBA from Syracuse University, New York and CFA, USA.	Risk Management	Non - Executive Director
Mr. Soumen Ghosh*	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. Vivek Gambhir #	Masters of International Business from the IIFT, Delhi	Underwriting	Employee
Mr. Mukul Kishore**	B. Tech, Fellow of Insurance Institute of India	Underwriting	Employee

appointed as a member w.e.f. 21.10.2016

**ceased to be a member w.e.f. 22.07.2016

* ceased to be a member w.e.f. 31.03.2017

Investment Committee

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari	Post Graduate in Science	General Insurance	Independent Director
Mr. Rajendra Chitale#	Chartered Accountant	Finance & Insurance	Independent Director
Mr. Lav Chaturvedi	MBA from Syracuse University, New York and CFA, USA.	Risk Management	Non - Executive 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
Mr. Sudip Banerjee ##	B. Tech, IIT Kharagpur and MBA from IIM Kolkata	IT and Risk Management	Employee
Mr. Karthikeyan A.V. ###	Fellow of Institute of Actuaries of India and MBA Bharathidasan Institute of Management, Trichy	Actuary	Employee

appointed as a member w.e.f. 29.04.2016

appointed as a member w.e.f. 18.07.2016

appointed as a member w.e.f. 19.01.2017

* ceased to be a member w.e.f. 31.03.2017

Audit Committee

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari	Post Graduate in Science	General Insurance	Independent Director
Mr. Rajendra Chitale	Chartered Accountant	Finance & Insurance	Independent Director
Mr. Lav Chaturvedi	MBA from Syracuse University, New York and CFA, USA.	Risk Management	Non - Executive Director
Mrs. Chhaya Virani#	BA, LLB	Legal	Independent Director
Mr. Soumen Ghosh*	Chartered Accountant	Finance & Insurance	Non - Executive Director

appointed as a member w.e.f. 29.04.2016

* ceased to be a member w.e.f. 31.03.2017

Board of Directors

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari	Post Graduate in Science	General Insurance	Independent Director
Mr. Rajendra Chitale	Chartered Accountant	Finance & Insurance	Independent Director
Mrs. Chhaya Virani	BA, LLB	Legal	Independent Director
Mr. Soumen Ghosh*	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. Lav Chaturvedi	MBA from Syracuse University, New York and CFA, USA.	Risk Management	Non - Executive Director

* ceased to be a member w.e.f. 31.03.2017

Nomination and Remuneration Committee

Name	Qualification	Field of Specialization	Category
Mr. Rajendra Chitale	Chartered Accountant	Finance & Insurance	Independent Director
Mr. H. Ansari	Post Graduate in Science	General Insurance	Independent Director
Mr. Lav Chaturvedi	MBA from Syracuse University, New York and CFA, USA.	Risk Management	Non - Executive Director
Mr. Soumen Ghosh*	Chartered Accountant	Finance & Insurance	Non - Executive Director

* ceased to be a member w.e.f. 31.03.2017

Ethics Committee

Name	Qualification	Field of Specialization	Category
Mr. Lav Chaturvedi	MBA from Syracuse University, New York and CFA, USA.	Risk Management	Non - Executive 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

** ceased to be a member w.e.f. 22.07.2016

* ceased to be a member w.e.f. 31.03.2017

Risk Management Committee

Name	Qualification	Field of Specialization	Category
Mr. Rajendra Chitale	Chartered Accountant	Finance & Insurance	Independent Director
Mr. H. Ansari	Post Graduate in Science	General Insurance	Independent Director
Mr. Lav Chaturvedi	MBA from Syracuse University, New York and CFA, USA.	Risk Management	Non - Executive Director
Mr. Soumen Ghosh*	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. Mohan Khandekar	M.Com, LLB, ACS	Company Secretarial and Legal Matters	Employee
Mr. Hemant Jain	Chartered Accountant	Finance	Employee
Mr. Sudip Banerjee	B. Tech, IIT Kharagpur and MBA from IIM Kolkata	IT and Risk Management	Employee
Mr. K. Ramkumar	B.Sc, (Chemistry), Diploma in Business Finance From ICFAI Hyderabad, ICWAI	Investments	Employee
Mr. Vivek Gambhir #	Masters of International Business from the IIFT, Delhi	Underwriting	Employee
Mr. Karthikeyan A.V.##	Fellow of Institute of Actuaries of India and MBA Bharathidasan Institute of Management, Trichy	Actuary	Employee
Mr. Mukul Kishore**	B. Tech, Fellow of Insurance Institute of India	Underwriting	Employee

appointed as a member w.e.f. 21.10.2016

appointed as a member w.e.f. 19.01.2017

** ceased to be a member w.e.f. 22.07.2016

* ceased to be a member w.e.f. 31.03.2017

Committee of Executives (Investment)

Name	Qualification	Field of Specialization	Category
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO
Mr. Hemant Jain	Chartered Accountant	Finance	Employee
Mr. Sudip Banerjee	B. Tech, IIT Kharagpur and MBA from IIM Kolkata	IT and Risk Management	Employee
Mr. K. Ramkumar	B.Sc, (Chemistry), Diploma in Business Finance From ICFAI Hyderabad, ICWAI	Investments	Employee
Mr. Karthikeyan A.V.#	Fellow of Institute of Actuaries of India and MBA Bharathidasan Institute of Management, Trichy	Actuary	Employee
Mr. Mukul Kishore*	B. Tech, Fellow of Insurance Institute of India	Underwriting	Employee

appointed as a member w.e.f. 19.01.2017

* ceased to be a member w.e.f. 22.07.2016

Asset Liability Management Committee

Name	Qualification	Field of Specialization	Category
Mr. Lav Chaturvedi	MBA from Syracuse University, New York and CFA, USA.	Risk Management	Non - Executive 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
Mr. Sudip Banerjee	B. Tech, IIT Kharagpur and MBA from IIM Kolkata	IT and Risk Management	Employee
Mr. Vivek Gambhir #	Masters of International Business from the IIFT, Delhi	Underwriting	Employee
Mr. Karthikeyan A.V.##	Fellow of Institute of Actuaries of India and MBA Bharathidasan Institute of Management, Trichy	Actuary	Employee
Mr. Mukul Kishore**	B. Tech, Fellow of Insurance Institute of India	Underwriting	Employee

appointed as a member w.e.f. 21.10.2016

appointed as a member w.e.f. 19.01.2017

** ceased to be a member w.e.f. 22.07.2016

* ceased to be a member w.e.f. 31.03.2017

Corporate Social Responsibility Committee

Name	Qualification	Field of Specialization	Category
Mr. H. Ansari	Post Graduate in Science	General Insurance	Independent Director
Mr. Lav Chaturvedi	MBA from Syracuse University, New York and CFA, USA.	Risk Management	Non - Executive Director
Mr. Soumen Ghosh*	Chartered Accountant	Finance & Insurance	Non - Executive Director
Mr. Rakesh Jain	Chartered Accountant, ICWAI	Insurance, Finance	Executive Director & CEO

* ceased to be a member w.e.f. 31.03.2017

MANAGEMENT REPORT ATTACHED TO THE FINANCIAL STATEMENT AS ON 31ST MARCH 2017

- 1) We confirm the validity of the registration granted by Insurance Regulatory & Development Authority of India for carrying on general insurance business.
- 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", "Cash" and several items specified under "Other Accounts" except debt securities which are stated at cost/ amortised cost
- 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.
- 9) We certify that the investments have been valued as per the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 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 IRDAI regulations.
- 10) Ageing analysis of claims outstanding and average claims settlement time for the five years.

Ageing of Claim Outstanding

FY 2016-17

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	409	36,16,597	673	2,59,754	1	10	11,432	5,83,282
31 days to 6 Months	105	7,06,111	98	31,297	-	191	508	72,573
6 Months to 1 Year	86	6,71,465	134	17,053	-	-	254	27,314
1 Year to 5 Years	191	4,07,131	94	7,58,418	1	1,624	1,384	99,044
5 Years and Above	39	48,114	19	17,065	2	44	486	34,383
Grand Total	830	54,49,418	1,018	10,83,587	4	1,869	14,064	8,16,596

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	8,999	20,43,602	391	2,66,348	146	12,600	113	10,322
31 days to 6 Months	5,341	11,53,023	52	1,08,888	94	8,014	87	15,813
6 Months to 1 Year	5,959	13,50,813	24	18,680	143	12,074	24	7,993
1 Year to 5 Years	33,121	79,04,226	610	4,02,379	187	25,624	138	48,347
5 Years and Above	14,627	29,06,402	18	6,540	18	4,686	8	4,000
Grand Total	68,047	1,53,58,068	1,095	8,02,835	588	62,998	370	86,475

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	44,420	7,32,875	3	13,534	1103	2,33,423	472	36,582
31 days to 6 Months	109	15,422	-	-	355	44,514	45	12,300
6 Months to 1 Year	124	17,106	-	566	364	48,792	32	1,865
1 Year to 5 Years	298	73,242	5	9,931	765	65,592	670	3,63,318
5 Years and Above	121	2,464	8	7,16,251	181	17,804	108	17,417
Grand Total	45,072	8,41,109	16	7,40,282	2768	4,10,125	1327	4,31,482

(₹ in '000)

Period / Class	Crop and Weather Insurance		Total	
	Count	Amount	Count	Amount
30 days	329	2,60,354	68491	80,69,283
31 days to 6 Months	72	2,43,746	6866	24,11,891
6 Months to 1 Year	60	1,88,097	7204	23,61,818
1 Year to 5 Years	52	5,60,311	37516	1,07,19,187
5 Years and Above	-	-	15635	37,75,170
Grand Total	513	12,52,508	1,35,712	2,73,37,349

FY 2015-16*

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	62	26,938	82	20,892	-	-	6,837	210,688
31 days to 6 Months	231	1,202,638	290	112,459	-	-	7,463	459,133
6 Months to 1 Year	179	484,129	108	229,519	1	39,960	1,293	159,413
1 Year to 5 Years	154	521,264	57	93,840	1	1,369	2,097	189,972
5 Years and Above	47	58,050	21	7,548	2	44	516	39,489
Grand Total	673	2,293,019	558	464,258	4	41,373	18,206	1,058,695

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,325	322,881	49	18,939	18	373	7	4,030
31 days to 6 Months	6,266	1,336,866	124	71,236	173	11,466	20	5,095
6 Months to 1 Year	7,526	1,585,134	585	389,066	169	18,132	26	3,892
1 Year to 5 Years	41,822	8,951,911	108	278,805	79	15,837	153	50,282
5 Years and Above	13,897	2,460,812	13	4,421	17	3,031	4	616
Grand Total	70,836	14,657,604	879	762,467	456	48,839	210	63,915

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,16,932	9,09,958	-	-	180	43,457	78	5,186
31 days to 6 Months	988	68,099	1	11,153	649	99,154	127	13,170
6 Months to 1 Year	126	41,809	1	60,363	468	58,329	27	4,319
1 Year to 5 Years	415	73,059	6	2,320	1157	63,985	720	8,93,098
5 Years and Above	145	3,558	11	7,21,180	219	17,792	91	4,785
Grand Total	1,18,606	10,96,483	19	7,95,016	2,673	2,82,717	1,043	9,20,558

(₹ in '000)

Period / Class	Crop & Weather		Total	
	Count	Amount	Count	Amount
30 days	64	2,74,398	1,25,634	18,37,740
31 days to 6 Months	68	4,44,183	16,400	38,34,652
6 Months to 1 Year	-	56,473	10,509	31,30,538
1 Year to 5 Years	52	3,90,315	46,821	1,15,26,057
5 Years and Above	-	-	14,983	33,21,326
Grand Total	184	11,65,369	2,14,347	2,36,50,313

FY 2014-15*

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	51	58,252	58	10,792	-	-	5,448	208,862
31 days to 6 Months	131	410,928	112	90,519	-	-	5,264	576,131
6 Months to 1 Year	134	251,899	60	55,454	2	3,250	918	190,059
1 Year to 5 Years	202	887,535	166	442,666	2	1,474	2,812	299,460
5 Years and Above	4	14,231	8	3,318	-	-	4	233
Grand Total	522	1,622,845	404	602,749	4	4,724	14,446	1,274,745

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,428	292,681	42	23,882	15	1,729	9	972
31 days to 6 Months	6,627	1,307,423	125	200,043	58	5,404	28	5,718
6 Months to 1 Year	6,495	1,312,630	152	368,167	16	4,127	35	8,693
1 Year to 5 Years	46,858	9,012,841	517	672,807	47	12,879	95	29,201
5 Years and Above	8,841	1,379,224	6	643	8	1,323	5	2,715
Grand Total	70,249	13,304,799	842	1,265,542	144	25,462	172	47,299

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	11,437	2,37,730	-	-	247	30,158	49	4,641
31 days to 6 Months	9,918	2,06,794	-	-	691	86,294	83	87,047
6 Months to 1 Year	3,383	91,708	2	496	503	51,511	110	2,81,101
1 Year to 5 Years	12,504	1,31,036	18	7,22,657	1,702	88,309	784	4,94,336
5 Years and Above	2	203	1	12	9	12,108	25	2,097
Grand Total	37,244	6,67,471	21	7,23,165	3,152	2,68,380	1,051	8,69,222

(₹ in '000)

Period / Class	Crop & Weather		Total	
	Count	Amount	Count	Amount
Ageing				
30 days	20	38,499	18,804	908,198
31 days to 6 Months	15	5,65,749	23,052	35,42,050
6 Months to 1 Year	26	26,523	11,836	26,45,618
1 Year to 5 Years	9	14,864	65,716	1,28,10,065
5 Years and Above	-	-	8,913	14,16,107
Grand Total	70	6,45,635	1,28,321	2,13,22,038

FY 2013-14*

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
Ageing								
30 days	89	350,690	117	22,743	-	-	5,183	285,045
31 days to 6 Months	154	376,372	121	88,609	1	1,369	5,711	756,276
6 Months to 1 Year	76	425,842	50	12,759	1	90	1,326	288,185
1 Year to 5 Years	138	303,817	170	124,004	3	2,202	2,733	401,833
5 Years and Above	-	-	-	-	-	-	3	250
Grand Total	457	1,456,721	458	248,115	5	3,661	14,956	1,731,589

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
Ageing								
30 days	1,359	257,981	106	97,577	19	2,311	8	1,205
31 days to 6 Months	6,271	1,223,010	224	664,329	48	10,180	18	5,553
6 Months to 1 Year	7,511	1,512,317	168	419,291	26	8,814	18	4,414
1 Year to 5 Years	49,553	8,837,251	276	269,423	44	10,537	63	22,313
5 Years and Above	4,696	654,793	1	325	4	774	3	1,534
Grand Total	69,390	12,485,352	775	1,450,945	141	32,616	110	35,019

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
Ageing								
30 days	48,252	4,27,092	1	85	205	16,720	69	4,068
31 days to 6 Months	9,157	2,05,272	-	-	651	48,890	241	70,404
6 Months to 1 Year	8,222	58,043	4	1,576	476	27,537	102	91,228
1 Year to 5 Years	1,426	83,886	15	7,28,755	1,477	95,350	679	1,93,464
5 Years and Above	1	117	-	-	1	370	19	1,839
Grand Total	67,058	7,74,410	20	7,30,416	2,810	1,88,867	1,110	3,61,003

(₹ in '000)

Period / Class	Crop & Weather		Total	
	Count	Amount	Count	Amount
Ageing				
30 days	8	14,864	55,416	14,80,381
31 days to 6 Months	17	36,983	22,614	34,87,247
6 Months to 1 Year	-	-	17,980	28,50,096
1 Year to 5 Years	1	-	56,578	1,10,72,835
5 Years and Above	-	-	4,728	6,60,002
Grand Total	26	51,847	1,57,316	1,95,50,558

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	2,33,153	81	23,645	1	762	4,846	2,94,086
31 days to 6 Months	94	2,39,330	128	41,628	-	-	6,723	8,74,786
6 Months to 1 Year	57	3,60,188	49	16,432	-	-	1,735	3,30,828
1 Year to 5 Years	105	4,01,783	104	1,73,743	4	7,174	2,846	3,76,458
5 Years and Above	-	-	-	-	-	-	-	-
Grand Total	358	12,34,454	362	2,55,448	5	7,936	16,150	18,76,158

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,479	2,64,018	46	27,291	23	1,768	8	1,821
31 days to 6 Months	8,281	14,85,066	144	1,52,770	47	13,716	35	5,566
6 Months to 1 Year	9,595	17,89,199	175	2,17,270	9	2,561	2	316
1 Year to 5 Years	47,354	71,82,245	115	2,24,215	36	6,304	25	9,404
5 Years and Above	-	-	-	-	-	-	2	1,536
Grand Total	66,709	1,07,20,528	480	6,21,546	115	24,349	72	18,643

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	55,104	2,33,044	-	-	197	16,627	75	26,469
31 days to 6 Months	2,05,613	1,50,497	1	2,328	719	50,991	248	91,165
6 Months to 1 Year	32,752	77,816	7	1,506	486	31,610	241	97,502
1 Year to 5 Years	1,822	64,789	8	7,29,697	906	61,512	525	1,04,674
5 Years and Above	-	-	-	-	-	-	-	-
Grand Total	2,95,291	5,26,146	16	7,33,531	2,308	1,60,740	1,090	3,19,810

(₹ in '000)

Period / Class	Crop & Weather		Total	
	Count	Amount	Count	Amount
30 days	-	-	61,962	11,22,684
31 days to 6 Months	-	-	2,22,033	31,07,8454
6 Months to 1 Year	1	-	45,109	29,25,228
1 Year to 5 Years	-	-	53,850	93,41,998
5 Years and Above	-	-	2	1,536
Grand Total	1	-	3,82,956	1,64,99,286

*All Other Miscellaneous Class is further bifurcated into Crop & Weather and All Other Miscellaneous except Crop & Weather.

Average claims settlement time

Product/Class	FY 2016-17		FY 2015-16		FY 2014-15		FY 2013-14		FY 2012-13	
	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	924	157	841	138	853	130	653	119	808	110
Marine Cargo	4,032	47	2,353	67	1,134	68	1,098	63	884	64
Marine Hull	3	305	-	-	1	1,659	1	859	4	154
Motor OD ⁴	1,93,996	20	162,794	23	143,402	21	137,308	23	123,163	26
Engineering	577	122	511	142	430	171	505	113	575	148
Liability	184	242	186	138	159	147	117	176	75	211
Public Liability	2	555	10	582	1	173	21	89	18	200
Health- ² Govt Approved Scheme	1,78,699	1	486,171	1	586,950	1	1,135,912	1	837,729	1
Health - ³ Other	60,920	16	59,169	21	62,845	31	58,737	32	58,772	38
Aviation	1	486	1	51	2	878	2	494	8	434
Public Accident	2,705	1,038	2,161	176	2,106	134	1,394	119	1,948	96
All Other Misc	2,433	42	1,036	87	1,220	147	1,147	82	1,141	78
Total	4,44,476		715,233		799,103		1,336,895		1,025,125	

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

2. Average settlement time of Government Sponsored Schemes related to Health claims are separately shown, since they are cashless arrangements and settled on same day.

3. Average settlement time for Other Health Claims is recalculated for last four years considering cashless arrangement as same day settlement

4. Average settlement time for Motor OD claims is recalculated for last four years considering Garage Payments as same day settlement.

11) 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.

12) We also confirm:

- 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;
- 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 and of the profit of the company for the year;
- 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, 2013(18 of 2013), for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the management has prepared the financial statements on a going concern basis;
- the management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

Reliance General Insurance Company Limited

13) 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	328
				Reimbursement paid for expenses (Rent , Communication, Electricity, Professional fees, Maintenance Charges)	49,638
				Management fees	60,000
				Reimbursement paid for IT services	42,195
		Reliance Nippon Life Insurance Company Limited (Formerly Reliance Life Insurance Company Limited)	Director	Claim Paid	75,583
				Group Term Insurance Paid	7,745
2	Mr. Soumen Ghosh (Ceased to be w.e.f 31 st March, 2017)	Reliance Capital Limited	Director	Claim Paid	328
				Reimbursement paid for expenses(Rent,Communication,Elec tricity,Professional fees,Maintenance Charges)	49,638
				Management fees	60,000
				Reimbursement paid for IT services	42,195
		Reliance Nippon Life Insurance Company Limited (Formerly Reliance Life Insurance Company Limited)	Director	Claim Paid	75,583
				Group Term Insurance Paid	7,745
		Reliance Nippon Life Asset Management Limited (formerly Reliance Capital Asset Management Limited)	Director	Claim Paid	4
		Reliance Securities Limited	Director	Commission paid	2,768
				Brokerage paid for stock exchange trading	141
		3	Mrs. Chhaya Virani	Reliance Capital Limited	Director
Reimbursement paid for expenses(Rent,Communication,Ele ctricity,Professional fees,Maintenance Charges)	49,638				
Management fees	60,000				
Reimbursement paid for IT services	42,195				

For and on behalf of the Board of Directors

Rajendra Chitale

Director (DIN No.: 0015986)

H. Ansari

Director (DIN No.: 2155529)

Chhaya Virani

Director (DIN No.: 6953556)

Lav Chaturvedi

Director (DIN No.:02859336)

Rakesh Jain

Executive Director and CEO
(DIN No.: 3645324)

Hemant K. Jain

Chief Financial Officer

Mohan Khandekar

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : April 22, 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RELIANCE GENERAL INSURANCE COMPANY LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Reliance General Insurance Company Limited** (the "Company") which comprise the Balance Sheet as at March 31, 2017, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account for the year then ended, and a summary of significant accounting policies and other explanatory information, annexed thereto.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Company in accordance with the requirements of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), read with Insurance Regulatory and Development Act, 1999 (the "IRDA Act"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the Regulations"), order/ directions, circulars, guidelines issued by the Insurance Regulatory and Development Authority of India (IRDAI) in this regard and in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable and in the manner so required. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Insurance Act, the IRDA Act, the Regulations, the Act and the Rules made there under including the accounting standards to the extent applicable and auditing standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and 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 auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in accordance with the requirements of the Insurance Act, the IRDA Act, the Regulations and the Act to the extent applicable and in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
 - (b) in the case of the Revenue Accounts, of the net surplus for the year ended on that date;
 - (c) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (d) in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Other Matters

9. The actuarial valuation of liabilities in respect of Incurred But Not Reported ('IBNR') and Incurred But Not Enough Reported ('IBNER') as at March 31, 2017, has been duly certified by the Appointed Actuary and the Mentor to the Appointed Actuary of the Company and relied upon by us. They have also certified that, in their opinion, the assumptions considered for such valuation are in accordance with the guidelines and norms prescribed by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the aforesaid certificate from the Appointed Actuary and Mentor to the Appointed Actuary while forming our opinion on the Financial Statements of the Company.

Report on Other Legal and Regulatory Requirements

10. As required by the Regulations, we have issued a separate certificate dated April 22, 2017 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the Regulations.
11. Further, to our comments in the Certificate referred to in Paragraph 10 above, as required under the Regulations, read with Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory;
 - (b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) As the Company's financial accounting system is centralized at Head Office, no returns for the purposes of our audit are prepared at the branches and other offices of the Company;
 - (d) The Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account dealt with by this Report are in agreement with the books of account;
 - (e) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, and the Regulations and / or orders / directions/circulars/guidelines issued by the IRDAI in this behalf;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders / directions issued by the IRDAI in this behalf;
 - (g) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by IRDAI in this regard;
 - (h) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of Company's internal financial controls over financial reporting; and
 - (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 1 of Schedule 17 to the financial statements;
 - ii. The Company does not have any long term contracts including derivative contract for which there were any material foreseeable losses. Refer Note 30 of Schedule 17 to the financial statements

- iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended March 31, 2017. Refer Note 31 of Schedule 17 to the financial statements
- iv. The disclosure requirement as envisaged in Notification G.S.R 308(E) dated 30th March 2017 regarding disclosure as to holdings and dealings in Specified Bank Notes is not applicable to the Company. Refer Note 22 of Schedule 17 to the financial statements.

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No. 103523W/W100048

Purushottam Nyati

Partner

Membership No. 118970

Place: Mumbai

Date: April 22, 2017

For Pathak H.D. & Associates

Chartered Accountants

Firm Registration No.107783W

Mukesh Mehta

Partner

Membership No. 043495

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 11 (i) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Reliance General Insurance Company Limited on the financial statements for the year ended March 31, 2017]

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

We have audited the internal financial controls over financial reporting of Reliance General Insurance Company Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matter

The actuarial valuation of liabilities with respect to claims But Not Reported (IBNR) and claims Incurred But Not Enough Reported (IBNER) as at March 31, 2017 has been duly certified by the Appointed Actuary of the Company as per regulations. The said valuations has been relied upon by us as mentioned in para 9 of our Audit Report on the financial statements for the year ended March 31, 2017. Accordingly our opinion on the internal financial controls over financial reporting, does not include reporting on the adequacy and operating effectiveness of the internal controls over the valuation and accuracy of the aforesaid actuarial liabilities.

For **Haribhakti & Co. LLP**

Chartered Accountants
Firm Registration No. 103523W/W100048

Purushottam Nyati

Partner
Membership No. 118970

Place: Mumbai
Date: April 22, 2017

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

Chartered Accountants
Firm Registration No.107783W

Mukesh Mehta

Partner
Membership No. 043495

INDEPENDENT AUDITORS' CERTIFICATE

To the Members of Reliance General Insurance Company Limited

(Certificate referred to in paragraph 10 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated April 22, 2017)

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").

Management's Responsibility

The Management is responsible for ensuring that the Company complies with the requirements of The Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI"). This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance with the Provisions of Paragraph 3 & 4 of Schedule C of the Regulations and provides all relevant information to Insurance Regulatory and Development Authority of India (IRDAI).

Auditor's Responsibility

Pursuant to the requirements of Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, (the "Regulations"), our responsibility, for the purpose of this certificate, is to provide reasonable assurance on matters contained in paragraphs 3 and 4 of Schedule C of the Regulations.

The following documents have been furnished by the Company:

- a) Management Report attached to the financial statements for the year ended March 31, 2017
- b) Compliance certificate submitted to the Board of Directors by the officers of the Company.
- c) Cash in Hand and Cheques in Hand certificate as on March 31, 2017
- d) Holding Statement as at March 31, 2017 issued by the Company's custodial for Investments
- e) Management Representation

We have performed the following procedures:-

- a) Reviewed the management report attached to the financial statements for the year ended March 31, 2017;
- b) Verified the cash balances, to the extent considered necessary and securities relating to Company's loans and investments as at March 31, 2017, by actual inspection and on the basis of certificates/confirmations received from the third parties/ Custodians and/Depository Participants appointed by the Company, as the case may be;
- c) Relied on Management representations.

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

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

Opinion

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

- 1) There are no apparent mistakes or material inconsistencies in the management report attached with the financial statements;

- 2) The Company has complied with the terms and conditions of registration as per sub section 4 of section 3 of the Insurance Act, 1938;
- 3) We have verified the cash balances, to the extent considered necessary and securities relating to Company's loans and investments as at March 31, 2017, by actual inspection and on the basis of certificates/confirmations received from the third parties/Custodians and/Depository Participants appointed by the Company, as the case may be;
- 4) The Company is not a trustee of any trust; and
- 5) No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the Policyholders' Funds.

For Haribhakti & Co. LLP

Chartered Accountants
Firm Registration No. 103523W/W100048

Purushottam Nyati

Partner
Membership No. 118970

Place: Mumbai
Date: April 22, 2017

For Pathak H.D. & Associates

Chartered Accountants
Firm Registration No.107783W

Mukesh Mehta

Partner
Membership No. 043495

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017
Fire Insurance Business

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

(₹ in '000)

Particulars	Schedule	2016-17	2015-16
Premium Earned (Net)	1	632,678	560,425
Profit / (loss) on sale/redemption of Investments (Net)		31,852	16,370
Interest, Dividend & Rent – Gross		110,344	78,832
Exchange Gain / (loss)		(128)	350
TOTAL (A)		774,746	655,977
Claims Incurred (Net)	2	677,042	362,684
Commission	3	(256,036)	(171,436)
Operating Expenses related to Insurance Business	4	310,195	228,629
Reserve for Premium Deficiency		-	-
TOTAL (B)		731,201	419,877
Operating Profit/(Loss) from Fire Business C= (A) - (B)		43,545	236,100
Appropriations			
Transfer to Shareholders' Accounts		43,545	236,100
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		43,545	236,100
Significant accounting policies and notes to accounts to the Financial Statement	16 & 17		

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

As per our audit report of even date attached.

For and on behalf of the Board of Directors

For Haribhakti & Co LLP

Chartered Accountants (FRN. 103523W /W100048)

Rajendra Chitale

Director (DIN : 0015986)

H. Ansari

Director (DIN : 2155529)

Purushottam Nyati

Partner, Membership No. 118970

Chhaya Virani

Director (DIN : 6953556)

Lav Chaturvedi

Director (DIN : 02859336)

For Pathak H D & Associates

Chartered Accountants (FRN. 107783W)

Rakesh Jain

Executive Director & CEO
(DIN : 3645324)

Hemant K. Jain

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : April 22, 2017

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017**Marine Insurance Business**

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

(₹ in '000)

Particulars	Schedule	2016-17	2015-16
Premium Earned (Net)	1	177,197	268,297
Profit / (loss) on sale/redemption of Investments (Net)		8,452	6,537
Interest, Dividend & Rent – Gross		29,280	31,480
Exchange Gain / (loss)		269	56
TOTAL (A)		215,198	306,370
Claims Incurred (Net)	2	184,029	314,242
Commission	3	(33,368)	31,777
Operating Expenses related to Insurance Business	4	18,271	93,647
Reserve for Premium Deficiency		(25,791)	25,791
TOTAL (B)		143,141	465,457
Operating Profit/(Loss) from Marine Business C= (A) - (B)		72,057	(159,087)
Appropriations			
Transfer to Shareholders' Accounts		72,057	(159,087)
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		72,057	(159,087)
Significant accounting policies and notes to accounts to the Financial Statement	16 & 17		

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

As per our audit report of even date attached.

For and on behalf of the Board of Directors

For Haribhakti & Co LLP

Chartered Accountants (FRN. 103523W /W100048)

Rajendra Chitale

Director (DIN : 0015986)

H. Ansari

Director (DIN : 2155529)

Purushottam Nyati

Partner, Membership No. 118970

Chhaya Virani

Director (DIN : 6953556)

Lav Chaturvedi

Director (DIN : 02859336)

For Pathak H D & Associates

Chartered Accountants (FRN. 107783W)

Rakesh JainExecutive Director & CEO
(DIN : 3645324)**Hemant K. Jain**

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : April 22, 2017

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017
Miscellaneous Insurance Business

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

(₹ in '000)

Particulars	Schedule	2016-17	2015-16
Premium Earned (Net)	1	20,079,613	19,165,268
Profit / (loss) on sale/redemption of Investments (Net)		1,104,567	697,202
Interest, Dividend & Rent – Gross		3,826,506	3,357,502
Exchange Gain / (loss)		(907)	(1,016)
Misc Income		6,293	14,290
TOTAL (A)		25,016,072	23,233,246
Claims Incurred (Net)	2	18,406,126	17,198,214
Commission	3	(1,401,432)	(110,726)
Operating Expenses related to Insurance Business	4	7,612,569	6,220,947
Reserve for Premium Deficiency		-	-
TOTAL (B)		24,617,263	23,308,435
Operating Profit/(Loss) from Miscellaneous Business C= (A) - (B)		398,809	(75,189)
Appropriations			
Transfer to Shareholders' Accounts		398,809	(75,189)
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		398,809	(75,189)
Significant accounting policies and notes to accounts to the Financial Statement	16 & 17		

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

As per our audit report of even date attached.

For and on behalf of the Board of Directors

For Haribhakti & Co LLP

Chartered Accountants (FRN. 103523W /W100048)

Rajendra Chitale

Director (DIN : 0015986)

H. Ansari

Director (DIN : 2155529)

Purushottam Nyati

Partner, Membership No. 118970

Chhaya Virani

Director (DIN : 6953556)

Lav Chaturvedi

Director (DIN : 02859336)

For Pathak H D & Associates

Chartered Accountants (FRN. 107783W)

Rakesh Jain

Executive Director & CEO
(DIN : 3645324)

Hemant K. Jain

Chief Financial Officer

Mukesh Mehta

Partner, Membership No. 043495

Mohan Khandekar

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : April 22, 2017

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31 ST MARCH, 2017

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

(₹ in '000)

Particulars	2016-17	2015-16
Operating Profit / (Loss)		
a. Fire Insurance	43,545	236,100
b. Marine Insurance	72,057	(159,087)
c. Miscellaneous Insurance	398,809	(75,189)
	514,411	1,824
Income from Investments		
Interest, Dividend & Rent – Gross	770,169	866,954
Profit on sale/redemption of investments	239,857	180,924
Less: Loss on sale/redemption of investment	(17,538)	(897)
	992,488	1,046,981
Other Income		
Profit/(Loss) on sale/discard of assets	(70)	985
Miscellaneous Income	5,208	5,647
Excess Provision Written Back	4,484	-
	9,622	6,632
TOTAL (A)	1,516,521	1,055,437
Provisions (Other than Taxation)		
(a) For diminution in the value of investment	-	-
(b) For doubtful debts	16,407	19,114
(c) Bad debt w/off	2,361	38,976
Less:- Provision held	-	(38,689)
	18,768	19,401
Other Expenses		
Expenses other than those related to Insurance Business	46,602	36,576
Interest on refunds	-	4,125
Interest on Non Convertible Debenture	131,439	-
Corporate Social Responsibility Expense (Refer note no. 23 of Schedule 17)	16,277	3,515
Penalty (Refer note no. 32 of Schedule 17)	-	1,000
Exchange Gain / (loss)	-	-
	213,086	64,617
TOTAL (B)	213,086	64,617
Profit / (Loss) Before Tax	1,303,435	990,820
Provision for Taxation		
Current Tax	262,191	180,629
Short Provision for earlier year	26,544	46,717
Deferred Tax (Refer note no. 10 of Schedule 17)	-	-
MAT Credit	(288,735)	(227,346)
Net Profit / (Loss) After Tax	1,303,435	990,820
Appropriations:		
(a) Interim dividends paid during the year	-	-
(b) Proposed final dividend	-	-
(c) Dividend Distribution Tax	-	-
(d) Debenture Redemption Reserve (Refer note no. 20 of Schedule 17)	-	-
Profit / (Loss) After appropriations	1,303,435	990,820
Balance of Profit / Loss brought forward from last year	990,820	(8,188,081)
Less: - Adjusted as per capital reduction scheme (Refer note no. 19 of Schedule 17)	-	8,188,081
Balance carried forward to Balance Sheet	2,294,255	990,820
Basic Earning Per Share (Refer note no. 39 of Schedule 17)	10.36	8.07
Diluted Earning Per Share (Refer note no. 39 of Schedule 17)	10.36	7.78

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

As per our audit report of even date attached.

For Haribhakti & Co LLP

Chartered Accountants (FRN. 103523W /W100048)

Purushottam Nyati

Partner, Membership No. 118970

For Pathak H D & Associates

Chartered Accountants (FRN. 107783W)

Mukesh Mehta

Partner, Membership No. 043495

For and on behalf of the Board of Directors

Rajendra Chitale

Director (DIN : 0015986)

Chhaya Virani

Director (DIN : 6953556)

Rakesh JainExecutive Director & CEO
(DIN : 3645324)**Mohan Khandekar**

Company Secretary (Membership No. A8515)

H. Ansari

Director (DIN : 2155529)

Lav Chaturvedi

Director (DIN : 02859336)

Hemant K. Jain

Chief Financial Officer

Place : Mumbai

Date : April 22, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

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

(₹ in '000)

Particulars	Schedule	31.03.2017		31.03.2016	
Sources of funds					
Share Capital	5&5A		1,257,750		1,227,750
Reserves and Surplus	6		11,219,055		9,045,620
Share Application Money Pending Allotment			-		900,000
Fair Value Change Account- Shareholder (Refer note no. 41 of Schedule 17)			15,012		(19,753)
Fair Value Change Account- Policyholder (Refer note no. 41 of Schedule 17)			77,309		(119,794)
Borrowings	7		2,300,000		-
TOTAL			14,869,126		11,033,823
Application of funds					
Investments (Refer note no. 41 of Schedule 17)	8 & 8A		67,242,657		53,813,732
Loans	9		-		-
Fixed Assets	10		321,739		339,179
Deferred Tax Assets (Refer note no. 10 of Schedule 17)			372,735		372,735
Current Assets					
Cash and Bank Balances	11	1,738,568		1,013,015	
Advances and Other Assets	12	7,074,372		7,391,825	
Sub-Total (A)		8,812,940		8,404,840	
Current Liabilities	13	51,184,388		42,648,575	
Provisions	14	10,696,557		9,248,088	
Sub-Total (B)		61,880,945		51,896,663	
Net Current Assets (C = A - B)			(53,068,005)		(43,491,823)
Miscellaneous Expenditure (to the extent not written off or adjusted)			-		-
Debit Balance in Profit & Loss Account			-		-
TOTAL			14,869,126		11,033,823

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

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

As per our audit report of even date attached.

For and on behalf of the Board of Directors

For Haribhakti & Co LLP

Rajendra Chitale

H. Ansari

Chartered Accountants (FRN. 103523W /W100048)

Director (DIN : 0015986)

Director (DIN : 2155529)

Purushottam Nyati

Chhaya Virani

Lav Chaturvedi

Partner, Membership No. 118970

Director (DIN : 6953556)

Director (DIN : 02859336)

For Pathak H D & Associates

Rakesh Jain

Hemant K. Jain

Chartered Accountants (FRN. 107783W)

Executive Director & CEO
(DIN : 3645324)

Chief Financial Officer

Mukesh Mehta

Mohan Khandekar

Partner, Membership No. 043495

Company Secretary (Membership No. A8515)

Place : Mumbai

Date : April 22, 2017

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

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	2016-17	2,989,129	641,445	2,782,310	848,264	(215,586)	632,678
	2015-16	2,590,774	604,124	2,521,215	673,683	(113,258)	560,425
Marine Cargo	2016-17	441,955	7,998	399,245	50,708	125,916	176,624
	2015-16	413,662	18,870	145,787	286,745	(19,860)	266,885
Marine Hull	2016-17	57,970	-	57,159	811	(238)	573
	2015-16	94,248	-	92,587	1,661	(249)	1,412
Marine Total	2016-17	499,925	7,998	456,404	51,519	125,678	177,197
	2015-16	507,910	18,870	238,374	288,406	(20,109)	268,297
Motor OD	2016-17	9,518,159	-	1,998,732	7,519,427	(607,576)	6,911,851
	2015-16	7,947,724	-	1,686,374	6,261,350	(200,987)	6,060,363
Motor TP	2016-17	10,108,355	(11,167)	2,057,737	8,039,451	(446,526)	7,592,925
	2015-16	8,657,535	63,802	1,769,200	6,952,137	(50,014)	6,902,123
Motor Total	2016-17	19,626,514	(11,167)	4,056,469	15,558,878	(1,054,102)	14,504,776
	2015-16	16,605,259	63,802	3,455,574	13,213,487	(251,001)	12,962,486
Employer's Liability	2016-17	93,961	-	4,698	89,263	312	89,575
	2015-16	93,948	-	4,698	89,250	(3,244)	86,006
Public Liability	2016-17	366,821	13,844	298,907	81,758	(8,288)	73,470
	2015-16	312,925	111	255,669	57,367	(5,044)	52,323
Engineering	2016-17	540,526	53,168	390,306	203,388	(16,144)	187,244
	2015-16	531,953	66,646	422,992	175,607	(8,574)	167,033
Aviation	2016-17	65,791	-	64,549	1,242	(128)	1,114
	2015-16	54,615	-	53,443	1,172	(190)	982
Personal Accident	2016-17	365,617	6,751	36,259	336,109	(2,424)	333,685
	2015-16	274,745	6,430	28,308	252,867	103,040	355,907
Health	2016-17	3,443,301	4,937	229,223	3,219,015	(219,598)	2,999,417
	2015-16	5,370,912	3,878	337,867	5,036,923	101,991	5,138,914
Weather and Crop Insurance	2016-17	10,894,349	-	9,226,140	1,668,209	14,600	1,682,808
	2015-16	1,126,252	-	886,660	239,592	(6,623)	232,969
Other Misc.	2016-17	467,562	463	212,202	255,823	(48,300)	207,524
	2015-16	446,343	307	264,657	181,993	(13,345)	168,648
Misc Total	2016-17	35,864,442	67,996	14,518,753	21,413,685	(1,334,072)	20,079,613
	2015-16	24,816,952	141,174	5,709,868	19,248,258	(82,990)	19,165,268
Total	2016-17	39,353,496	717,439	17,757,467	22,313,468	(1,423,980)	20,889,488
Total	2015-16	27,915,636	764,168	8,469,457	20,210,347	(216,357)	19,993,990

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

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 end of the Period	Out-standing Claims at the beginning of the Period	Net Claims Incurred (6+7-8)
1	2	3	4	5	6	7	8	9
Fire	2016-17	1,614,388	56,493	1,320,561	350,320	845,139	518,417	677,042
	2015-16	1,242,062	78,396	993,935	326,523	518,417	482,256	362,684
Marine Cargo	2016-17	391,397	6,793	176,100	222,090	242,183	279,875	184,398
	2015-16	490,972	11,409	257,878	244,503	279,875	210,778	313,600
Marine Hull	2016-17	36,675	-	36,148	527	173	1,069	(369)
	2015-16	17,078	-	16,854	224	1,069	651	642
Marine Total	2016-17	428,072	6,793	212,248	222,617	242,356	280,944	184,029
	2015-16	508,050	11,409	274,732	244,727	280,944	211,429	314,242
Motor OD	2016-17	5,219,044	-	1,112,010	4,107,034	957,380	1,262,212	3,802,202
	2015-16	4,569,952	-	1,039,491	3,530,461	1,262,212	1,333,521	3,459,151
Motor TP	2016-17	6,784,788	22,274	3,621,994	3,185,068	29,043,088	22,773,913	9,454,243
	2015-16	5,889,598	54,500	360,039	5,584,059	22,773,913	20,501,493	7,856,480
Motor Total	2016-17	12,003,832	22,274	4,734,004	7,292,102	30,000,468	24,036,125	13,256,445
	2015-16	10,459,550	54,500	1,399,530	9,114,520	24,036,125	21,835,014	11,315,631
Employer's Liability	2016-17	33,992	-	1,989	32,003	125,274	56,950	100,327
	2015-16	25,592	-	1,915	23,677	56,950	40,644	39,982
Public Liability	2016-17	6,122	-	698	5,424	104,305	60,478	49,251
	2015-16	6,705	-	885	5,820	60,478	47,225	19,073
Engineering	2016-17	280,518	10,406	180,703	110,221	172,537	217,433	65,325
	2015-16	641,314	15,581	528,296	128,599	217,433	242,096	103,936
Aviation	2016-17	57,254	-	57,180	74	2,428	2,397	105
	2015-16	98,044	-	97,897	147	2,397	2,125	419
Personal Accident	2016-17	519,981	3,760	161,441	362,300	452,748	267,523	547,525
	2015-16	433,994	10,216	121,491	322,719	267,523	238,352	351,890
Health	2016-17	3,495,269	2,064	197,203	3,300,130	1,033,864	1,598,619	2,735,375
	2015-16	4,791,975	-	307,878	4,484,097	1,598,619	1,166,690	4,916,026
Weather and Crop Insurance	2016-17	3,265,286	-	2,703,552	561,734	1,239,684	218,018	1,583,401
	2015-16	1,695,176	-	1,330,199	364,977	218,018	219,999	362,996
Other Misc.	2016-17	598,548	-	534,409	64,139	171,518	167,284	68,372
	2015-16	391,916	2	318,036	73,882	167,284	152,904	88,261
Misc Total	2016-17	20,260,802	38,504	8,571,179	11,728,127	33,302,826	26,624,827	18,406,126
	2015-16	18,544,266	80,299	4,106,127	14,518,438	26,624,827	23,945,049	17,198,214
Total	2016-17	22,303,262	101,790	10,103,988	12,301,064	34,390,321	27,424,188	19,267,197
Total	2015-16	20,294,378	170,104	5,374,794	15,089,688	27,424,188	24,638,734	17,875,140

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

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	2016-17	147,016	17,516	420,568	(256,036)
	2015-16	114,501	26,095	312,032	(171,436)
Marine Cargo	2016-17	49,769	520	87,537	(37,248)
	2015-16	38,754	1,916	8,450	32,220
Marine Hull	2016-17	2,642	-	(1,238)	3,880
	2015-16	2,158	-	2,601	(443)
Marine Total	2016-17	52,411	520	86,299	(33,368)
	2015-16	40,912	1,916	11,051	31,777
Motor OD	2016-17	638,964	-	726,800	(87,836)
	2015-16	669,632	-	685,332	(15,700)
Motor TP	2016-17	7,376	-	106,124	(98,748)
	2015-16	5,654	-	88,946	(83,292)
Motor Total	2016-17	646,340	-	832,924	(186,584)
	2015-16	675,286	-	774,278	(98,992)
Employer's Liability	2016-17	8,172	-	705	7,467
	2015-16	8,744	-	705	8,039
Public Liability	2016-17	13,407	65	14,663	(1,191)
	2015-16	12,582	1	11,880	703
Engineering	2016-17	41,424	2,345	57,432	(13,663)
	2015-16	39,444	3,718	83,447	(40,285)
Aviation	2016-17	529	-	3,099	(2,570)
	2015-16	16	-	3,571	(3,555)
Personal Accident	2016-17	29,727	68	9,440	20,355
	2015-16	26,215	64	2,186	24,093
Health	2016-17	208,218	49	57,058	151,209
	2015-16	174,071	39	57,749	116,361
Weather and Crop Insurance	2016-17	-	-	1,386,259	(1,386,259)
	2015-16	-	-	131,583	(131,583)
Other Misc.	2016-17	38,027	7	28,230	9,804
	2015-16	23,874	4	9,385	14,493
Misc Total	2016-17	985,844	2,534	2,389,810	(1,401,432)
	2015-16	960,232	3,826	1,074,784	(110,726)
Total	2016-17	1,185,271	20,570	2,896,677	(1,690,836)
	2015-16	1,115,645	31,837	1,397,867	(250,385)

Schedule 3 A

Commission Paid - Direct

(₹ in '000)

Particulars	Paid in India		Paid Outside India	
	2016-17	2015-16	2016-17	2015-16
Agents	583,665	634,016	-	-
Brokers	455,059	349,193	-	-
Corporate agency	143,800	130,362	-	-
Web Aggregator	2,701	2,074	-	-
Others (IMF)	45	-	-	-
Total	1,185,271	1,115,645	-	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Schedule-4

Operating Expenses related to insurance business

(₹ in'000)

Particulars	2016-17	2015-16
Employees' remuneration & welfare benefits	2,293,826	2,026,824
Company's contribution to Provident fund and others	131,529	125,962
Travel, conveyance and vehicle running expenses	133,715	129,660
Rents, rates & taxes	254,743	240,254
Repairs	282,933	305,758
Printing & Stationery	66,571	55,588
Communication expenses	106,785	124,577
Postage expenses	78,941	94,845
Legal & professional charges	133,157	135,887
Auditors Fees, expenses, etc.		
a. As auditor	5,936	4,531
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	5,936	4,531
Advertisement and Publicity	3,504,400	2,585,263
Bank Charges & interest expenses others	45,912	29,379
Service Tax Expenses	103,040	81,821
Others :		
Directors' Sitting fees	1,688	1,181
Entertainment Expenses	11,735	7,184
Office Maintenance Expenses	171,329	141,721
Training & Recruitment Expenses	185,834	171,770
Depreciation	163,315	174,338
Office Management Expenses	60,300	60,150
Subscriptions and Membership Fees	22,555	32,725
Coinsurance Expenses (net)	12,579	9,568
Miscellaneous expenses	213,358	40,813
TOTAL	7,984,181	6,579,799
Allocation:		
Fire Revenue Account	310,195	228,629
Marine Revenue Account	18,271	93,647
Miscellaneous Revenue Account	7,612,569	6,220,947
Expenses not relating to Insurance Business taken in Profit & Loss A/c	43,146	36,576
TOTAL	7,984,181	6,579,799

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Schedule-5

Share Capital

(₹ in'000)

Particulars	2016-17	2015-16
Authorized Capital		
20,00,00,000 (Previous Year 20,00,00,000) Equity Shares of Rs10 each	2,000,000	2,000,000
Issued Capital		
12,57,74,960 (Previous Year 12,27,74,960) Equity Shares of Rs10 each	1,257,750	1,227,750
Subscribed Capital		
12,57,74,960 (Previous Year 12,27,74,960) Equity Shares of Rs10 each	1,257,750	1,227,750
Called Up Capital		
12,57,74,960 (Previous Year 12,27,74,960) Equity Shares of Rs10 each	1,257,750	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	1,257,750	1,227,750

Note: Of the above 12,57,74,960 shares are held by Holding Company, Reliance Capital Limited (previous period 12,21,10,660 Equity shares).

Schedule-5A

Pattern of Share Holding (As certified by the Management)

(₹ in'000)

Shareholder	2016-17		2015-16	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoters- Indian				
Holding Company- Indian	125,774,960	100.00%	122,110,660	99.46%
Holding Company- Foreign	-	-	-	-
Others				
Reliance General Insurance Employees Benefit Trust	-	0.00%	664,300	0.54%
TOTAL	125,774,960	100.00%	122,774,960	100%

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Schedule-6

Reserves and Surplus

(₹ in'000)

Particulars	2016-17		2015-16	
Capital Reserve		-		-
Capital Redemption Reserve		-		-
Debenture Redemption Reserve		-		-
Share Premium				
Opening Balance		8,054,800		16,242,881
Less: - Adjusted as per capital reduction scheme (Refer note no. 19 of Schedule 17)		-		8,188,081
Add :- Change during the period		870,000		-
Closing Balance		8,924,800		8,054,800
General Reserve		-		-
Catastrophe Reserve		-		-
Balance in Profit and Loss Account		2,294,255		990,820
TOTAL		11,219,055		9,045,620

SCHEDULE - 7

Borrowings

(₹ in'000)

Particulars	2016-17		2015-16	
Debentures/ Bonds : Unsecured - Long Term		2,300,000		-
Banks		-		-
Financial Institutions		-		-
Others		-		-
TOTAL		2,300,000		-

SCHEDULE - 8

Investments Shareholder

(₹ in'000)

Particulars	2016-17		2015-16	
LONG TERM INVESTMENTS				
Government securities and Government guaranteed bonds including Treasury Bills		2,749,229		1,894,067
Other Approved Securities		1,421,862		591,613
Other Investments :				
(a) Shares				
(aa) Equity		124,045		75,708
(bb) Preference		-		-
(b) Mutual Funds		-		-
(c) Derivative Instruments		-		-
(d) Debentures/ Bonds		3,021,365		1,622,775
(e) Other securities		-		-
(f) Subsidiaries		-		-
(g) Investment Properties-Real Estate		-		-
Investments in Infrastructure and social sector		1,129,689		1,371,303
Other than Approved Investments		273,357		174,685
Total Long Term Investments		8,719,547		5,730,150

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in'000)

Particulars	2016-17		2015-16	
SHORT TERM INVESTMENTS				
Government securities and Government guaranteed bonds including Treasury Bills	-		-	
Other Approved Securities	-		-	
Other Investments :				
(a) Shares				
(aa) Equity	-		-	
(bb) Preference	-		-	
(b) Mutual Funds	429,350		157,551	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	1,621,118		1,134,322	
(e) Other securities	-		-	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	139,867		478,272	
Other than Approved Investments	24,469		117,208	
Total Short Term Investments		2,214,804		1,887,352
TOTAL		10,934,351		7,617,502

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

(₹ in'000)

Particulars	Current Period	Previous Period
Book Value	10,758,203	7,516,694
Market Value	10,867,800	7,566,021

2. All the above investments are performing assets.
3. The company has segregated the investments separately between policy holders funds and share holders funds on notional basis as per IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated 04th April,2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated 12th January, 2017 (Refer note no. 23 fo Schedule-16)

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

SCHEDULE - 8A

Investments Policyholder

(₹ in'000)

Particulars	2016-17		2015-16	
LONG TERM INVESTMENTS				
Government securities and Government guaranteed bonds including Treasury Bills	14,157,622		11,486,540	
Other Approved Securities	7,322,122		3,587,825	
Other Investments :				
(a) Shares				
(aa) Equity	638,797		459,129	
(bb) Preference	-		-	
(b) Mutual Funds	-		-	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	15,559,031		9,841,293	
(e) Other securities	-		-	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	5,817,528		8,316,244	
Other than Approved Investments	1,407,696		1,059,377	
Total Long Term Investments		44,902,795		34,750,409
SHORT TERM INVESTMENTS				
Government securities and Government guaranteed bonds including Treasury Bills	-		-	
Other Approved Securities	-		-	
Other Investments :				
(a) Shares				
(aa) Equity	-		-	
(bb) Preference	-		-	
(b) Mutual Funds	2,211,010		955,463	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	8,348,224		6,879,078	
(e) Other securities	-		-	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	720,269		2,900,474	
Other than Approved Investments	126,007		710,805	
Total Short Term Investments		11,405,510		11,445,821
Total		56,308,306		46,196,230

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

(₹ in'000)

Particulars	Current Period	Previous Period
Book Value	55,401,193	45,584,878
Market Value	55,965,586	45,884,021

2. All the above investments are performing assets.

3. The company has segregated the investments separately between policy holders funds and share holders funds on notional basis as per IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated 04th April,2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated 12th January, 2017 (Refer note no. 23 fo Schedule-16)

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

SCHEDULE - 9

Loans

(₹ in'000)

Particulars	2016-17		2015-16	
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	-		-	
TOTAL		-		-
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	-		-	
TOTAL		-		-
PERFORMANCE-WISE CLASSIFICATION				
(a) Loans classified as standard				
(aa) In India	-		-	
(bb) Outside India	-		-	
(b) Non-performing loans less provisions				
(aa) In India	-		-	
(bb) Outside India	-		-	
TOTAL		-		-
MATURITY-WISE CLASSIFICATION				
(a) Short Term	-		-	
(b) Long Term	-		-	
TOTAL		-		-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Schedule - 10

Fixed Assets

(₹ in '000)

Description	Gross Block				Depreciation			Net Block	
	As at 01-04-16	Additions	Deductions	As at 31-03-17	As at 01-04-16	Additions	Deduction	As at 31-03-17	As at 31-03-16
Furniture & Fittings	86,427	7,697	9,179	84,945	70,106	7,788	8,865	69,029	15,917
Leasehold Improvements	62,888	13,778	2,868	73,797	39,234	7,283	1,257	45,260	23,654
Information Technology Equipment	286,357	29,964	18,132	298,190	226,375	39,183	17,756	247,802	59,983
Intangible Asset (Computer Software)	577,719	95,515	17,562	655,672	406,043	87,139	17,290	475,893	171,676
Vehicles	930	-	651	279	930	-	651	279	0
Office Equipment	213,118	14,271	17,998	209,390	166,117	21,777	17,160	170,734	47,000
Plant & Machinery	5,841	-	1,327	4,514	5,624	145	1,327	4,442	217
TOTAL	1,233,280	161,226	67,718	1,326,788	914,429	163,315	64,306	1,013,438	318,850
Capital WIP	20,329	8,390	20,330	8,389	-	-	-	-	20,329
GRAND TOTAL	1,253,609	169,615	88,047	1,335,177	914,429	163,315	64,306	1,013,438	339,179
Previous Period (2015-16)	1,219,429	175,395	141,216	1,253,609	870,159	174,338	130,068	914,429	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Schedule-11

Cash and Bank Balances

(₹ in'000)

Particulars	2016-17		2015-16	
Cash (including cheques, drafts and stamps on hand)		57,725		59,971
Bank Balances				
(a) Deposit Accounts				
(aa) Short - term (due within 12 months)	487,204		75,285	
(aa) Others	-		-	
(b) Current Accounts*	442,226		472,974	
(c) Cheques on Hand	751,413	1,680,843	404,785	953,044
Money at Call and Short Notice				
(a) With Bank	-		-	
(b) With other Institutions	-	-	-	-
Others		-		-
TOTAL		1,738,568		1,013,015
Balances with non-scheduled banks included in (Current Accounts) above		-		-
TOTAL		1,738,568		1,013,015

Short term deposit represents fixed deposit given to bank for bank guarantee and for unclaimed amount pertaining to policy holder.

* Rs 127,205 thousand (Previous Period Rs 130,044 thousand) is earmarked for specified purpose in a separate bank account.

Schedule-12

Advances and Other Assets

(₹ in'000)

Particulars	2016-17		2015-16	
Advances				
Reserve deposits with Ceding Companies		-		-
Application money for investments		-		-
Prepayments		66,758		34,358
Advances to Directors/ Officers		-		-
Advance tax paid and taxes deducted at source (Net of provision for taxation)		47,856		47,445
MAT Credit Entitlement		550,781		262,046
Others				
- Rental & Other Deposits	319,932		339,084	
- Advances to Staff	2,844		2,193	
- Unutilised Service Tax Credit and VAT	33,335		44,769	
- Other Advances & Deposits	287,917	644,028	311,335	697,381
Other Assets				
Income accrued on investments	2,041,684		1,698,900	
Interest accrued on Investments pertaining to Policyholder funds	1,302		-	
Outstanding Premiums	772,933		749,950	
Agents' Balances	1,194		812	
Foreign Agency Balances	-		-	
Investments Sales- to be settled	1,442,482		2,024,493	
Repossessed Stock	0		-	
Due from other entities carrying on insurance business	1,897,824		2,260,258	
Less Provision for doubtful debts	(392,470)	5,764,949	(383,818)	6,350,595
TOTAL		7,074,372		7,391,825

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Schedule-13

Current Liabilities

(₹ in'000)

Particulars	2016-17		2015-16	
Agent's Balances		87,126		64,618
Balances due to other insurance companies		5,372,769		3,530,489
Premium received in Advance		159,260		106,256
Unallocated Premium		2,793,387		817,153
Interest Accrued but not due on Borrowings		130,741		-
Sundry Creditors		1,526,849		1,357,635
Claims Outstanding	39,575,385		34,628,145	
Add : Provision for Doubtful Reinsurance Recoveries	137,330	39,712,715	137,330	34,765,475
Due to Officers / Directors		-		-
Others :				
- Unclaimed amount of policyholders	720,853		504,680	
- Environmental Relief Fund Payable	31		12	
- Temporary Book Overdraft as per accounts	324,699		759,708	
- Investments Purchased-to be settle	53,187		466,857	
- Employee Related Payables	24,897		36,409	
- Statutory Dues	159,004		152,057	
- Service Tax & VAT Liability	118,870	1,401,541	87,226	2,006,949
TOTAL		51,184,388		42,648,575

SCHEDULE-14

Provisions

(₹ in'000)

Particulars	2016-17		2015-16	
Reserve for Unexpired Risk		10,524,293		9,100,313
For Taxation (less advance tax paid and Tax deducted at source)		47,639		-
For Proposed Dividends		-		-
For Dividend distribution tax		-		-
Reserve for Premium Deficiency		-		25,791
Others :				
- For Grauity	2,609		2,777	
- For Leave Encashment	22,016		19,207	
- For Risk Reserves	100,000	124,625	100,000	121,984
TOTAL		10,696,557		9,248,088

SCHEDULE – 15

Miscellaneous Expenditure

(₹ in'000)

Particulars	2016-17		2015-16	
Discount Allowed in issue of shares/ debentures		-		-
Others (to be specified)		-		-
TOTAL		-		-

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

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

(₹ in '000)

Particulars	Current Period		Previous Period	
Cash flows from operating activities :				
Direct Premiums received	39,406,500		27,937,362	
Payment to re-insurers, net of commissions and claims	(3,776,010)		(14,569)	
Payment to co-insurers, net of claims recovery	(196,858)		(81,407)	
Direct Claims Paid	(22,253,732)		(20,408,911)	
Direct Commission / Brokerage Payments	(1,139,571)		(1,156,394)	
Payment of other operating expenses	(7,707,217)		(6,101,768)	
Preliminary and pre-operating expenses	-		-	
Deposits, Advances, and Staff loans	2,415,973		(393,237)	
Service Tax (Net)	(121,150)		68,728	
Income tax paid (Net)	(241,116)		(196,419)	
Wealth tax paid	-		-	
Misc Receipts/payments	5,527		13,682	
Cash flow before extraordinary items		6,392,346		(332,933)
Cash flow from extraordinary operations		-		-
Cash flow from operating activities		6,392,346		(332,933)
Cash flows from investing activities :				
Purchase of investments	(111,891,707)		(65,911,228)	
Sale of Investments (Including gain/ Loss)	98,028,325		59,709,619	
Purchase of fixed Assets	(169,614)		(175,453)	
Proceeds from sale of fixed assets	23,673		12,134	
Rent/ Interest/ Dividends received	4,321,420		4,441,529	
Investment in money market instruments and in liquid mutual funds (Net)	2,201,850		2,059,433	
Repayment received on Loan Given	-		-	
Expenses related to investments	(15,746)		(13,176)	
Net Cash flow from investing activities		(7,501,800)		122,857
Cash flows from financing activities :				
Proceeds from Issuance of Share Capital	-		-	
Share Application Money Received	-		-	
Proceeds from borrowings	2,300,000		-	
Repayment of borrowings	-		-	
Borrowings issue expenses	(29,287)		-	
Interest/ Dividend Paid	(698)		-	
Cash flow from financing activities		2,270,015		-
Net increase in cash & cash equivalents		1,160,562		(210,076)
Cash and cash equivalents at the beginning of the period		253,307		463,383
Cash and cash equivalents at the end of the period including Bank Overdraft		1,413,869		253,307
Cash and cash Equivalent at the end of the period:				
Cash & Bank balance as per schedule		1,738,568		1,013,015
Less: Temporary book over draft as per schedule		324,699		759,708
Cash and Cash Equivalent at the end including Bank Overdraft		1,413,869		253,307

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

As per our audit report of even date attached.

For Haribhakti & Co LLP

Chartered Accountants (FRN. 103523W /W100048)

Purushottam Nyati

Partner, Membership No. 118970

For Pathak H D & Associates

Chartered Accountants (FRN. 107783W)

Mukesh Mehta

Partner, Membership No. 043495

Place : Mumbai

Date : April 22, 2017

For and on behalf of the Board of Directors

Rajendra Chitale

Director (DIN : 0015986)

Chhaya Virani

Director (DIN : 6953556)

Rakesh JainExecutive Director & CEO
(DIN : 3645324)**Mohan Khandekar**

Company Secretary (Membership No. A8515)

H. Ansari

Director (DIN : 2155529)

Lav Chaturvedi

Director (DIN : 02859336)

Hemant K. Jain

Chief Financial Officer

SCHEDULE – 16

Significant accounting policies forming part of the financial statements as at 31st March 2017

1. Background

Reliance General Insurance Company Limited (hereinafter referred to as “the Company”) was incorporated on August 17, 2000. The Company is a subsidiary of Reliance Capital Limited. The Company obtained regulatory approval to undertake General Insurance business on October 23, 2000 from the Insurance Regulatory and Development Authority of India (“IRDAI”).

The Company’s certificate of renewal of registration dated February 25, 2014 was valid till March 31, 2015. Pursuant to section 3 read with section 3A of the Insurance Act, 1938 as amended by the Insurance Laws (Amendments) Act, 2015, said certificate shall consequentially continue to be in force from April 1, 2015.

2. Basis of Preparation of Financial Statements

The accompanying financial statements are prepared under historical cost convention and on accrual basis and in accordance with the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015, read 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/directions, guidelines and circulars issued by IRDAI in this behalf, the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable and in the manner so required and the Companies Act, 2013 to the extent applicable and confirm 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. In respect of Government Schemes being implemented by the Company for crop and weather insurance, premium is recognized (including share of Central Government and respective State Government) upon remittance received from the Nodal Banks out of such premium collected by them subject to acceptance of proposal/declaration by the Company..

b. Income from reinsurance ceded

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

c. Income earned on investments

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

Realized profit or loss on sale/redemption of securities is recognized on trade date basis. In determining the realized 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 and includes effects on accumulated fair value changes, previously recognized, for specific investments sold/redeemed during the year.

5. Premium Received in Advance

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

6. Reinsurance Premium

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

7. Reserve for Unexpired Risk

Reserve for unexpired risk is made on the amount representing that part of the net premium written which attributable to, and to be allocated to the succeeding accounting period using 1/365 method for all lines of business other than Marine Hull, In case of Marine Hull business 100% of the Net Written Premium during the preceding twelve month.

8. Claims Incurred

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

Salvaged vehicles are recognized on realization basis.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognized on the date of intimation using statistical method of estimates certified by Appointed Actuary. 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 certified jointly by the Appointed Actuary and the Mentor to the Appointed Actuary of the Company for the year ended March 31, 2017.

For the Financial Year 2015-16, Provision for IBNR/IBNER has been made based on the report from an external consulting Actuary.

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. Borrowing Cost

Borrowing cost, which is directly attributable to a borrowing are expensed over the tenure of the borrowing. Interest costs on borrowings are accrued based on coupon rate and will be paid on annually on interest payment date.

12. Premium Deficiency

Premium deficiency is recognized if the cost of expected net claim cost, related expenses and maintenance cost exceeds the sum of related premium carried forward to subsequent accounting period as the reserve for unexpired risk. Premium deficiency is recognised at the Company level. The Company considers maintenance cost as relevant cost incurred for ensuring claim handling operations. The expected claim cost is required to be calculated and duly certified jointly by the Appointed Actuary and the Mentor to the Appointed Actuary of the Company.

13. Investments

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

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

14. 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.

15. Fixed Assets & Depreciation/Amortisation

- i. Fixed assets are stated at cost less accumulated depreciation.
- ii. Depreciation on Fixed Assets is provided on useful life basis at the rates and the manner provided in Schedule II of the Companies Act, 2013 except for point v, vi and vii mentioned below.
- iii. Lease Hold Improvements, is amortized over the primary period of lease.
- iv. Capital work-in-progress includes assets not ready for intended use and is carried at cost, comprising direct cost and related incidental expenses.
- v. Assets purchased for value not exceeding ₹ 5000/- is fully depreciated in the year of purchase.
- vi. Intangible assets are stated at cost of acquisition less accumulated amortization. The same is amortized over a period of four years on straight line basis as per technical advice.
- vii. Based on the technical advice, the useful 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 and reportable revenue segments. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

17. Operating Lease

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

18. Employee Benefits

I. Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, bonus and other short term benefits are recognized in the period in which the employee renders the services. All short term employee benefits are accounted on undiscounted basis.

II. Long Term Employee Benefits

The Company has both defined contribution and defined benefit plans. The plans are financed by the Company and in the case of some defined contribution plans, by the Company along with its employees.

A. Defined Contribution Plan

The company's superannuation scheme and provident fund scheme are defined under contribution plans. The contributions paid/payable under the scheme are recognized in the Profit and Loss account and revenue account as applicable.

B. Defined Benefit Plan

The employee's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each balance sheet date based on actuarial valuation carried out by an independent actuary using projected unit credit method. Actuarial gains and losses are recognized in the Profit and Loss account and revenue account as applicable. To the extent the benefit are already vested, past service cost is recognized.

III. Other Long Term Employee Benefits

Provision for other long term benefits includes accumulated compensated absences that are entitled to be carried forward for future encashment or availment, at the option of the employer subject to the rules framed by the Company which are expected to be availed or encashed beyond twelve months from the Balance Sheet date. The Company's liability towards these other long term benefits are accrued and provided for on the basis of an actuarial valuation using projected unit credit method made at the end of the financial year.

IV. Phantom Stock Option Scheme

Phantom Stock Option Scheme, 2015 ('the Scheme') are cash settled rights where the Employees are entitled to get cash compensation based on a formula linked to the Fair Market Value of Shares upon exercise of the Phantom Stock Options. The Company's liability towards the scheme is accounted for on the basis of an independent actuarial valuation done at the year end using projected unit credit method and any actuarial gains/losses are charged to the revenue account or the profit and loss account, as applicable over the vesting period on straight line method.

19. Foreign Currency Transaction

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

20. Forward Contract Transaction

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

21. Provision for Taxation

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

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

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

22. Allocation of Expenses

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

- i. Expenses, which are attributable and identifiable to the business segments, are directly charged to relevant business segment. This is determined by the management, based on the nature of the expenses and their relationship with various business segments, wherever possible

- ii. Employee's remuneration and welfare expenses relating to underwriting and claims function, which are attributable and identified at Health, Motor and Commercial lines of business, are directly charged to the respective lines of business and the same will further be allocated based on Net Written Premium of respective class of business
- iii. Other expenses, that are not identifiable at the segments, are allocated on the basis of Net Written Premium in each business class

Expenses relating to investment activities and interest cost on borrowings are charged to profit and loss account.

23. Allocation of Investment Assets

Investments assets are bifurcated into Policyholders and Shareholders funds on notional basis as per IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated 04th April, 2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated 12th January, 2017. Policyholders funds represent amount equivalent to sum of Outstanding Claims including Incurred but not Reported (IBNR) and Incurred but not Enough Reported (IBNER), Unexpired Risk Reserve (URR), Premium Deficiency, Catastrophe Reserve and Other Liabilities net off other assets as specified by the authority and the balance being disclosed as Shareholders Funds.

24. Allocation of Investment Income

Investment Income has been allocated between revenue accounts and profit and loss account in the ratio, an investment asset bifurcated between policyholders and shareholders. Further, investment income between policyholder's is allocated on the basis of the ratio of average policyholder's funds comprising reserves for unexpired risks, IBNR, IBNER and outstanding claims.

25. Earnings per share (EPS)

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

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

26. Provision, Contingent Liabilities and Contingent Assets

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

SCHEDULE – 17

Notes forming part of the Accounts as on 31st March 2017

1. Contingent Liabilities:

(₹ in'000)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
Partly paid up investments	-	-
Underwriting commitments outstanding	-	-
Claims, other than under policies, not acknowledged as debt (Net)	23,714	21,598
Guarantees given by or on behalf of the company	1,070	75,505
Statutory demands/liabilities in dispute, not provided for (see note (e) below)	1,605	20,104
Reinsurance obligations to the extent not provided for in accounts	-	-
Others (see note (f) below)	13,925	13,925

Note:

- a) Service Tax Department had filed an appeal before CESTAT on the issue of avilment of Cenvat Credit in excess of restriction of 20% of output service tax liability during financial year 2006-07 as per erstwhile Rule 6(3)(c) of Cenvat Credit Rules amounting to Rs 160,848 thousand. Based on the favourable order from Principal Commissioner, Service Tax-II, Mumbai, the management does not expect any outflow of economic benefits and assessed the likelihood of outflow of resources as remote.

- b) Service Tax Department had filed an appeal before CESTAT on the issue of Wrong availment of Input Credit for the financial year from 2006-07 to 2010-11 amounting to Rs 845 thousand. Based on the favourable order from Principal Commissioner, Service Tax-II, Mumbai, the management does not expect any outflow of economic benefits and assessed the likelihood of outflow of resources as remote.
- c) The Company has received adverse order on the issue of Cenvat Credit amounted to Rs 2,061 thousand on Employee State Insurance Contribution for the period from July 2012 to March 2014 and year 2014-15 respectively. A penalty is also imposed in the said orders of Rs 2,061 thousand and Rs 1,550 thousand respectively. The Company has filed appeal with Commissioner (Appeals) against the same.
- d) The Show cause notices issued by Tax Authorities have not been considered as obligations by the company. The demand notices are classified as disputed only when the same are confirmed by the Appellate Authority.
- e) The Company has disputed the demand raised by the income tax department for non deduction of tax at source for Rs 1,238 thousands for A.Y. 2009-10 and for section 14A disallowance for Rs 367 thousand and penalty for AY 2007-08 to AY 2012-13 for Rs Nil (Previous period for Rs 1,238 thousands for non deduction of tax at source for A.Y. 2009-10 and penalty for A.Y. 2007-08 to A.Y. 2011-12 for Rs 18,866 thousand).
- f) Statutory bonus of Rs 13,925 thousands (Previous year: Rs 13,925 thousands) pursuant to retrospective amendment in the Bonus Act, 1965 for financial year 2014-15 have not been provided considering stay orders of Hon'ble Kerala High Court and Karnataka High Court.
2. The management is continuously in the process of identifying enterprises which have been provided goods and services to the Company which qualify under the definition of medium and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly the disclosure in respect of the amount payable to such Micro, Small and Medium enterprises as at 31st March, 2017 has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the act is not expected to be material.
3. There are no encumbrances to the assets of the company in and outside India.
4. The company has not invested any amount in real estate in the current financial year.
5. **Commitments:**
- There are no commitments made and outstanding for Loans in the current financial year (Previous year Nil).
 - The commitments made and outstanding for Investments are Nil (Previous year Rs Nil).
 - Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets (net of advances) is ₹ 28,574 thousands (Previous year Rs 91,615 thousands).
6. **Premium:**
- All premiums net of reinsurance are written and received in India.
 - Premium income recognised on "Varying Risk Patten" is Nil. (Previous year: Nil)
7. **Claims:**
- Claims net of reinsurances are incurred and paid to claimants in/outside India as under:

(₹ in'000)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
In India	12,215,575	15,060,987
Outside India	85,489	28,701

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

(₹ in'000)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
More than six months	16,856,176	17,977,922
Others	10,481,174	5,672,392

- 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	As at March 31, 2017	As at March 31, 2016
Purchases where deliveries are pending*	53,187	466,857
Sales where payment are overdue	Nil	Nil
Sales where deliveries are pending	1,442,482	2,024,493

*These amount have been settled post balance sheet date

- ii. Historical cost of investments valued at fair value on Balance Sheet date is Rs 3,895,578 thousands (Previous year Rs 2,598,791 thousands).

9. Employee Benefits:

- i. Defined Contribution Plan: During the year, Company has recognized ₹ 94,410 thousands as expenses (Previous year ₹ 83,334 thousands)
- ii. Defined Benefit Plan: The disclosure required under the define benefit plan as per AS 15 for gratuity fund is provided below:

(₹ in'000)

Gratuity	For the Year ended March 31, 2017	For the Year ended March 31, 2016
I. Assumptions		
Discount Rate	6.67%	7.48%
Rate of Return on Plan Assets	6.67%	7.48%
Salary Escalation	6.00%	6.00%
II. Table Showing Change in Benefit Obligation		
Liability at the beginning of the Year	104,630	79,310
Interest Cost	7,826	6,408
Current Service Cost	13,958	17,639
Benefit Paid	(16,420)	(13,737)
Actuarial Gain/(Loss) on Plan Obligation	19,894	15,010
Liability at the end of the Year	129,888	104,630
III. Tables of Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the Year	101,853	75,131
Expected Return on Plan Assets	7,619	6,071
Contributions	29,867	36,885
Benefit Paid	(16,420)	(13,737)
Actuarial Gain/(Loss) on Plan Assets	4,361	(2,496)
Fair Value of Plan Assets at the end of the Year	127,280	101,853
Total Actuarial Gain/(Loss) to be recognised	15,532	17,506
IV. Actual Return on Plan Assets		
Expected return on Plan Assets	7,618	6,071
Actuarial Gain/(Loss) on Plan Assets	4,361	(2,496)
Actual return on Plan Assets	11,979	3,574
V. Amount Recognised in the Balance Sheet		
Liability at the end of the Year	(129,888)	(104,630)
Fair Value of Plan Assets at the end of the Year	127,280	101,853
Difference	(2,608)	(2,777)
Amount Recognised in the Balance Sheet	(2,608)	(2,777)

(₹ in'000)

Gratuity	For the Year ended March 31, 2017	For the Year ended March 31, 2016
VI. Expenses Recognised in the Income Statement		
Current Service Cost	13,958	17,639
Interest Cost	7,826	6,408
Expected Return on Plan Assets	(7,618)	(6,071)
Net Actuarial Gain/(Loss) to be recognized	15,532	17,506
Expense Recognised in P&L	29,698	35,483
VII. Amount Recognised in the Balance Sheet		
Opening Net Liability	2,777	4,178
Expense as above	29,698	35,483
Employers Contribution Paid	(29,867)	(36,885)
Closing Net Liability	2,608	2,777

Experience adjustments

(₹ in'000)

	Year ended March 31,2017	Year ended March 31,2016	Year ended March 31,2015	Year ended March 31,2014	Year ended March 31,2013
Defined benefits obligations	129,888	104,630	79,310	45,727	43,795
Plan assets	127,280	101,853	75,131	49,596	39,117
Surplus/ (Deficit)	(2,608)	(2,777)	(4,178)	3,869	(4,678)
Experience adjustment for plan liabilities (Gain)/ Losses	16,558	5,884	15,910	670	828
Experience adjustment for plan Asset (losses)/Gains	4,361	(2,496)	4,722	291	(111)

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

10. 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 31,2017	For the Year ended March 31, 2016
Deferred Tax Asset		
Related to Fixed Assets	15,524	7,896
Related to Leave Encashment Provision	7,619	6,647
Long Term Employee Benefit	33,732	10,470
Unabsorbed Depreciation	315,860	347,722
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	-	-

The company has Deferred Tax Asset in the form of disallowances under Income Tax Act and carried forward losses. Company has recognised Deferred Tax Asset of ₹ 372,735 thousand in the books of accounts on conservative basis, excess Deferred Tax has not been recognised in the Books of Accounts.

11. Phantom Stock Option Scheme (PSOS):-

- (i) Details of vesting schedule and condition :-

Phantom Stock Options granted under the Scheme would vest within not less than 1 year and not more than 5 years from the last date of vesting of such Phantom Stock Options. Vesting of Phantom Stock Options would be subject to continued employment with the Company and thus the Phantom Stock Options would vest on passage of time.

- (ii) Options granted, forfeited and exercised are given below:

Particulars	No. of options
Outstanding as at 1st April, 2016	1,094,019
Granted	Nil
Exercised	Nil
Lapsed/ Forfeited/Surrendered	60,346
Outstanding as at 31st March, 2017	1,033,673
Exercisable as at 31st March, 2017	206,735

- (iii) Detail of phantom share granted subject to the term and conditions as per Phantom stock scheme.

Particulars	
Date of grant	October 15, 2015
Base Price Per Phantom stock Option	₹ 122
Appreciation per Phantom stock Option	Excess of 'fair market of share on the date of exercise' determined in term of the Phantom Stock Option Scheme over the Base Price'
Formula for the valuation of the Co.	50% of Gross Written Premium (GWP) + Profit Before Tax (PBT) X Fixed Multiplier (5)
Exercise Period	a. In case of continuation of employment : Vested Phantom Stock Options can be exercised any time up to 3 year from the date of last vesting of Phantom stock Options; and b. In case of cessation of employment :Different periods depending on kind of cessation as per provision of the Phantom Stock Option scheme.
Settlement of Phantom Stock Options	Within 90 days from the date of exercise by cash.

- (iv) The fair value of the options granted are with following assumptions:

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Discount rate	6.77%	7.72%
Expected Life	5 Years	5 Years

- (v) The Company's liability towards the scheme is accounted for on the basis of an independent actuarial valuation done at the year end. The valuation of the shares is done considering the Project Unit Credit Method and the progression of share price up to the exercise of the option. The total expense recognised for the year is Rs 67,214 thousands (Previous Year ₹ 30,254 thousands).

12. Premium Deficiency Reserve:

In accordance with Insurance Regulatory and Development Authority of India (Asset, Liabilities and Solvency Margin of General Insurance Business) Regulation, 2016, There is no liability towards premium deficiency at the Company level. In FY 2015-16, Premium deficiency was recognized at reportable segment level, where we had premium deficiency in Marine segment for Rs 25,791 thousand. The expected claim cost is certified by the Appointed Actuary and Mentor to the Appointed Actuary of the Company for current year, while in previous year it was based on report from an external consultant Actuary.

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

(₹ in'000)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Outsourcing Expenses	1,252,084	1,113,911
Business Development	2,888,559	2,186,411
Marketing Support	615,841	398,852

14. Terrorism Pool:

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

In accordance with the terms of the agreement, GIC retrocede 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 latest statement received from GIC.

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

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

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

The Company, together with other insurance companies, was participating in the Indian Motor Third Party Decline Risk Pool (IMTPDRP). The IMTPDRP was administered by the General Insurance Corporation of India (GIC).

On March 15, 2016, IRDAI had dismantled the IMTPDRP with effect from 01st April, 2016. During the year, the Company has received statement for the 3 months period January 2016 to March 2016 along with final statement for the financial year 2015-16 from GIC and the Company had accounted its share of premium, claims and expenses of the pool, which is recorded as inward insurance business.

16. Contribution to Environment Relief Fund:

During the year, Company had collected ₹ 1,554 thousand (Previous year ₹ 1,372 thousand) towards Environment Relief Fund (ERF) for public liability policies and an amount of ₹ 1,535 thousand (Previous year ₹ 1,411 thousand) transferred to "United India Insurance Company Limited, Environment Fund Account" as per Notification of ERF scheme under the public liability Insurance Act, 1991 as amended, balance amount of ₹ 31 thousand (Previous year ₹ 12 thousand) is shown under current liabilities in schedule 13.

17. Contribution to Solatium Fund:

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

18. Reliance Capital Limited (RCL) had infused capital of Rs 900,000 thousand during the financial year 2014-15. Pursuant to RBI approval letter dated June 02, 2016 to RCL, the Company has allotted the shares to RCL during the year.**19. Reduction of Share Capital:**

Pursuant to High Court order dated January 8, 2016, the Company has reduced the Securities Premium from Rs 16,242,881 thousands to Rs 8,054,800 thousands by utilizing the same towards deficit in the Profit & Loss Account as at 31st March, 2016. The Company received approval from IRDAI on May 23, 2016 in this regards. Further, the Company has charged the expenses amounting to ₹ 1,513 thousands incurred for the reduction of share capital to the Profit & Loss account as per the direction received from IRDAI.

20. Debenture Redemption Reserve (DRR):

During the year, the Company has issued Unsecured Subordinated Redeemable 9.10% Non Convertible Debentures, in accordance with Insurance Regulatory and Development Authority of India (Other forms of Capital) Regulations, 2015, amounting to ₹ 23,00,000 thousand on private placement basis listed at Bombay Stock Exchange. As per the terms, the same will be redeemed at Par after 10 years from the date of its issue. Section 71 of the Companies Act, 2013 read with

relevant rules requires Company to create Debenture Redemption Reserve (DRR). However, as per the communication received by the Company from the Regulatory Authority, the said matter is under examination and accordingly, DRR has not been created.

21. During the year, The Board has approved formation of a separate Health Insurance Company by Reliance Capital Limited subject to IRDAI and other applicable approvals. Retail Health Insurance Business will be the focus of the new Health Insurance Company and the Company will continue to focus on Group Health Insurance Business and Government Health Insurance Business and other ancillary areas.
22. The Company, being an Insurance Company, has not disclosed the details of Specified Bank Notes (SBN) held and transacted during the period 08th November, 2016 to 30th December, 2016 as required under Notification G.S.R. 308(E) dated 30th March, 2017 issued by Ministry of Corporate Affairs as the same is not applicable to the Company.

23. Corporate Social Responsibility:

During the year ended 31st March 2017, in accordance with the provisions of Section 135 of the Companies Act, 2013, the Company has provided and spent an amount Rs 16,277 thousand (Previous Year – Rs 3,515 thousand) on the Corporate Social Responsibility (CSR) activities approved by the CSR Committee of the Board.

24. MAT credit entitlement amounting to Rs 550,781 thousand (Previous Year ₹ 262,046 thousand) has been recognised as on balance sheet date as an asset based on the future economic benefits associated with it that will flow to the Company.

25. 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, 2017	For the Year ended March 31, 2016
Not later than one year	25,304	24,342
Later than one year and not later than five years	6,634	12,515
Later than five years	-	-

Lease payment debited to the Revenue account during the year ₹ 215,487 thousands (Previous year Rs 215,788 thousands).

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

Particulars	For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	GDP (₹ in '000)	% of GDP	GDP (₹ in '000)	% of GDP
Rural	12,525,670	31.83	2,711,758	9.71
Urban	26,827,825	68.17	25,203,877	90.29
Total	39,353,496	100.00	279,156,35	100.00

Particulars	For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	GDP (₹ in '000)	No. of lives	GDP (₹ in '000)	No. of lives
Social Sector	114,418	2,049,837	15,266	288,212

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

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
	% of business written	% of business written
Risk Retained	58%	72%
Risk Reinsured	42%	28%

28. Managerial Remuneration:

(₹ in'000)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Salaries	37,697	34,219
Contribution to Provident Fund and Superannuation	3,037	2,700
Provision for Gratuity and Leave Encashment	1,666	1,481

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

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

29. Basis used for determining IBNR / IBNER and Valuation of Liabilities as at March 31, 2017

- i. The liability for IBNR and IBNER as at 31st March, 2017 has been estimated by Appointed Actuary in consultation with Mentor to the Appointed Actuary as per the IRDA circular no. 11/IRDA/ACTL/IBNR/2005-06 dated 08th June, 2005 and Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2006

For all lines of business, the estimation was carried out using past trends in the claims experience as indicated by paid claims chain ladder and incurred claims chain ladder approach.

Bornhuetter – Ferguson method of estimation was also applied for some lines as considered appropriate by the Appointed Actuary in consultation with Mentor to the Appointed Actuary

- ii. For the Financial Year 2015-16, the Company had made the provisions towards IBNR and IBNER based on the report from an external consulting Actuary as Company's Appointed Actuary had resigned from the company on August 28, 2015 and the company was in the process of appointment of new Appointed Actuary. Pursuant to the directive of IRDAI, the panel actuary has carried out the actuarial valuation of IBNR provisions as at March 31, 2016 which shows further strengthening of reserving amounting to ₹ 1,713,925 thousand to be considered in the IBNR estimation. During the year, In order to maintain consistency in the process of estimating the IBNR, the methods adopted by the Panel Actuary is continued in the March 2017 for IBNR estimation.

30. The Company does not have any long term contracts including derivative contracts wherein the Company is required to make provision towards any foreseeable losses.

31. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company for the year ended March 31, 2017.

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

(₹ in'000)

SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/Reduced
1	Insurance Regulatory and Development Authority of India	(None) a) Violation of IRDA (Health Insurance) Regulations, 2013 (Rs 500 thousand) b) Violation of Regulation 2(g)(i) of the IRDA (Registration of Indian Insurance Company) Regulation, 2002 (Rs 500 thousand)	Nil (1,000)	Nil (1,000)	Nil (Nil)

(₹ in'000)

SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/Reduced
2	Service Tax Authorities	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
3	Income Tax Authorities	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
4	Any other Tax Authorities	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	Enforcement Directorate/ Adjudicating Authority/Tribunal or any Authority under FEMA	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
6	Registrar of Companies/NCLT/ CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013/1956	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
8	Securities and Exchange Board of India	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
9	Competition Commission of India	None	Nil (Nil)	Nil (Nil)	Nil (Nil)
10	Any other Central/State/Local Government/Statutory Authority	None	Nil (Nil)	Nil (Nil)	Nil (Nil)

(Previous year's figures are in brackets)

33. As per IRDAI Master Circular IRDA/F&I/CIR/F&A/231/10/2012 dated October 5th, 2012 and Corrigendum on Master Circular IRDA/F&I/CIR/F&A/126/07/2013 dated July 3rd, 2013, below table mention the age-wise analysis of unclaimed amount of the policyholders as on 31st March, 2017:

(₹ 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.	142 (Nil)	142 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
b. Any other sum due/payable to the insured/policyholder on completion of the policy terms or otherwise.	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
c. Any excess collection of premium/tax or any other charges which is refundable to the policyholders either as per the terms of the conditions of the policy or as per law or as per the direction of the authority but not refunded so far.#	53,764 (47,277)	7,286 (9,544)	3,844 (2,414)	2,714 (2,689)	2,200 (2,842)	2,667 (2,070)	35,053 (27,717)
Cheques Issued by the company under "a", "b" or "c" above & cheques have not been encashed by the policyholders/Insured.**	666,947 (457,401)	196,728 (182,568)	38,434 (21,764)	157,536 (18,501)	17,450 (13,771)	16,777 (10,777)	240,022 (210,020)

(Previous year's figures are in brackets)

*Does not includes cheques issued to policyholders and appearing in bank reconciliation as on 31st March, 2017

#Interest Accrued on Unclaimed amount is allocated proportionately under respective above-mentioned particulars.

Further, as per the Circular No. IRDA/F&A/CIR/CLD/114/05/2015 dated May 28th, 2015, the details of unclaimed amounts and investment income thereon are as follows:

(₹ in'000)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Opening Balance	504,680	746,482
Add:- Amount Transferred to Unclaimed amount	390,446	311,019
Add:- Cheques issued out of the unclaimed amount but not encashed by the policyholders (to be included only when the cheques are stale)	1,697	-
Add: Investment Income	33,164	-
Less: Amount paid during the year	209,134	552,821
Closing Balance of Unclaimed Amount	720,853	504,680

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

1. List of related parties* :

Holding Company

Reliance Capital Limited

Subsidiary of Holding Company

- 1 Reliance Nippon Life Asset Management Limited (formerly Reliance Capital Asset Management Limited)
- 2 Reliance Asset Management (Singapore) Pte. Limited
- 3 Reliance Asset Management (Mauritius) Limited
- 4 Reliance Capital Asset Management (UK) Limited (formerly Reliance Capital Asset Management (UK) Plc) (dissolved w.e.f. 14.06.2016)
- 5 Reliance Capital Pension Fund Limited
- 6 Reliance AIF Management Company Limited
- 7 Reliance Capital Trustee Co. Limited
- 8 Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)
- 9 Reliance Commercial Finance Limited (formerly Reliance Gilts Limited)
- 10 Reliance Money Express Limited (ceased w.e.f. 7.2.2017)
- 11 Reliance Money Precious Metals Private Limited
- 12 Reliance Home Finance Limited
- 13 Reliance Securities Limited
- 14 Reliance Commodities Limited
- 15 Reliance Financial Limited
- 16 Reliance Wealth Management Limited
- 17 Reliance Money Solutions Private Limited
- 18 Reliance Exchangenext Limited
- 19 Reliance Spot Exchange Infrastructure Limited
- 20 Reliance Capital AIF Trustee Company Private Limited
- 21 Quant Capital Private Limited
- 22 Quant Broking Private Limited
- 23 Quant Securities Private Limited
- 24 Quant Investment Services Private Limited
- 25 Quant Commodity Broking Private Limited (ceased 18.08.2016)
- 26 Quant Capital Finance and Investments Private Limited (ceased w.e.f. 07.07.2016)

List of other related parties under common control with whom transaction have taken place during the period.

- 27 Reliance Infratel Limited
- 28 Reliance Communications Limited (RCOM)
- 29 Reliance Infocomm Infrastructure Limited
- 30 Big Animation (India) Private Limited
- 31 Reliance Communications Infrastructure Limited
- 32 Zapak Digital Entertainment Limited
- 33 Reliance Telecom Limited
- 34 Big Flicks Private Limited
- 35 Reliance Big Broadcasting Private Limited
- 36 Reliance Big Entertainment Private Limited
- 37 Reliance IDC Limited
- 38 Reliance BPO Private Limited
- 39 Reliance Globalcom Limited
- 40 Reliance Innoventures Private Limited (RIPL)
- 41 Reliance Tech Services Limited
- 42 Campion Properties Limited
- 43 Zapak Mobile Games Private Limited

Key managerial personnel

Mr. Rakesh Jain (ED & CEO)

* As certified by the management and relied upon by the Auditor

2 Transactions during the period with related parties:

(₹ in'000)

S. no.	Name of the Related Party	Relationship	Nature of transaction	For the period ended 31st March, 2017	For the period ended 31st March, 2016
1	Reliance Capital Limited	Holding Company	Premium Received (net of refund)	79,522	27,658
			Equity Share Capital	9,00,000	-
			Claim Paid	328	10
			Reimbursement paid for expenses (Rent, Communication, Electricity, Professional fees, Maintenance Charges)	49,638	12,338
			Management fees paid	60,000	60,000
			Reimbursement paid for IT services	42,195	33,492
			Reimbursement received for expenses (Rent, Communication, Electricity, canteen expenses)	6,681	8,696
			Interest Accrual on Debenture	2,36,986	2,29,889
			Outstanding balance in Customer Deposit Account	3,324	17,670
			Creditors	2,417	2,873
2	Reliance Nippon Life Asset Management Limited (formerly Reliance Capital Asset Management Limited)	Fellow Subsidiary	Premium Received (net of refund)	22,595	12,897
			Claim	4	-
			Reimbursement received for expenses (Rent, Communication, Electricity, canteen expenses)	742	734
			Outstanding balance in Customer Deposit Account	1,445	1,374
			Debtors	73	72
3	Reliance Home Finance Limited	Fellow Subsidiary	Premium Received (net of refund)	10,441	3,280
			Interest Accrual on Debenture	8,033	-
			Outstanding balance in Customer Deposit Account	5,021	1,203
4	Reliance Money Express Limited (ceased w.e.f. 7.2.2017)	Fellow Subsidiary	Premium Received (net of refund)	5	647
			Foreign Currency Purchased	-	952
			Outstanding balance in Customer Deposit Account	434	434

S. no.	Name of the Related Party	Relationship	Nature of transaction	For the period ended 31st March, 2017	For the period ended 31st March, 2016
5	Reliance Securities Limited	Fellow Subsidiary	Premium Received (net of refund)	12,524	5,060
			Commission paid	2,768	-
			Brokerage paid for stock exchange trading	141	36
			Reimbursement received for expenses(Rent,Communication,Electricity,canteen expenses)	186	947
			Outstanding balance in Customer Deposit Account Debtors	45	25
				41	135
6	Reliance Spot Exchange Infrastructure Limited	Fellow Subsidiary	Outstanding balance in Customer Deposit Account	22	22
7	Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)	Fellow Subsidiary	Premium Received (net of refund)	75,583	72,988
			Group Term Insurance Paid	7,745	7,719
			Claim Paid	-	28
			Reimbursement received for expenses(Rent,Communication,Electricity,canteen expenses)	559	2,171
			Reimbursement Received for Membership Fees	1,500	-
			Debtors	906	264
			Outstanding balance in Customer Deposit Account	30,388	1,363
8	Reliance Capital Trustee Co. Limited	Fellow Subsidiary	Premium Received (net of refund)	8,990	5,390
9	Reliance Wealth Management Limited	Fellow Subsidiary	Premium Received (net of refund)	877	559
			Outstanding balance in Customer Deposit Account	2	6
10	Reliance Money Solutions Private Limited	Fellow Subsidiary	Premium Received (net of refund)	191	2,112
			Outstanding balance in Customer Deposit Account	59	2
			Insurance Commission Expense	33	88,871
			Creditors	-	734
11	Reliance Commodities Limited	Fellow Subsidiary	Premium Received (net of refund)	873	489
			Outstanding balance in Customer Deposit Account	12	9
12	Reliance Money Precious Metals Private Limited	Fellow Subsidiary	Premium Received (net of refund)	7	154
			Outstanding balance in Customer Deposit Account	-	131
13	Reliance Financial Limited	Fellow Subsidiary	Premium Received (net of refund)	317	221
			Outstanding balance in Customer Deposit Account	11	93
14	Reliance Capital Pension Fund Limited	Fellow Subsidiary	Premium Received (net of refund)	49	35
			Outstanding balance in Customer Deposit Account	23	70
15	Reliance Commercial Finance Limited (formerly Reliance Gilts Limited)	Fellow Subsidiary	Premium Received (net of refund)	353	-
16	Reliance AIF Management Company Limited	Fellow Subsidiary	Premium Received (net of refund)	28	1
17	Reliance Infratel Limited	Common Control	Premium Received (net of refund)	11	18
18	Reliance Communications Limited (RCOM)	Common Control	Premium Received (net of refund)	6,293	9,133
			Claim	246	4,311
			Reimbursement paid for expenses:-(Rent , Internet & Telephone Expenses)	22,458	3,600
			Outstanding balance in Customer Deposit Account	992	828
19	Reliance Infocomm Infrastructure Limited	Common Control	Premium Received (net of refund)	23	25
			Claim Paid	-	4
			Reimbursement paid for expenses:-(Rent, Communication, Electricity, Professional fees, Maintenance Charges)	12,264	12,264
			Creditors	-	12,816

Reliance General Insurance Company Limited

S. no.	Name of the Related Party	Relationship	Nature of transaction	For the period ended 31st March, 2017	For the period ended 31st March, 2016
20	Big Animation (India) Private Limited	Common Control	Premium Received (net of refund)	219	20
21	Reliance Communications Infrastructure Limited	Common Control	Premium Received (net of refund)	-	25
			Claim Paid	-	7
			Payments towards information and technology services	-	666
			Reimbursement paid for expenses (Rent, Communication, Electricity, Professional fees, Maintenance Charges)	18,368	-
			Debtors	20	361
22	Zapak Digital Entertainment Limited	Common Control	Premium Received (net of refund)	210	91
			Reimbursement paid for expenses (Online Reputation Expenses)	1,007	-
			Outstanding balance in Customer Deposit Account	205	205
23	Reliance Telecom Limited	Common Control	Claim Paid	-	90
			Reimbursement paid for expenses (Telephone Expenses)	1	11
			Outstanding balance in Customer Deposit Account	795	800
24	Big Flicks Private Limited	Common Control	Premium Received (net of refund)	-	22
25	Reliance Big Broadcasting Private Limited	Common Control	Premium Received (net of refund)	-	175
			Reimbursement received for exps(Rent, Telephone, Electricity, Office Maintenance)	-	425
26	Reliance Big Entertainment Private Limited	Common Control	Premium Received (net of refund)	163	21
			Claim Paid	-	17
27	Reliance IDC Limited	Common Control	Payment for IDC Charges	9,299	18,045
			Creditors	151	-
28	Reliance BPO Private Limited	Common Control	Claim Paid	-	1,571
29	Reliance Globalcom Limited	Common Control	Claim Paid	-	74
30	Reliance Innoventures Private Limited (RIPL)	Common Control	Premium Received (net of refund)	1,844	3,796
31	Reliance Tech Services Limited	Common Control	Claim Paid	-	434
32	Campion Properties Limited	Common Control	Premium Received (net of refund)	19	19
33	Zapak Mobile Games Private Limited	Common Control	Premium Received (net of refund)	77	88
34	Mr. Rakesh Jain	Key Managerial Personnel (includes relatives of KMP's)	Remuneration	42,400	38,400
			Premium Received (net of refund)	54	55

- Expenses incurred towards public utilities services such as telephone and electricity charges have not been considered for related party transaction.
- Claim paid to employees against Group Medical Policies and Group Personal Accident Policies have not been considered for related party transaction.
- Transaction amount consider above are excluding taxes.

35. Segment Information for the year ended on 31st March 2017

- 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 -OD	Motor -TP	Motor	Employer Liability	Public Liability
Segment Revenues								
Earned Premium								
2016-17	632,678	176,624	573	6,911,851	7,592,925	14,504,776	89,575	73,470
2015-16	560,425	266,885	1,412	6,060,363	6,902,123	12,962,486	86,006	52,323
Investment income								
2016-17	142,196	37,581	151	521,205	3,915,732	4,436,937	13,813	13,164
2015-16	95,202	37,881	136	4,52,678	3,216,687	3,669,365	8,241	8,498
Misc Income								
2016-17	(128)	139	130	2,127	-	2,127	-	1,742
2015-16	350	285	(228)	2,619	-	2,619	-	-
Total								
2016-17	774,746	214,344	854	7,435,183	11,508,657	18,943,840	103,388	88,376
2015-16	655,977	305,051	1,320	6,515,660	10,118,810	16,634,470	94,247	60,821
Segment Expenses								
Claims								
2016-17	677,042	184,398	(369)	3,802,202	9,454,243	13,256,445	100,327	49,251
2015-16	362,684	313,600	642	3,459,151	7,856,480	11,315,631	39,982	19,073
Commission								
2016-17	(256,036)	(37,248)	3,880	(87,836)	(98,748)	(1,86,584)	7,467	(1,191)
2015-16	(171,436)	32,220	(443)	(15,700)	(83,292)	(98,992)	8,039	703
Premium Deficiency								
2016-17	-	(25,791)	-	-	-	-	-	-
2015-16	-	25,791	-	-	-	-	-	-
Management Expenses								
2016-17	310,195	17,795	476	2,629,903	2,811,778	5,441,681	30,683	28,592
2015-16	228,629	92,921	726	2,008,851	2,230,478	4,239,329	28,660	18,429
Total								
2016-17	731,201	139,154	3,987	6,344,269	12,167,273	18,511,542	138,477	76,652
2015-16	419,877	464,532	925	5,452,302	10,003,666	15,455,968	76,681	38,205
Net Profit/loss								
2016-17	43,545	75,190	(3,133)	1,090,913	(658,615)	432,298	(35,089)	11,724
2015-16	236,100	(159,481)	395	1,063,358	115,144	1,178,502	17,566	22,616
Unallocated items								
Investment income								
2016-17								
2015-16								
Provision/ (Other income)								
2016-17								
2015-16								
Expenses								
2016-17								
2015-16								
Net Profit before tax								

(₹ in'000)

Particulars	Fire	Marine Cargo	Marine Hull	Motor -OD	Motor -TP	Motor	Employer Liability	Public Liability
2016-17								
2015-16								
Income tax								
2016-17								
2015-16								
MAT Credit								
2016-17								
2015-16								
Net profit after tax								
2016-17								
2015-16								
Assets								
Segment Assets								
2016-17								
2015-16								
Unallocated Assets								
2016-17								
2015-16								
Total								
2016-17								
2015-16								
Liabilities								
Segment Liabilities								
2016-17	1,581,608	251,895	1,056	5,006,412	38,452,608	43,459,019	161,630	147,295
2015-16	1,038,691	447,874	1,714	4,718,990	33,712,863	38,431,853	93,979	95,948
Unallocated Liabilities								
2016-17								
2015-16								
Shareholders Fund								
2016-17								
2015-16								
Total								
2016-17								
2015-16								

(₹ in'000)

Particulars	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Miscellaneous	Total Enterprise
Segment Revenues							
Earned Premium							
2016-17	187,244	1,114	333,685	2,999,417	1,682,808	207,524	20,889,488
2015-16	167,033	982	355,907	5,138,914	232,969	168,648	19,993,990
Investment income							
2016-17	32,376	316	50,826	256,583	80,622	46,436	5,111,001
2015-16	31,672	256	40,622	234,392	29,966	31,692	4,187,923
Misc Income							
2016-17	34	(140)	-	-	2	1,622	5,527
2015-16	(2,722)	86	72	-	-	13,218	13,680
Total							

(₹ in'000)

Particulars	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Miscellaneous	Total Enterprise
2016-17	219,654	1,290	384,511	3,256,000	1,763,431	255,582	26,006,016
2015-16	195,983	1,324	396,601	5,373,306	262,935	213,558	24,195,593
Segment Expenses							
Claims							
2016-17	65,325	105	547,525	2,735,375	1,583,401	68,372	19,267,197
2015-16	103,936	419	351,890	4,916,026	362,996	88,261	17,875,140
Commission							
2016-17	(13,663)	(2,570)	20,355	151,209	(1,386,259)	9,804	(1,690,836)
2015-16	(40,285)	(3,555)	24,093	116,361	(1,31,583)	14,493	(250,385)
Premium Deficiency							
2016-17	-	-	-	-	-	-	(25,791)
2015-16	-	-	-	-	-	-	25,791
Management Expenses							
2016-17	72,664	526	95,779	922,784	931,847	88,013	7,941,035
2015-16	58,845	449	8,4274	1,629,082	91,998	69,882	6,543,224
Total							
2016-17	124,326	(1,939)	663,659	3,809,368	1,128,988	166,190	25,491,605
2015-16	122,496	(2,687)	460,257	6,661,469	323,411	172,636	24,193,770
Net Profit/loss							
2016-17	95,328	3,229	(279,148)	(553,368)	634,443	89,392	514,411
2015-16	73,487	4,011	(63,656)	(1,288,163)	(60,476)	40,922	1,823
Unallocated items							-
Investment income							
2016-17							992,488
2015-16							1,046,981
Provision/ (Other income)							
2016-17							9,622
2015-16							6,632
Expenses							
2016-17							213,086
2015-16							64,617
Net Profit before tax							
2016-17							1,303,435
2015-16							990,820
Income tax							
2016-17							288,735
2015-16							227,346
MAT Credit							
2016-17							(288,735)
2015-16							(227,346)
Net profit after tax							
2016-17							1,303,435
2015-16							990,820
Assets							
Segment Assets							
2016-17							Nil
2015-16							Nil
Unallocated Assets							

(₹ in'000)

Particulars	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Miscellaneous	Total Enterprise
2016-17							76,750,071
2015-16							62,930,486
Liabilities							
Segment Liabilities							
2016-17	283,817	2,984	588,738	2,239,360	1,245,931	454,014	50,417,348
2015-16	313,247	2,824	395,295	2,561,192	238,865	401,648	44,023,130
Unallocated Liabilities							
2016-17							13,840,908
2015-16							7,753,740
Shareholders Fund							
2016-17							12,491,817
2015-16							11,153,617
Total							
2016-17							76,750,073
2015-16							62,930,486

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 ten classes of miscellaneous insurance.
- Since the company's entire business is conducted within India, there are no reportable geographical segments for the year.

36. Summary of Financial Results:

(₹ in'000)

Particulars	FY 2016-17	FY 2015-16	FY 2014-15	FY 2013-14	FY 2012-13
Operating Results					
Gross Direct Premiums	39,353,496	27,915,636	27,158,321	23,888,249	20,100,052
Net Earned Premium	20,889,488	19,993,990	19,184,624	17,397,581	13,598,151
Income From Investment	5,111,001	4,187,922	408,0149	3,387,475	1,931,993
Other Income	5,527	13,680	14,505	(8,720)	(2,110)
Total Income	26,006,016	24,195,593	23,279,278	20,776,336	15,528,034
Commission (Net) including Brokerage	(1,690,836)	(250,385)	(207,204)	396,363	449,007
Operating Expenses	7,941,035	6,543,223	5,376,745	4,598,337	3,895,361
Net Incurred Claims (Including Premium Deficiency Reserve)	19,241,407	17,900,931	18,043,042	16,015,320	12,625,867
Change in unexpired risk reserve	(1,423,980)	216,357	(100,941)	1,232,033	1,809,743
Operating Profit/(Loss)	514,411	1,824	66,695	(233,684)	(1,442,201)
Non Operating Results					
Total Income under Shareholder's Account	1,002,110	1,053,613	1,001,226	932,389	828,948
Profit/(Loss) before tax	1,303,436	990,820	813,901	640,827	(927,692)
Provision for tax :					
Current Tax (including earlier year tax)	288,735	227,346	34,700	-	-
Deferred Tax	-	-	-	-	-
MAT Credit	(288,735)	(227,346)	(34,700)	-	-
Profit/(Loss) after tax	1,303,436	990,820	813,901	640,827	(927,692)

(₹ in'000)

Particulars	FY 2016-17	FY 2015-16	FY 2014-15	FY 2013-14	FY 2012-13
Miscellaneous					
Policyholders' Account					
Total Funds	56,308,306	46,196,230	40,286,049	29,943,368	25,061,691
Total Investments	56,308,306	46,196,230	40,286,049	29,943,368	25,061,691
Yield on Investments	8%	9%	11%	9%	9%
Shareholders' Account					
Total Funds	12,491,817	11,153,617	10,197,214	8,483,787	7,783,003
Total Investments	10,934,351	7,617,502	10,197,214	8,483,787	7,783,003
Yield on Investments	8%	9%	11%	9%	9%
Paid up Equity Capital	1,257,750	1,227,750	1,227,750	1,227,750	1,227,750
Net Worth*	12,569,126	11,033,823	10,197,214	8,483,787	7,783,003
Total Assets	75,750,071	62,930,477	56,628,581	48,878,896	43,468,654
Yield on total Investments	8%	9%	11%	9%	9%
Earnings Per Share (₹)	10.36	8.07	6.63	5.22	(7.61)
Book Value Per Share (₹)	99.93	89.87	83.06	69.10	63.82
Total Dividend	-	-	-	-	-
Dividend Per Share (₹)	-	-	-	-	-

*Net Worth = Share Capital + Reserve & Surplus + Fair Value Change Account – (Miscellaneous Expenditure + Debit Balance in Profit and Loss Account)

37. Financial Ratios:

Class	FY	Gross Direct Premium Growth Rate	Net Retention Ratio	Net Commission Ratio	Underwriting Balance Ratio
Fire	2016-17	15%	23%	-30%	-0.16
	2015-16	37%	21%	-25%	0.25
Marine Cargo	2016-17	7%	11%	-73%	0.21
	2015-16	0%	66%	11%	-0.74
Marine Hull	2016-17	-38%	1%	478%	-5.73
	2015-16	113%	2%	-27%	0.18
Motor OD	2016-17	20%	79%	-1%	0.08
	2015-16	5%	79%	0%	0.10
Motor TP	2016-17	17%	80%	-1%	-0.60
	2015-16	-2%	80%	-1%	-0.45
Motor Total	2016-17	18%	79%	-1.2%	-0.28
	2015-16	1%	79%	-0.7%	-0.19
Employer Liability	2016-17	0%	95%	8%	-0.55
	2015-16	18%	95%	9%	0.11
Public Liability	2016-17	17%	21%	-1%	-0.02
	2015-16	20%	18%	1%	0.27
Engineering	2016-17	2%	34%	-7%	0.34
	2015-16	-21%	29%	-23%	0.25
Aviation	2016-17	20%	2%	-207%	2.62
	2015-16	76%	2%	-303%	3.83
Personal Accident	2016-17	33%	90%	6%	-0.99
	2015-16	-27%	90%	10%	-0.29
Health	2016-17	-36%	93%	5%	-0.27
	2015-16	11%	94%	2%	-0.30

Class	FY	Gross Direct Premium Growth Rate	Net Retention Ratio	Net Commission Ratio	Underwriting Balance Ratio
Other Miscellaneous	2016-17	5%	55%	4%	0.21
	2015-16	-19%	41%	8%	0.05
Weather and Crop	2016-17	867%	15%	-83%	0.33
	2015-16	-29%	21%	-55%	-0.39
Total	2016-17	41%	56%	-8%	-0.22
	2015-16	3%	70%	-1%	-0.21

38. Other Ratios:

Ratio	Basis	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Gross Direct Premium to Net worth Ratio	Gross direct premium for current year divided by paid up capital & free reserve	3.13	2.53
Growth Rate of Net worth	Change in Net Worth during the period divided by net worth as at previous balance sheet date	14%	8%
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)	23%	27%
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)	41%	38%
Net Incurred Claims to Net Earned Premium	Net Incurred Claims divided by Net Earned Premium	92%	90%
Combined Ratio	Net Incurred Claims divided by Net Earned Premium plus expenses of management (including net commission) divided by Net written premium	120%	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	2.25	2.17
Operating Profit Ratio	Underwriting profit/loss divided by net premium	2.46%	0.01%
Liquid Assets to Liabilities Ratio (times)	Liquid assets (short term investment plus short term loan plus cash and bank balances of the insurer) divided by policyholders liabilities (claims outstanding plus reserve for unexpired risk and premium deficiency)	0.31	0.35
Net Earnings Ratio	Profit after tax divided by net premium	6%	5%
Return on net worth ratio	Profit after tax divided by net worth	10%	9%
Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	Ratio of Available Solvency Margin (ASM) at the end of the year to the Required Solvency Margin (RSM)	1.68	1.55
NPA Ratio		-	-

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

39. Earnings per share information:

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Profit/(Loss) available to equity shareholders (Rs in '000)	1,303,435	990,820
Weighted Average number of equity shares outstanding during the year	125,774,960	122,774,960
Basic Earning Per Share (₹)	10.36	8.07
Diluted Earning Per Share (₹)	10.36	7.78*

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

40. Additional ratios required as per Clause 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ratio	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Debt Equity Ratio	0.18	NA
Debt Service Coverage Ratio	9.21	NA
Interest Service Coverage Ratio	9.21	NA

41. Changes in Accounting Policies

- a. The Company, in line with the requirements of the Insurance Regulatory and Development Authority of India (Assets, Liabilities, and Solvency Margin of General Insurance Business) Regulations, 2016, has maintained Premium Deficiency Reserve at Company level as against the Segment level. Had the Company maintained the Premium Deficiency Reserve at Segment Level, the Profits would have been lower by Rs 169,974 thousand.
- b. The Company has short term investments of Rs 485,724 thousand as at 31st March, 2017 towards amount representing unclaimed amount of policyholder on which income of Rs 32,953 thousands earned during the year has been credited to unclaimed amount of policyholders account as per IRDAI circular no. IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015. Had the Company not adopted the followed the Policy similar to Previous, the Profit would have been higher by the aforesaid amount.
- c. During the year, the Company has changed basis of allocation of investment income between revenue accounts and profit and loss account (refer note no. 23 of schedule 16), Till last year, the Company was allocating investment income between revenue accounts and profit and loss account on the basis of the ratio of average policyholders funds to average shareholders funds respectively, where average being the balance at the beginning of the year and at the end of the year. The Consequent impact of changes in the basis of allocation on the operating results for revenue accounts and profit and loss account for the year ended March 31, 2017 is as under:-
- Operating profit of fire account is higher by Rs 6,485 thousand.
 - Operating profit of marine account is higher by Rs 1,721 thousand.
 - Operating profit of miscellaneous account is higher by Rs 224,897 thousand.
 - Allocation to shareholder account in Profit and loss account is lower by Rs 233,103 thousand.
42. Forward contracts entered and outstanding as on March 31,2017 is Rs Nil (Previous year - Nil)
43. For the year ended March 31,2017 the amount of per share dividend recognised as distributable to equity shareholders is Rs 0.50 (March 31, 2016 "Nil"). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and if approved would result in a cash outflow of approximately Rs 75,690 thousand including corporate dividend tax.
44. Pursuant to Insurance Regulatory and Development Authority of India **circular no.** IRDA/F&A/GDL/CG/100/05/2016 dated 18th May, 2016 on Corporate Governance Guidelines, Details of additional work other than statutory audit are disclosed below:-

(₹ in'000)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Certification Work	762	728

45. Prior year figures have been reclassified, wherever necessary, to confirm to current year's presentation.

For the Year ended March 31, 2016		Regrouped in For the Year ended March 31, 2017		₹ In '000
Schedule	Particulars	Schedule	Particulars	
Schedule- 13	Sundry Creditors	Schedule- 13	Investments Purchased to be settled	466,857
Schedule- 12	Other Advances & Deposit	Schedule- 12	Investments Sales to be settled	2,024,493
Schedule- 8	Investments	Schedule- 8	Investments Shareholder	7,617,502
Schedule- 8	Investments	Schedule- 8A	Investments Policyholders	46,196,230
	Fair Value Change Account		Fair Value Change Account Shareholders	(19,753)
	Fair Value Change Account		Fair Value Change Account Policyholders	(119,794)
Schedule 1	Other Misc.	Schedule 1	Weather & Crop Insurance	232,969
Schedule 2	Other Misc.	Schedule 2	Weather & Crop Insurance	362,996
Schedule 3	Other Misc.	Schedule 3	Weather & Crop Insurance	(131,583)

For and on behalf of the Board of Directors

Rajendra Chitale
Director (DIN : 0015986)

H. Ansari
Director (DIN : 2155529)

Chhaya Virani
Director (DIN : 6953556)

Lav Chaturvedi
Director (DIN : 02859336)

Rakesh Jain
Executive Director & CEO
(DIN : 3645324)

Hemant K. Jain
Chief Financial Officer

Mohan Khandekar
Company Secretary (Membership No. A8515)

Place : Mumbai
Date : April 22, 2017

RELIANCE

**GENERAL
INSURANCE**

IRDAI Registration No.103.

Reliance General Insurance Company Limited.

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai-400710.

Corporate Office: Reliance Centre, South Wing, 4th Floor, Off. Western Express Highway,

Santacruz (East), Mumbai - 400 055. Corporate Identity Number: U66603MH2000PLC128300.

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